

accident contributions. Will the Colonial Treasurer explain whether these payments will be exempt?

The COLONIAL TREASURER: A union is not a friendly society and therefore will not benefit by the exemption. With regard to the proposal of the member for Swan, I will go into the matter, and if exemption can be allowed, I will arrange to have the exemption provided for in another place.

Mr. NAIRN: In view of the Colonial Treasurer's promise I will withdraw my amendment. It has been suggested to me that the Treasurer has no desire to prevent what I have in view, and that he is prepared to see that the provision is made and considered in another place. I will withdraw my amendment.

Amendment by leave withdrawn.

Mr. LUTEY: I propose to move an amendment providing that all moneys paid into the sick fund and death allowance fund of a union be exempt. On its friendly society side a union has just as much claim to consideration as has any friendly society.

The COLONIAL TREASURER: I cannot tell off hand how this will affect us. If the hon. member will see me and convince me that it is all right, I will do in his case what I have promised to do in the case of the member for Swan.

Schedule put and passed.

Title—agreed to.

[The Speaker resumed the Chair.]

Bill reported with amendments, and the report adopted.

BILL—LAND AND INCOME TAX ASSESSMENT ACT AMENDMENT.

In Committee.

Resumed from the previous day.

Mr. Stubbs in the Chair; the Colonial Treasurer in charge of the Bill.

Clause 2—Amendment of Section 16; income liable to taxation:

Hon. W. C. ANGWIN: This provides for wiping out the exemption of £200. An exemption is provided in every other State of the Commonwealth. I think we might well follow the example set in the other States. In view of the abnormally increased cost of living, the man on low wages cannot afford to pay any further taxation. When it was previously proposed to interfere with the exemption there was no Federal income taxation. A man earning less than £200 is not at present in a position to pay further direct taxation. It is not only the direct taxation he has to pay, but the indirect taxation also, which falls very heavily on him. The average wage for all industries in Western Australia is £3 7s. 10d. per week. So that there is a possibility of a man earning considerably under £200 a year being taxed if the exemption is wiped out.

The MINISTER FOR WORKS: Owing to the lengthy sittings we have had the strain has been very great not only on members but on the Government, and to sit longer now

would mean considerable disarrangement and disorganisation in the different departments, therefore it has been decided that the House at its rising shall adjourn until the 14th May. I hope members will look through the different Bills that have to be further discussed and study them so that when we meet again they can be got through without undue debate. I move—

“That progress be reported and leave asked to sit again.”

Motion passed; progress reported.

ADJOURNMENT—SPECIAL.

The MINISTER FOR WORKS: I move—

“That the House at its rising adjourn until Tuesday, the 14th May, at 4.30 p.m.”

Question put and passed.

House adjourned at 11.53 p.m.

Legislative Council.

Tuesday, 14th May, 1918.

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

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

BILL—GRAIN ELEVATORS AGREEMENT.

Second Reading.

Debate resumed from the 12th April.

Hon. J. F. ALLEN (West) [4.36]: I desire first to congratulate those members who have sought re-election at the hands of their constituents and been returned to this Chamber for a new term of six years. In moving the adjournment of the debate on the Grain Elevators Agreement Bill, I did not intend to be antagonistic to the project of bulk handling of wheat, nor did I desire in any way to prevent the Government from doing something which they earnestly believed to be in the interests of the State. Neither was I actuated by any desire to hold up that which was considered by the Government to be urgent business. But the question raised by this agreement is one of such magnitude and of such far-reaching importance to this State that in my opinion it would be unseemly for members of this Chamber to allow the measure to go through in one sitting, as was desired by the Government. To my mind it is a matter for regret that a mea-

sure of such importance should have passed through another place in that short space of time. The question is one which has been with in the minds of the primary producers of this State for many years, and it is a question which should not be lightly dealt with by any Government. That this Chamber should be expected in a few minutes to agree to a principle of such vast importance and one which has been debated for so many years was something which, in my opinion, the House would not be prepared to do; and the voting on my motion for the adjournment of the debate conclusively proved that other members thought likewise. I am not opposed to the principle of bulk handling of grain. It is a question in which I have been professionally interested for some 30 years, one which I have studied very closely, and one the advantages of which I have recognised for many years. The system is more economical than the handling of grain in bags, both from the point of view of labour and of freights. It is also a more cleanly method of handling wheat, more especially from the point of view of extraneous substances getting into the grain as well as the keeping it clear of pests and vermin. I may say the question is one which has been considered by the world for generations. The first historical reference to it that I know of is when Joseph in Egypt stored up the surplus grain for some seven years to provide for the lean years. The problem was very successfully tackled by Joseph, and we do not hear of his calling in experts from abroad to carry into effect that which he desired. Members generally may not quite understand what exactly is meant by bulk handling of grain. Most of us have a general idea, but the details of the system are probably unknown to many hon. members. The old system, as we all know, of handling grain was to put it into bags up to weights of 260 or even 300 pounds. These bags of grain were then carried by means of carts, railway carriages, and ships to different parts of the earth, where the grain was used. Next we had the composite system introduced of terminal elevators at ports, where the grain was received in bags which were emptied into the elevator, and then the grain was loosely delivered into the ships for carriage abroad in bulk. Finally we have the completed system of the grain being removed from the farms by machinery, deposited in tanks or other receptacles, or loosely deposited in silos at granaries on the farms, and thence transported in bulk to inland elevators, from which again it would be removed to the terminal elevators at the ports. That is the whole bulk handling system. A grain elevator is a large store for grain, not necessarily grain in bulk, but for grain generally. The particular elevators in which we are interested under this agreement, however, are those for the storage of grain loosely in bulk. Such an elevator consists of bins something in the nature of honey-comb cells. Into these bins the grain is delivered by means of shoots, to which it is taken by belts fitted with cups, called elevators, and from which it is distributed by other shoots or conveyor belts to its destination. There are two classes of elevators. One is such as we purpose some day to erect in Western Australia, an elevator which receives from land carriage and delivers into

ships. There is also the elevator which is used in the Old Country, and in other places where grain is received from ships and transferred to land carriage. There are slight differences between the two varieties of elevator, which differences I need not touch on now. I am opposing the measure before the Chamber to-day on four grounds. The first ground is my lack of appreciation of the ability of the Minister in charge of this department. Not that I have to find any fault with Mr. Baxter as an individual—the Honorary Minister is a personal friend of mine. But I do not consider that he has the necessary knowledge or training to fit him for the control of the department of which he is in charge.

Hon. C. F. Baxter (Honorary Minister): Should the bulk handling expert be the Minister?

Hon. J. F. ALLEN: No; I do not think that is necessary. But I do think that we should be consistent. In the past we have all urged that the difficulties under which this State is labouring to-day have been caused through our having Ministers in charge of departments who have had no business training. If ever there was a department which called for that particular training, it is the department presided over by the Honorary Minister.

Hon. C. F. Baxter (Honorary Minister): Do you mean to say I have had no business training? I have been connected with business all my life.

Hon. J. F. ALLEN: There are businesses and businesses. I am only expressing my opinion, and I say that I have no confidence in the Honorary Minister's ability to conduct this particular department. I can, if the Minister wishes it, enter into particulars. There is, for instance, the agreement entered into, rightly or wrongly, with the Westralian Farmers Ltd. for the handling of our wheat this year. I am not going to say whether that is a good thing or a bad thing. But we cannot shut our eyes to the fact that there is a great deal of dissatisfaction in this State with the manner in which the Minister in charge of the department has handled the business. There is a good deal of dissatisfaction both amongst the public, and amongst those interested in the business prior to the Honorary Minister's taking office. Another question which I have already mentioned personally to the Honorary Minister, is the covering in of the present wheat stack. There are other considerations of a similar nature which have led me to declare that I have no confidence personally in the business ability of the Honorary Minister in charge of this branch of the public service, but I have still other reasons for opposition to the measure. The second of these is that I do not think this is an opportune time for the introduction of bulk handling. In the third place I do not think that in the circumstances Metcalf & Co. were necessary to the preparation of these plans, in fact I do not think it was necessary to get the services of any other expert advisers outside of Western Australia. Fourthly, to my mind the agreement itself is unsatisfactory. I have dealt with the Honorary Minister as far as I intend to. In doing this I have merely expressed a personal opinion, but it constitutes one of the reasons why I am not pre-

pared to support the measure introduced by the Minister. Even when the Honorary Minister is introducing measures for our consideration, it is often difficult for members to understand from him what is meant by the measures he introduces. In regard to the question of the unsuitability of the present time for the introduction of the bulk handling scheme, I would like members to make note of what the Engineer-in-Chief, Mr. Thomson, wrote to the Government on the 27th June, 1914. Some time prior to that date the Engineer-in-Chief had been requested by the then Government to take a trip through Canada and America and report on the question of bulk handling. Amongst other things in his report, Mr. Thompson wrote this:—

As this State (Western Australia) has, and does offer many inducements for immigrants to take up land and become producers, it appears to me to be incumbent upon the State to sympathetically assist the farmer in all reasonable ways. In the case of local manufacturers, it is possible, by protection, to so assist the manufacturer as to enable him to meet rises in the price of material or in wages by increasing the price of his goods, by, in short, "passing on" the increase to the consumer. The primary producer has not this privilege, as no local system of protection can affect the price of commodities competing in the world's market. Increased prices paid for farm implements or in wages cannot be "passed on" as in the case of the manufacturer to the consumer, unless the general increase is world-wide. If these premises are sound, the logical deduction is that every reasonable assistance should be given to the producer to market his produce at the lowest cost to himself. If local costs in production increase, there must come a time when production fails to be remunerative, resulting in depopulation and in impoverishment to the State in which it occurs. For these reasons it was a matter of sound policy on the part of the Canadian Government to regulate the handling of the staple product of the country. Similar arguments apply to this State, and from the experience I have gained, and observations I have made, I am persuaded that there is a gain—both direct and indirect—to the producer by the bulk handling of his wheat over the present system: it may be small per bushel, but when the number of these is millions, the aggregate amounts to a large sum. This was written prior to the war, when conditions and prices were normal. The report continues:—

Western Australia has some advantages over Canada in the production of wheat, the principal of which are—a more equitable climate, and a relatively short haul from farm to port. The principal disadvantages are—a lower yield per acre, and greater distance from the principal market of the world. In spite of the short railway haul in Western Australia from farm to port, the transport charges are heavy, and will remain so owing to its distance from the foreign market, and undoubtedly will always militate against the net profit of the farmer of this State. Transport charges are all in favour of Canada.

As already shown, the cost per bushel of wheat carried from Calgary—1,267 miles west of Fort William, on Lake Superior—and delivered in Liverpool, is at the rate of 11¼d. per bushel. Taking the average distance of a farm as 200 miles from the nearest port of Western Australia, and assuming an ocean rate of 1s. per bushel, the cost, for transportation alone, would amount to 1s. 4d. per bushel; that is to say the West Australian farmer would be at a disadvantage, as compared with the Canadian farmer, to the extent of 4¼d. per bushel for transportation alone. If the yield per acre is also considered, taking the average, he (the Western Australian farmer) is worse off to the extent of seven bushels per acre. In figures, the above two conditions would work out as follows:—One acre in Canada produces 18 bushels: at market price (5s. bushel), £4 10s.; less transport only 11¼d. per bushel, 17s. 1½d. net monetary yield, deducting transportation charges only, £3 12s. 4½d. One acre in W.A. produces 11 bushels; at market price (5s. bushel), £2 15s.; less 1s. 4d. per bushel for transportation, 14s. 8d.; net monetary yield, deducting transportation charges only, £2 0s. 4d. Difference, £1 12s. 0½d. Or practically £1 12s. an acre in favour of Canada on each acre's production. It should also be emphasised that the transportation charges given in the case of Canada are for an acre situated a fortnight's journey by truck west of the Lake Front. The one shilling assumed ocean freight in the foregoing table is approximately the present rate for bagged wheat. It is generally admitted that vessels can take ten per cent. greater weight of wheat in bulk than in bags, and considering the rapid despatch by vessels using the bulk method, it would be reasonable to suppose that the cost per ton for the carriage of wheat in bulk from Fremantle or other Western Australian port to London would be lower than in bags; but considering the long distance, and the time taken on the voyage, it can never approach the low freight between the ports of Montreal and Liverpool. All the more reason, therefore, that the farmer here should be provided with local facilities for handling his grain in the cheapest way. It is hardly worth while, however, to labour this question, as the Government have already, I understand, decided to make arrangements for the bulk handling of wheat, and during my absence in England and America a commission to this end was appointed to inquire into and report upon the subject. With the findings of that commission I am in general agreement, but I am not so enthusiastic as the board appears to be regarding the financial benefit to the farmer to be derived by the adoption of the system. Theoretically, there should be a direct saving of about 1d. to 1½d. per bushel, but all of this will not go into the farmer's pocket, though I believe it will be a direct gain to the State.

Again, on page 25 the Engineer-in-Chief says—The direct gain per bushel will be small, and not all of it will accrue to the producer, although I believe it will to the State, but the aggregate, will be large, and increasing pari

passu with the production. (b) The new system cannot be put into operation without a large expenditure in providing plant, and in practically making a new department of the State; nor without a recurrent annual expenditure to keep the departmental machinery in motion. How much of this will be returned directly from receipts cannot be stated, but I may say that all my inquiries regarding the direct financial success of the Wheat Board in Canada went to show that so far it was not self-supporting.

This was written prior to the war and consequently the conditions under which it is proposed to introduce the system into Western Australia to-day, will certainly militate against the success of the scheme in this State. We have only to look at the cost of the installation of this plant. It is a very difficult matter to arrive at the cost from the statements made authoritatively. The advisory board, in their report, which was written in 1913 and consequently prior to the war, stated that a scheme for the purpose of handling 5,000,000 bushels of wheat per annum having elevators of a capacity of 1,400,000 bushels, would cost £161,700. This estimate was confirmed by the Engineer-in-Chief in his report the following year, when he said—

I believe the figures given by the Board are safe, namely, £80,000 for a terminal elevator and sidings at the port of Fremantle and £81,700 for the country elevators.

Therefore the cost of a scheme at that time was estimated at £161,700 completed. This was also supported by estimates which I myself received from other sources at that time. When the present Honorary Minister introduced the Bill before us, he stated that for the purpose of erecting bins, having a capacity of 5,000,000 bushels—he said nothing at all about even temporary machinery to operate those bins—would cost £285,000. When we consider that 1,300,000 bushels prior to the war would have cost £161,700 we can see that a completed scheme of 5,000,000 bushels at that time could have been erected for £300,000 complete, including railway sidings, machinery for operating, and so on. To-day the Minister says that the bins alone, without any machinery or with nothing more than temporary machinery, would cost £285,000. But we were told by the Minister for Industries in another place that the Government contemplated the introduction of a scheme of elevators with a capacity of 10,000,000 bushels, double the capacity mentioned by the Honorary Minister in this House; and his estimate, which he said was confirmed by the Engineer-in-Chief, for the bins to be erected with a capacity of 10,000,000 bushels was £700,000, and he said that after the war when those bins were coupled up with a complete bulk handling system, the cost would be another £620,000. And in reply to an interjection by the Hon. W. C. Angwin, the Minister said the complete scheme would cost £1,320,000. That is something like four times the amount this scheme would cost in normal times, for instance, four times what has been paid in Canada for the scheme in operation there. And when we recollect that only one-third of the wheat produced in this State is to be held in the elevators, one naturally asks what is to be-

come of the other two-thirds. It is assumed by the Government that one-third of the crop will be passed through the elevators and put on shipboard in time to allow of another third taking its place in the bins. But it will be pretty smart work in Western Australia if they get the first third of the wheat on board ship before the harvest is completed. Even assuming that this was done, we would still have left another third of the harvest, which has to be provided for outside of the elevator system, which must be held and stored by the farmers themselves. Now, assuming that the complete system for bulk handling is introduced I venture to say it will cost the Government £1,320,000 to instal the necessary plant on a complete scale, and it will cost the farmers collectively even more than that to provide the equipment necessary to hold the remaining third of the crop. We have therefore the astonishing figures of nearly £3,000,000 to be expended in this State to provide storage capacity for two-thirds of the crop, assuming that one-third is on ship board and in transit abroad. If we for a moment consider what this means we shall see what a millstone this will be around the industry of this State for all time.

Hon. C. F. Baxter (Honorary Minister): This Bill does not commit us to a bulk handling scheme.

Hon. J. F. ALLEN: Six weeks ago I asked the Minister whether this was for a storage scheme or a bulk handling scheme and the reply I received was that it was for inaugurating a bulk handling scheme. Am I to take this answer now or the answer which I received some weeks ago. There is no doubt that it is the intention of the Government to introduce a bulk handling scheme in this State. If it is not intended to introduce a bulk handling scheme why should we pay this firm some thousands of pounds for plans and specifications. Is it only to be a toy to hang up in our offices to look at?

Hon. C. F. Baxter (Honorary Minister): To protect the wheat at the present time.

Hon. J. F. ALLEN: I know the Minister has not had much business experience but he should have had this experience. The Government have never yet inaugurated any work of such magnitude as this and have had it completed within 12 months. We have only to instance the Power House which is not completed yet, and yet it is a smaller work than this. Then there is the Wyndham Freezing Works which is not completed, a much smaller work, yet the Minister imagines that he is going to get this work completed for next harvest. Suppose he does so. It provides only for a five million capacity which is one-third of the next harvest and yet the Minister talks of getting bins completed to hold the wheat for next year. It is only a drop in the ocean. In ordinary times this would be a considerable asset for the State to have, but at a time like this when we know that the scheme will only hold such a small moiety why should there be this indecent haste on the part of the Government when the work will now cost just four times as much as it should do. We must consider this matter cautiously. There is another question: what is the money going to cost us? Only a few weeks ago a Bill was introduced

in this Chamber asking members to give the Government power to borrow money up to 6½ per cent. ad lib. If we give the Government power to go on with this scheme the charge for interest and depreciation will add 4d. or 5d. per bushel to the wheat, which the farmers produce, for all time. The figures work out interest and depreciation 4d. per bushel for wheat stored in this scheme during this crisis. If wheat passed through the elevators three or four times a year it might be a different thing and the price would come down, but the wheat may be kept standing in the elevators we are told for several years and the wheat is to be charged 4d. per bushel for as long as it stays in the elevators. I think members should consider very carefully this question before entering into the scheme which is fraught with so much danger to the wheat producing industry of this State. There is another question. We are not told to what extent the present wheat pool is to be charged with the capital cost of the bins. I am only assuming that it is to be charged with interest and depreciation when I say that it will cost 4d. per bushel. If to that has to be added a proportion of the cost of the bins themselves, and we are told that the wheat may have to remain in those bins for seven years—we were told that in another place—if we have to add a proportion to the capital cost it may double the 4d. per bushel and the whole value of the wheat may be eaten up with this charge. The scheme cannot be a success. If we have to load the system with these charges for all time, the farmers of the State will have to bear this heavy burden. In time to come the taxpayers will have to take up this burden and remove it from the shoulders of the farmers or the farmers will cease to produce wheat. We shall find that when times become normal we shall be asked to relieve the farmers of this heavy burden. It is our duty to see that this is not done. The world fixes the price of wheat and it is impossible for farmers to produce wheat under the conditions that I have stated. There is only one alternative for the Government in the future, and that is to remove this burden from the shoulders of the farmers. We have had too many burdens passed on to the taxpayers of the State in the past, and at a time like this when we should conserve everything we possibly can, we should be very cautious indeed before we pledge our credit further. We should keep ourselves clear for other and more important emergencies that may arise in the future. In regard to the engineers themselves, Messrs. Metcalf & Co., I have no hesitation in admitting that Messrs. Metcalf & Co. are a firm of world-wide repute. They have been engaged for 15 or 16 years in this work of erecting elevators of great magnitude in America and in the Old Country, but they are after all only designers of elevators and machinery for the equipment of elevators. In the file which was laid on the Table in another place there is a report by Mr. Connolly, the present Agent General, referring to the bulk handling of wheat, and he speaks of the firm of Metcalf & Co. somewhat to this effect, that he had no knowledge when in Canada that they were so

largely associated with the construction of these large works there, but from a letter received from them he learned that they were engineers who had carried out works of considerable importance and expense. But he points out that when he recommended to the Government that they should have an expert to advise them, he had meant not engineers of that type, but an engineer able to advise the Government not on the actual construction but on the initiation of the scheme generally and the surrounding conditions in which elevators have to be provided to be economically worked so that the type of engineers that Messrs. Metcalf & Co. were are not the kind that he recommended when he reported on the matter. I agree with Mr. Connolly, that is not the type of engineer we require. We are told that we have in this State an engineer, Mr. Pearse, who is quite capable of advising the Government as to the sites for this scheme, who knows the production of wheat in this State, and who knows where the silos should be erected. No one could advise better as to where the silos should be constructed and how the scheme should be laid out. That is the opinion of the Minister for Industries, who started this when introducing the Bill in another place.

Hon. W. Kingsmill: The opinion of the Government.

Hon. J. F. ALLEN: That is what the Minister for Industries stated in another place. He said that Mr. Pearse was quite competent, and if we have an engineer competent to do that work that is all we require; but if we have not an engineer in our departments who is not competent to design an elevator it is quite time we made a clean sweep of the whole lot. When I was 22 years of age I was employed by a firm of engineers in Sydney to design plans for an elevator to be erected in that State. I had never seen an elevator before; I had never heard of an elevator, I knew nothing about elevators, yet I designed and erected an elevator which has worked ever since, and has worked as economically as any elevator in the world, and is as good as any elevator to be found in the world to-day. I am not a genius but I am an engineer such as we may meet with any day, and if at 22 years of age without any previous knowledge, with no text books to guide me, without previous experience to help me, I could plan and erect an elevator which would work economically as it is doing to-day, then if we amongst our staff in this State to-day, with all the text books at command cannot find engineers to design an elevator it is time we made a clean sweep of the whole of our officers. I have a book here which can be bought for £1, which would give the Government all the information they require. From it can be obtained plans and specifications of elevators erected by Messrs. Metcalf & Co., and no doubt the specifications that Messrs. Metcalf & Co. are supplying the Government with can be found in this very book, and with the assistance of this book I guarantee that I can find half a dozen engineers in this State as well as in other parts of Australia who are capable

of producing plans equal to anything in the world for this purpose. This is another reason why I consider that these plans should not be produced by Metcalf & Co. An elevator, as I said before, is a building consisting of a number of bins with machinery for receiving and delivering the grain to and from the bins, and also machinery for weighing, grading, measuring, and cleaning the wheat. There are different makers in different parts of the world for this class of machinery. The building has to be planned to fit the type of machinery. The Engineer-in-Chief, and I am quoting from his report, because he is the official head of the engineering staff in this State, was instructed by the Government to go through America and report on this matter, and his report must be taken notice of, and this is what he said prior to the war—

I now recommend that the Government determine whether legislation is to be introduced to establish a trust or some other similar body, as recommended by the Advisory board: that this body, when constituted, determine the sites of the various country elevators: I do not think, under existing circumstances, that there can be any question as regards the site of the terminal elevator at Fremantle. I therefore recommend, further, that plans and cross sections and borings of the proposed site be obtained, and, adopting the capacity recommended by the advisory board, namely, 500,000 bushels. Bushels storage, with provision to increase to one million (1,000,000), that these be submitted to the Agent General, and, by him, to firms specialising in this particular class of machinery and design, both in England and America, and that these firms be requested to submit proposals and prices for the erection of the buildings and machinery, and that they be also requested to submit designs for buildings and machinery of country elevators in jarrah, in units of 10,000, 25,000 and 50,000 bushels storage capacity.

I know that when the Engineer-in-Chief was in the Old Country he received from several firms complete plans for elevators showing construction, design, and machinery equipment. I presume those plans are in the department to-day, because he received them in his capacity as Engineer-in-Chief of this State, and when they were given to him they became the property of the Government of this State. The system to which I have referred is the system which has been adopted practically all over the world in regard to the construction of elevators. If Metcalf & Co. design elevators they design them to suit a certain type of machinery, but unless the Government instruct Metcalf & Co. that these elevators must be designed to suit certain machinery, Metcalf & Co. will construct them to suit the machinery which the firm themselves will provide, in which they are interested, and we shall have all over again the Merz & McLellan East Perth power-house fiasco. There is another matter which I would like the House to remember. In years gone by we carried out works of great magnitude in this State and we car-

ried them out successfully. These works were carried out by the engineers employed at that time by the State. For instance, there was the Coolgardie Water Scheme, which was designed and constructed by the then Engineer-in-Chief of Western Australia, the late Mr. C. Y. O'Connor. That work was one of the seven wonders of the world, and it was recognised as one of the greatest schemes on record. It was carried out without outside expert advice. Then there was the Fremantle harbour scheme, which stands to the credit of the same gentleman. An engineer was brought out to give an opinion on that, but our Engineer-in-Chief varied the design according to his own judgment. If his variation had not been made the harbour would have been a failure, instead of a success. These two works show that the engineering staff employed by the State at that time were capable of carrying out works of great magnitude. We had at the head of affairs a gentleman who had confidence in his ability to do these things, and he was familiar with local requirements, local materials, and local conditions, three very essential things, and the result was that the works which he undertook were a success. They were carried out economically and successfully, and are standing to-day as a monument to his ability and to what the department at that time was able to carry out. Since that time we have had outside experts brought in to construct works for us. The first work of any consequence which was entrusted to outsiders was the Fremantle dock. A gentleman was brought out from the Old Country, who was an expert in the construction of docks, and after a quarter of a million was spent on this work it was abandoned, simply because the expert started without knowledge of local conditions. If he had been possessed of the necessary local knowledge, no doubt the dock would have been a success, instead of being, as it is at the present time, merely a big hole in the Fremantle harbour. The next work which was entrusted to outsiders was the power house at East Perth, to which I have referred. We know how the present Colonial Secretary castigated the late Government in connection with this undertaking. Messrs Merz & McLellan are engineers of world repute, but they made a mistake here; in fact they made many mistakes, solely through a lack of knowledge of local conditions and erroneous instructions which were given to them by the Government. Merz & McLellan are engineers of world renown, and if they had been left alone merely to advise us, there would have been no mistake made at East Perth. But when they went beyond that, they landed us in an enormous expenditure, which would have been obviated if the work had been entrusted to engineers with local knowledge. We have next the Wyndham freezers. Another expert was selected from abroad, a gentleman who knew nothing of local conditions. I need say nothing further about that, because what has transpired is quite fresh in the minds of hon. members. We know exactly what we got from that outside engineer in regard to the Wyndham freezers.

Hon. J. Nicholson: The engineer there was perfectly right, and he is ready to stand to his guns to-day.

Hon. J. F. ALLEN: That may be. I am only saying that, instead of having a local staff to take these matters in hand from the beginning, we always seem to seek outside expert advice. If we entrusted these undertakings to our local engineers we would know what we were doing, but we prefer to go outside, and the works generally then end in a fiasco. Moreover, the cost runs into two or three times the original estimate. If a similar condition of things is going to happen in connection with the bulk handling of wheat, I pity the poor farmers who are attempting to grow wheat under the conditions which exist at the present time. Mr. Dodd, in connection with another measure, a few weeks back, referred to the question of experts, and he said we were suffering from experts. That is not the fault of the experts themselves, but it is the fault of the Ministers who select them, and when we have Ministers without knowledge and without business training, or any experience of public life, we shall always have these mistakes occurring. Whenever mistakes occur in the selection of experts we have to pay the penalty. If I wanted a doctor to perform an operation on my eye, I would not choose a doctor who was an expert in cancer work. I would go to a man who understood the nature of the work I wanted him to do and who knew something about the constitution of the patient. In the present case we have something which does not call for wide expert knowledge, such as the Government have suggested. The work of erecting elevators is simple and we have the world's examples to go upon. But we do want in the engineer who designs them, an engineer who understands local conditions and local materials, and who can utilise what we have in the State. We will never get that from engineers who have been accustomed to conditions as they are in Canada. There is another point to which I would refer and it is the fact that we have no guarantee that those who have the expert knowledge are going to assist us. We are only promised the assistance of the Australian representatives of these experts. We know that an expert in engineering cannot convey his knowledge to other people. An engineer is only an engineer in his own capacity, and his assistants do not possess the genius with which he is endowed. Therefore, if we have to take his representatives we may as well employ our own professional men to do the work. An engineer such as our Engineer-in-Chief who has made exhaustive inquiries in connection with the elevators in America, should be capable of designing these elevators just as well as the representatives in Australia of Metcalf & Co. I notice from the file which has been laid on the Table of the Legislative Assembly that Metcalf & Co. propose that they should incorporate themselves as an Australian body and that they should reserve to themselves the right to transfer this contract to that body. I do not know whether that is to be allowed by the Govern-

ment or not, but if it is to be permitted, we might just as well employ a man in Hay-street to carry the work out for us, because the engineer we want is the man himself, the man who is responsible for the construction of these works in America, and not a subordinate or an assistant who may not have that expert knowledge which we require. Another thing we should remember is that we should be loyal to our own people. We employ engineers and we should give them the opportunity of carrying out undertakings such as these. The engineers who are in the service of the State are not given an opportunity. They are kept down by those above them and by the Public Service Act, which prevents them showing what ability they possess. It is the young man who shows the way to the engineering world and not the man who is old and fossilised in Government departments. Where did Canada go for engineers to carry out her bulk handling scheme? Did she send abroad for them? She employed her own engineers and produced those great works which are in existence to-day and which set an example to the world. Why, therefore, should not we in Western Australia follow the example set by Canada? Further, we must remember Metcalf & Co. are an American firm and not a Canadian firm. I have a prejudice against American engineers because they are noted for the weaknesses of their designs. In no other part of the world have there been so many disasters from that cause as in America. Immense bridges have collapsed with their own weight and only a fortnight ago we read of where a bridge, which had been constructed for the military authorities, collapsed under the weight of a train, and that a number of soldiers were killed. That is due to weakness in design.

Hon. C. F. Baxter (Honorary Minister): What engineers are there available in Australia?

Hon. J. F. ALLEN: I could name half-a-dozen for the Honorary Minister.

Hon. C. F. Baxter (Honorary Minister): Mention them.

Hon. J. F. ALLEN: There are Simon, Robinson and Spencer, and I can give the hon. gentleman others. Therefore, why select Metcalf & Co.? There are English firms which are represented in Australia and we have a right to be loyal to Great Britain before the Dominions, and, as I have stated, Metcalf & Co. are not even a Canadian firm; they are American. There are great engineering firms in the Old World which have made reputations, and the works carried out by them are equal to the works of Metcalf & Co. I admit that Metcalf are a great firm, but the knowledge that we have of that firm is only from Metcalf & Co. Mr. Connolly, the Agent General, did not hear of them when he was in Canada and he heard of their existence for the first time from the firm themselves after he had arrived in England. I do not make these remarks in disparagement of Metcalf & Co. My desire is only to point out that they are only one firm amongst a number and we are not limited in our choice. What I want

to know is, why were Metcalf & Co. selected for this work? The only answer which I seem to have been able to get is that the Federal Government instructed that they should be employed. If that is so, where are our sovereign rights as a State?

Hon. C. F. Baxter (Honorary Minister): That is not so.

Hon. J. F. ALLEN: That is what the Honorary Minister told me.

Hon. C. F. Baxter (Honorary Minister): Certainly not.

Hon. J. F. ALLEN: I will leave Metcalf & Co. and come to the agreement itself. We understand that the other States had entered into an agreement of such momentous importance months ago in connection with the bulk handling of wheat and that this State only entered into this agreement with Metcalf on the 20th March last, and after entering into an agreement of such momentous importance, the Government tried to rush it through both Houses of Parliament. If the matter was of such importance six months prior to that, and it was necessary to provide storage accommodation for the coming harvest, surely the Government might have had the matter finalised earlier, and Parliament would have had ample opportunity of considering it. But it seems to me that the urgency for it has arisen from some unknown cause. In the first clause of the agreement it is provided that "company" means and includes as well the John S. Metcalf Co., Ltd., as its permitted assignees. What is the meaning of that? Are the Metcalf Co. in Canada to be allowed to transfer their rights to a firm in Australia who will be responsible to us and, consequently, will take the responsibility from Metcalf & Co.? Paragraph 3 says—

The company by its fully qualified and competent officers shall act as consulting, designing, and supervising engineer to the Government for the construction of bulk handling grain elevators etc.

The only judges as to the competency of the qualified officers are to be Messrs. Metcalf & Co., for the Engineer-in-Chief himself admits that he has not the necessary knowledge to enable him to construct these elevators. What protection have we against incompetent officers being sent here by the firm which is situated in Canada? In paragraph 4 the same sort of thing occurs, for it says—

Persons to be approved of by the Engineer-in-Chief, and the Engineer-in-Chief shall be entitled from time to time to require and be supplied by the company with the name, qualifications, and any other particulars that the Engineer-in-Chief may require of such persons for his consideration and approval.

Again, we have the Engineer-in-Chief as the authority as to whether or not these people understand their business, whilst he admits that he does not understand the business himself.

Member: Does he say that?

Hon. J. F. ALLEN: He admits that by saying that he cannot do it.

Hon. J. W. Kirwan: Whilst he is asked to supervise the work.

Hon. J. F. ALLEN: Exactly. In Clause 6 we have this reference—

The company shall supply to the Minister ten blue print copies of the said plans, drawings, and specifications.

We are to have ten blue print copies for all the money that we shall be paying these people. The elevators which will be constructed will be exactly detail for detail on the same lines as similar buildings constructed in the Eastern States. But we shall be paying these thousands of pounds for ten blue print copies of plans which the other States are already paying for. There is no local detail required except in regard to the arrangement of the buildings on the site, and for this knowledge Messrs. Metcalf & Co. will have to depend on the local engineers. Probably this company has erected this type of elevator in thousands throughout the world. Then we have provision for the payment of £9,000 for these plans. I do not know how this is made up, but perhaps the Honorary Minister will explain that later on. The capacity of the elevators and the plans which they are to supply compare very closely with the capacity and plans of the elevators which were estimated for by the advisory board some four years ago, and which the Engineer-in-Chief agreed would cost a little over £160,000. Then the Government intend to pay an additional three per cent. on the plans in connection with other terminal elevators. On the actual value of these buildings, this should amount to £4,551, and yet the Government intend to pay £9,000 for these ten blue prints. Why are we paying £9,000 for what in pre-war days would cost £4,551? No doubt the enhanced cost of building makes up the difference. The elevators, however, are going to cost double what they would have cost before the war, and they will be a milestone round the necks of the farmers, which fact I hope their representatives in this Chamber will take note of. It is provided in Clause 12 that the company shall furnish a bond or guarantee to the satisfaction of the Minister in the sum, or to the extent, of £1,000 for the due performance by the company of the terms and conditions of the agreement. When engineers design a building, whether for an elevator or anything else, even if the building is not constructed according to the design, the engineer is responsible in law for any trouble or accident arising through faulty design. Such a case was settled in New South Wales some three or four years ago. A wheat elevator had been constructed in a country town, and when the wheat was put into it the elevator collapsed. The cost of reinstating that one elevator, and the payment for damages in connection with it, ran into nearly £3,000, and yet the Government have entered into an agreement providing for a bond of only £1,000 for the introduction of the bulk handling system in the State, which is going to run into over a million pounds. A firm, even in Canada, can be sued by the Government of the State for damages in the event of any collapse in the elevators of the State, but hon. members must recollect that this would mean a very considerable expenditure. But if the Government are prepared to allow this company to transfer its rights under this agreement to the assignees, then the only security we have is the security of the local assignees in a bond of £1,000.

I think I have put up a good case for having moved the adjournment of the debate on this measure. This is a question of vast importance, not only a question of the expenditure of a vast amount of money on the largest undertaking the State has had to deal with for some years past, but it is a question which is closely associated with the greatest and first primary industry of the State, namely, that of wheat production. This industry is growing and developing, and will become of even greater importance to the State as years go by, and anything that we do to clog that industry, or to prevent its attaining its greatest ideals, is going to be a drag upon it, and something which will ultimately wipe it out of existence, or else the taxpayers of the State will have to carry the burden which is placed upon them. It is also a question which this Chamber should take cognisance of and very carefully consider. We are here as a body to watch particularly the interests of the taxpayers of the State, and to see as far as possible that no greater burden is placed upon them than exists at the present time. Hon. members of another place are somewhat differently situated. We should not be true to our trust, and should be unworthy to be members of this Chamber, if we allowed this Bill to go through giving these powers to the Government for the expenditure of an enormous sum of money, which will be the means of placing upon the wheat industry a great burden, when the intention should be to foster that industry. If we do this without mature consideration, we shall be committing a crime against the people whom we are representing, and be unworthy of a seat in this Chamber. Furthermore, if this Chamber allows this Bill to go through, they will have done something which will give my honourable friends, who do not believe in its existence, the greatest argument possible in favour of its abolition. We are here to see that things are not done hastily, and that the people who have to pay the piper are protected, and if we fail in that we have no right to our political existence. It is my intention to oppose the Bill.

Hon. Sir E. H. WITTENOOM (North) [5.38]: I am intruding my remarks on this Bill at this stage in the debate because the subject is one of which I am entirely ignorant. Perhaps there may be other members of the Chamber who are in a like situation, and therefore I propose to make a few remarks hoping that they will lead to the necessary information being given to us that will enable us to decide whether we should vote in favour of the measure or not. I have listened with interest and attention, and I may say almost with admiration, to the excellent speech made by Mr. Allen. I congratulate him upon the intricate knowledge that he seems to possess on the whole subject, and whilst, perhaps, through my ignorance, I am not prepared to support him in everything he has put forward, I will admit that he has made out a strong case. I shall now require to listen most carefully to the other side before I decide how I shall vote. In approaching this matter I would remark that I am not ignorant of the

fact, nor have I forgotten, that it has already been debated very fully in another place, and no doubt very careful attention has been given to it there. It has, apparently, passed through its discussion in that Chamber and that fact alone must carry some weight. What appears to me to be the primary consideration of the whole matter is as to whether the bulk handling system should be adopted at present. Bulk handling, as it appears to me, is a very expensive change from the existing methods. I understand that it will mean a change of trucks and all sorts of things, and changes in various facilities for the handling of wheat, and whilst we know that the present system is an expensive one we must ask ourselves whether we are justified at present in resorting to this almost drastic change. If the change is of such an advantageous nature as it is claimed to be, why has it not been entered into long ago? Why have not steps been taken long before this to go in for this bulk handling system? With all due deference to the Honorary Minister, I may say that it appears to me to be very unwise at this time to initiate a lot of constructional work when all the material and labour are at such an enhanced price. These are considerations which appeal to me. With a view to getting for myself and other members who are not well up in the subject such information as will enable us to give an intelligent vote upon the subject, I have ventured to bring forward these points. There is one point in which I do not agree with Mr. Allen, and that is in connection with his remarks upon experts. Whilst he advocated that the young engineers who were perhaps not in the top flight in Western Australia should be given an opportunity of making a name for themselves, I can hardly agree that they should make their first effort in such an important matter as this.

Hon. J. F. Allen: I did not mean that.

Hon. Sir E. H. WITTENOOM: I am of opinion that when one goes for expert advice one should go to the very men who understand the subject that they are to deal with. I will take an illustration put forward by Mr. Allen. He says that if he wants to be dealt with for cancer, he goes to a doctor who deals with cancer. If one wanted to deal with bulk handling systems one would naturally go to the experts who have been dealing with that particular branch of work. It seems to me in these circumstances that if these gentlemen have the qualifications that are claimed for them, there cannot be much harm in employing them. If, on the other hand, as Mr. Allen says, there are engineers quite qualified to deal with the subject in Australia, I am entirely with him that we should give them an opportunity of doing this work. Where we have initial work to which we have not been accustomed, and works which perhaps have not their prototype in any part of Australia, we cannot have very much local experience in regard to them, and when dealing with them we want the best advice we can get. In reading through the Bill I find that Metcalf & Co. are to receive £9,000 for five years for supervision. I understand that they are to have a further three per cent. for plans and

estimates, as will be found in Clause 9 of the agreement. Then they have the two per cent. for supervision, free passes, cost of transport, and one guinea per day remuneration.

Hon. J. W. Kirwan: The more the works cost the more will the remuneration be.

Hon. W. Kingsmill: That is so.

Hon. Sir E. H. WITTENOOM: Exactly. That has nothing to do with the bulk cost. This is the cost in connection with the agent only, and the supervision of the plans. The information I should like to have is whether it is necessary to adopt bulk handling now, and, if it is necessary, whether we are justified in incurring the expense, and whether bulk handling will effect a saving. I am prepared to say that if any advantage can be shown from this bulk handling scheme I shall give it my support, providing that the cost of installing is not too excessive.

The COLONIAL SECRETARY (Hon. H. P. Colebatch—East) [5.47]: I shall be quite content to leave to my colleague, who has charge of the Bill, the answering of the detail questions which have been put by hon. members. I merely speak at this stage in the hope of removing certain misapprehensions which may arise in the minds of hon. members by reason of the speech just delivered by Mr. Allen. I propose to confine myself entirely to three points: first of all, Mr. Allen's suggestion that the Government are rushing this matter; secondly, his suggestion that we are acting without, or contrary to, the advice of our local experts; and, thirdly, the hon. member's very extraordinary arithmetic. Mr. Allen has quoted the cases of the Merz agreement and the Nevanas agreement. I would ask hon. members to put to themselves the question, what opportunities did they have of reviewing those agreements at all? The present Government are taxed with endeavouring to rush the Metcalf agreement through Parliament. But the agreements to which Mr. Allen referred were never seen by Parliament prior to their completion; they were entered into without the knowledge of Parliament, and, at all events in the case of the Merz agreement, entered into without the knowledge or without the advice of the technical and legal advisers of the Crown. This matter, not only the bulk handling phase but this particular agreement with Messrs. Metcalf, has been before three successive Governments. It has been considered by three Governments, and approved by them after obtaining the most complete advice possible from the local experts. I take it that that is a very different position from the case of the Merz agreement, which was entered into without consultation of the local experts, and without reference to Parliament. This agreement has been before no less than three Governments—the Scaddan Government, the Wilson Government, and the present Government; and each of those Governments, acting on the advice of their experts, has approved of the agreement. It has also been approved of by the wheat board, and, further, by the Engineer-in-Chief. Its legal details have been

approved of by the legal advisers of the Crown. So far as regards the Engineer-in-Chief, Mr. Allen quoted from a report written by that official in 1914. But this is what the Engineer-in-Chief says at the present time—

If plans from Metcalf & Co. can be had at a reasonable rate, it would be better than calling for tenders for plans, because it is desirable to be uniform with Eastern States on account of manufacture, purchase, and exchange of machinery. The departmental officers could not prepare plans or supervise cheaper than Metcalf & Co., because (1) we have no experts in that class of work; (2) the actual routine cost would be much the same if we had the knowledge—possibly $\frac{1}{2}$ per cent. lower if we had the knowledge and did our work economically. We could supervise as cheaply as they can; but Metcalf & Co. will not provide plans unless they get the complete job. It is customary for the architect or engineer of the design to supervise the carrying out. Mr. Thompson knows of works done by Metcalf & Co. in Canada; both in design and construction, they were very good indeed. Mr. Thompson advocates employing Metcalf & Co. to prepare plans and estimates and specifications, all ready for calling tenders for what we want, at the lump sum of £12,000 based on percentage of work, and then pay $1\frac{1}{4}$ per cent. supervision on that which we carry out.

Mr. Allen quoted the Engineer-in-Chief's report of four years ago in support of the argument he advanced this evening. If the Government at the present time did as Mr. Allen suggests, they could do it only by flying in the face of the later advice of the same Engineer-in-Chief. The course which the Government are at present advocating is the course advised by the Engineer-in-Chief.

Hon. J. F. Allen: He is not consistent, then.

The COLONIAL SECRETARY: I do not know that there is any inconsistency in the matter at all. The Engineer-in-Chief four years ago pointed out that there were advantages to be gained from the adoption of this system; and although Mr. Allen says that the arguments in favour of bulk handling then were stronger than they are now, I do not agree with him. The position is that, in one form or another, we have to provide storage facilities for our wheat. And this brings me to the hon. member's extraordinary arithmetic. If his facts and other conclusions are as far away from reality as his arithmetic is, hon. members of this House will know how much notice to take. He quotes, accurately, the estimate given by the honorary Minister in introducing the Bill. The cost of £285,000 is to provide storage capacity for five million bushels of wheat. The hon. member tells us that the interest charge is going to amount to fourpence per bushel per annum.

Hon. J. F. Allen: That is on the £1,300,000 mentioned by the Attorney General.

The COLONIAL SECRETARY: That would double the quantity of wheat, and refers to

the complete scheme, under which the wheat would be passing through more than once in 12 months. Taking the figure of £285,000 for a storage capacity of five million bushels, which is the proposal submitted to the House, the money is costing this State five per cent.; and if hon. members care to work it out for themselves they will find that the interest charge against each bushel per annum, instead of being, as suggested by Mr. Allen, fourpence, is actually .68 pence, or a trifle over a half-penny per bushel.

Hon. J. F. Allen: I am taking the £1,300,000 estimate.

The COLONIAL SECRETARY: Even then, if the hon. member refuses to allow that the bushel would pass through the elevator more than once a year, his figure would still be wrong.

Hon. J. F. Allen: I rise to make a personal explanation. The Colonial Secretary is entirely misinterpreting my argument. I said that the Minister for Industries stated in another place that the scheme would cost £1,300,000 for a ten million bushels capacity. That is practically four times the amount stated by the honorary Minister in this Chamber. Then, on the top of interest, there is depreciation of machinery, and also maintenance, which always have to be allowed for. These charges would total far more than the .68 penny mentioned by the Colonial Secretary.

The COLONIAL SECRETARY: The hon. member's statement is still as misleading as in the first instance. The Minister in another place did not say that the estimate was £1,320,000 to provide storage facilities. That is the estimate for providing the complete machinery for the bulk handling system. The storage facilities—the only thing that one can consider in accounting the cost of the wheat that we cannot ship—were estimated to cost £700,000 for a capacity of ten million bushels. But the hon. member was discussing the matter from the point of view of the cost of interest for storing the wheat that we cannot ship. As I said at the outset, I wish to remove the false impression which hon. members might derive, that the interest cost on the wheat which the Government propose to store in this manner, would be fourpence per annum. I say the interest cost would be a little more than $\frac{1}{2}$ d. per bushel per annum; a little more than one-eighth of the amount suggested by Mr. Allen. The three points I rose to make are—first, the Government have not acted in haste, because this matter has been considered by three previous Governments and approved of by them in accordance with the advice of their experts; second, we have not, as the hon. member suggests, ignored our local experts or acted contrary to their advice, but have in every particular followed the advice which they have given us; third, so far as the cost of storing wheat is concerned, the interest charge will not be fourpence per bushel per annum, as suggested by Mr. Allen, but something a little over $\frac{1}{2}$ d. As a fact, the total cost of similar storage carried out by the same firm in New South Wales has been at the rate of $10\frac{1}{4}$ d. per bushel of wheat holding; that is to say, $10\frac{1}{4}$ d. per bushel would pay the capital cost even if the whole of it were

debited to the one season's wheat. Here the estimated capital cost for the same facilities is 1s. 2d. per bushel.

Hon. R. J. Lynn: What about the estimated cost for the power house, £120,000? Now the cost turns out to be half a million.

The COLONIAL SECRETARY: I have already pointed out the essential difference between the two agreements.

Hon. J. J. Holmes: What is the latest report of the Engineer-in-Chief?

The COLONIAL SECRETARY: It is as follows:—

If plans from Metcalf & Co. can be had at a reasonable rate, it would be better than calling for tenders—

Hon. J. J. Holmes: Is £9,000 a reasonable rate?

The PRESIDENT: I must ask hon. members to attend to the rules of debate.

The COLONIAL SECRETARY: The Engineer-in-Chief says—

If plans from Metcalf & Co. can be had at a reasonable rate—

Hon. J. J. Holmes: But is £9,000 a reasonable rate?

The PRESIDENT: I must ask the hon. member to obey the Chair.

The COLONIAL SECRETARY: A few paragraphs lower down the report says—

Mr. Thompson advocates employing Metcalf & Co. to prepare plans and estimates and specifications, all ready for calling tenders for what we want, at the lump sum of £12,000, based on percentage of work, and then pay $1\frac{1}{4}$ per cent. supervision on that which we carry out.

That report was drawn up in November of last year. Since then the agreement has been prepared, and the agreement has, in every detail, been approved by the Engineer-in-Chief. If the Government are not to act according to the advice of this expert officer, what are they to do? If this House chooses to take the responsibility of preventing the introduction of bulk handling at the present time, that is a matter for hon. members themselves. All that the Government can say is that they are acting on the best advice available. This agreement has been approved by the wheat board, by the Engineer-in-Chief, and by the legal advisers of the Government, and with that we present it to Parliament.

Hon. W. KINGSMILL (Metropolitan) [6.1]: I intend to oppose the Bill for two reasons, one of which perhaps has been sufficiently dealt with by the previous speakers; but that is not the main reason which leads me to oppose the measure. The two reasons I allude to are: in the first place, I do not consider it is the duty either of this or of any other Government to carry out works of this nature; in the second place, I am not satisfied that Metcalf & Co. are the proper people to carry out these works at the present juncture. The Government are seeking everywhere, even in the most unexpected places, for suggestions which will lead to a more economical running of the State. If the Colonial Secretary deigns to answer in the affirmative the question of which I have given notice to-day, and lays on the Table a certain circular addressed to civil ser-

vants by the Premier on the 10th of last month, we shall see that this Government in their meticulous research are even going to juniors and office boys to get suggestions. We shall find that this Government have apparently no more confidence in themselves than some of us have in them—let me say that I do not specially refer to the Honorary Minister, but include all the Ministry. They show this lack of confidence in themselves so much that they have actually prepared a circular asking for suggestions, which, so to speak, are to be handed in to the lion's mouth in order that they shall be privately and confidentially treated by the Treasurer; and the makers of the suggestions, if the suggestions prove good, are to be rewarded by having an entry made on their personal file.

Hon. Sir E. H. Wittenoom: It seems like a slight on the heads of departments.

Hon. W. KINGSMILL: It appears to me a charming tribute to the heads of departments. In this research for economical methods all round the country has it never occurred to the Government that they may more economically run the State by restricting the extravagant and foolish activities they have been indulging in for some years past? Here we have again one of those State enterprises which in other countries are run by private individuals, and this Government persist in arrogating to themselves the right, at an expense which they must know from past experience will largely exceed what the cost would be if left to private individuals—they insist upon running such enterprises which clearly ought to be run by private individuals. Two months ago I had the pleasure of listening to a most interesting and informative lecture on bulk handling of wheat delivered by Mr. Sutton, the Commissioner for the Wheat Belt. The lecture was profusely illustrated by lantern slides showing what had been done in Canada. Mr. Sutton put up a most convincing case for bulk handling of grain. In a country the future of which is devoted to wheat growing, there can be no question about the wisdom of installing a bulk handling system. At the end of the lecture I asked Mr. Sutton who were the proprietors of the terminal elevators and the country elevators in Canada, and he said that in almost every instance they were owned either by private companies or by co-operative companies of farmers. Cannot the Government get some idea as to the economical working of the State from a statement such as that? Does it not strike them that by the bungling administration they have shown in the past in the running of these undertakings that should be run by private individuals, it would be better for them and for the country and the community, and even for the farmers, if they would encourage private enterprise rather than discourage it by every means in their power. In connection with this matter and in connection with the erection of the freezing works, we know perfectly well that men are willing to come in here, even under the control which may be mapped out for them by Parliament, and erect freezing works and run them—for the benefit of themselves. It is

true, but even after allowing a fair profit for themselves, we know that they would run the concerns better for the community and for the consumer than the Government can possibly do. That is why I think the Chamber should put its foot down on this and other instances of semi-socialism. The Government, I expect, are helpless on account of the nature of their composition. A Government bound by ties to the Labour party, to the Country party, to the Liberal party, and to God knows what other party—What can be expected from such a Government but failure and ineptitude? At all events, whatever we may expect, that is all we are getting from them. Let me say a word or two about the second reason, namely, that I am not satisfied that Metcalf & Co. are the right people to undertake this work at the present time. The Colonial Secretary has disclaimed any intention on the part of the Government to rush this matter. It is true they have not rushed the matter either in their present phase as the Lefroy Government or in their previous phase as the Wilson Government. The Government have had ample opportunity of seeing what was coming. But while they certainly did not rush the project outside of Parliament; while they have had ample time to make up their minds as to what the future held, they seem to have hung off the Bill until the agreement was made; then they undoubtedly tried to rush it through Parliament, endeavoured even to refuse to give this House that opportunity of consideration which the importance of the project demands. The plea of the Colonial Secretary that this question has been before three Governments only accentuates the attitude of the Government in this connection. If it has been before three Governments, surely the present Government had time to call for tenders in all countries throughout the world where they were likely to get good offers for the erection of these works. Had that been done, how do we know that Metcalf & Co. would have been the successful tenderers? The Colonial Secretary has said that there is no similarity between this agreement and the agreement made with Merz & McLellan. The agreement strikes me as being much the same, but the method of arriving at this latest agreement was not perhaps the same as was followed in the earlier instance. However, it is well that this House has had the breathing space grudgingly allotted to it by the Government in order to more fully consider the Bill. Then, again, we have another phase of the matter to consider. Hon. members who travel about the country and see, as I have had an opportunity of seeing during the last two years, the farmers of the State and discuss with them the future of the farming industry, will agree that the future of the farming industry in this State does not lie in wheat growing, that the tendency all over the State is to supplement the growing of wheat with the growing of stock. If this is so are we justified at this juncture in rushing into the expenditure of millions to bolster up an industry which in this country leaves but a small margin of profit to those who follow it? If all other reasons were of

no avail, this would weigh heavily with me, that we are preparing to rush into an expenditure which is not justified by the magnitude of the industry with which we are dealing, and by the future prospects of that industry. I think that in years to come, as the settlers get their land more fully under subjection they will find the more profitable investment in the growing of stock, of wool, of meat, rather than in the growing of wheat. That being so, I venture to say the House would be foolish at this juncture to support the Bill. For my part I will vote against the second reading.

On motion by Hon. J. W. Kirwan debate adjourned.

BILL—EMPLOYMENT BROKERS' ACT AMENDMENT.

Assembly's Message.

Message received from the Assembly notifying that the amendment made by the Council had been agreed to.

BILL—GENERAL LOAN AND INSCRIBED STOCK ACT AMENDMENT.

Assembly's Message.

Message received from the Assembly notifying that the amendment made by the Council had been agreed to subject to further amendments.

BILLS (3)—RETURNED FROM THE ASSEMBLY.

1. Health Act Amendment (with amendments).
2. Apprentices (without amendment).
3. Friendly Societies Act Amendment (without amendment).

BILLS (7)—FIRST READING.

1. Reappropriation of Loan Monies.
2. Insurance Companies.
3. Wyndham Freezing, Canning, and Meat Export Works.
4. Dividend Duties Act Amendment.
5. Fremantle Endowment Lands.
6. Special Lease (Gypsum).
7. Stamp Act Amendment.

Received from the Assembly.

Sitting suspended from 6.15 to 7.30 p.m.

BILL—WHEAT MARKETING ACT AMENDMENT.

Second Reading.

Debate resumed from the 11th April.

Hon. J. A. GREIG (South-East) [7.36]: This Bill is simply to continue the Wheat Marketing Act of 1916. Even at that time, on account of the war, there was a scarcity of shipping. We realised the danger of not being able to satisfactorily place the Australian wheat crop on the markets of the world, as we had done previously, and on account of this scarcity of shipping the Prime Minister of Australia, along with certain Ministers of the

Crown from each of the four wheat-growing States of Australia, namely, New South Wales, Victoria, South Australia, and Western Australia, met in conference and formulated a scheme for concerted action. The other States of the Commonwealth which were not wheat exporting States did not join in with this scheme of pooling the Australian wheat. The States and the Commonwealth Governments formed this scheme for utilising on a fair and equitable basis the available transport. We all realised at that time the difficulty there would be of transport and we thought, by forming a wheat pool, we should do something to help in getting rid of the wheat, and not have it lying on our hands. It was realised that unless the States at that time joined in to form this Australian pool, there was a probability that some of the States might get more than a fair share of the shipping available and then be able to sell their wheat and receive the money for it, whilst probably a neighbouring State would not be so fortunate, or not get its fair share of shipping. Therefore, it was decided that the whole wheat of Australia should be pooled into one common pool. The Bill we are dealing with to-night is a State Wheat Marketing Bill, but as practically the whole of the wheat of Australia is controlled by the Federal Government under a Wheat Bill, and as this Bill is so closely connected with, and is part of the great wheat pool of Australia, it will be necessary, in discussing it, to digress slightly from the actual contents of the Bill and refer to the past administration of the wheat pool, both from a State and Federal point of view, because the wheat pool is controlled, principally, by the Federal Government, and for that reason this Bill has little to do with the marketing of the bulk of the wheat. This question, like many others, brings home to us the fact that to-day we have unification in many ways, whether we believe it, approve of it or not. This State has the power under the Bill to acquire the whole of the wheat grown in the State. The Government of the State have granted 3s. per bushel at the siding for all wheat grown for the 1917-18 harvest and also during the 1918-19 harvest. The Federal Government have also promised to add to that guarantee another 1s. per bushel for all wheat delivered f.o.b. at sea-ports. Each State of the four wheat growing States has a separate wheat pool and is responsible for loss or damage done to the wheat in its State only. For instance, the mice plague in the Eastern States did enormous damage to the wheat in those States last year. Fortunately for us we are not responsible for the damage done to that wheat, therefore, members will see the more economically the scheme is handled, and the better the methods adopted, the better it is for the wheat growers of the State. It is with a knowledge of these facts that I desire to have several amendments put into the Bill. Section 4 of the original Act reads—

- (1) The Governor may, if he thinks fit, appoint a committee of not exceeding five persons to advise the Minister upon matters relating to the administration of this Act.
- (2) Any person appointed a member of such committee shall hold such office at

the will of the Governor, and may receive such fees for his attendance at the meetings of the committee, and such travelling allowances as the Governor may think fit.

When the original Act was passed an advisory committee in this State was appointed, but the wheat growers had no representation on that committee—no direct representation. After a deal of agitation by the wheat growers of this State, we succeeded in getting one farmer appointed on this advisory committee, but the growers then found it was an advisory committee in name only. It could advise but the manager, or Minister in charge, need not, and in some cases did not, take any notice of that advice. Two different Ministers to my knowledge appointed managers under this scheme without consulting the advisory committee. So it will be seen that the advisory board is really of no value whatever. The result was that the farmers' representative on this committee resigned his seat as a protest against the maladministration of the scheme, and the refusal of the Government or the management to take any notice of practical advice. This committee has received valuable information from the Australian Wheat Board re shipping, selling and other matters of importance to the grower, but all such matters must be treated as strictly confidential. Hon. members will remember that about 18 months ago a select committee was appointed from this Chamber to inquire into the wheat marketing scheme. I had the honour to be one of the members of that select committee, and when we had the secretary of the wheat marketing scheme before us we asked him for certain information which we had reason to believe they had in their possession. The secretary told us that they had it, but it was marked confidential, and therefore he could not give it to us and have it put on record in the minutes of our meetings. However, he tried to assist us all he could and he gave us certain information which we could not embody in the report we presented to the House. I desire to see this advisory committee abolished and an amendment inserted in the Bill to provide for an executive of five to be appointed, to consist of two nominees of the Farmers and Settlers' Association, as representatives of the growers, one nominee of the Chamber of Commerce as a direct representative of the commercial interests, one nominee of the associated banks, as the representative of finance, and one nominee of the Government.

Hon. Sir E. H. Wittenoom: Did you say an executive committee?

Hon. J. A. GREIG: An executive committee. This executive would have the management and control of the scheme. It will be remembered that when the Minister was introducing this Bill he said that a sufficient reason had not been put forward to justify these amendments being put in, or words to that effect. We have also been notified, through the Press, that the Conference of Ministers at the Australian Wheat Board meeting on the 25th April made it abund-

antly clear that it was a *sine qua non* that the Government of every wheat producing State remaining in the pool and receiving the benefits of the scheme, should in conjunction with other State Governments and the Commonwealth, obtain the complete control of the wheat scheme and accept full responsibility. If the Government were prepared to take the full control of the scheme and accept full responsibility, I do not think any wheat grower in the State would object. But such is not the case to-day. I maintain that one representative of the Government on this Board, as I have suggested, will be ample, because if the Government are giving a guarantee of 3s. per bushel they have the wheat as security. The growers have to pay interest on that advance, and the losses, if any, all have to be paid by the growers out of the wheat. If the Government are prepared to take full responsibility, take the wheat and stand the loss, no one will object. But what we do object to is the Government wanting to handle the whole concern. They commandeer the wheat and the growers are still responsible for something over which they have no control.

Hon. Sir E. H. Wittenoom: You want the Government to be the producers.

Hon. J. A. GREIG: If they are prepared to do that there will be no objection. We are only asking to be allowed to manage our own business.

Hon. J. Duffell: You are doing that now.

Hon. J. A. GREIG: No, we are not. I maintain that this executive board which I suggest should be appointed, would take the business out of the control of the Government as far as possible. Even though the Government are guaranteeing a substantial advance, that is no reason why they should insist upon Government control and create substantial expenses over and above what would be necessary under private control. In my opinion it is ridiculous for any Government to try to force Government control upon any one section of the community when that section is desirous of controlling its own business. The growers can get no definite information as to what is being done about their produce.

Hon. C. F. Baxter (Honorary Minister): It has been advertised in the Press half-a-dozen times.

Hon. J. A. GREIG: I am of opinion that the Government which governs best is the Government which governs least. We have had abundant evidence during the last decade of the Government trying to do too much for its people. In this case, under existing conditions brought about by the war and scarcity of shipping, the Government guaranteed an advance to assist the industry, but I claim that that was the function of the Government. The Government can borrow on much better terms than a private individual or a co-operative company. In fact, the Government have practically commandeered the channels of commerce at the present time. That is no reason, however, why they should try to foist State socialism upon the wheat growers if the wheat growers do not desire it.

The Government advance should be looked upon as a loan to the wheat growers and the Government should take the wheat as security. Therefore, there is no risk to the general taxpayer unless that wheat does not realise the amount guaranteed. If it does not realise that amount, well then, nothing matters, because the Government of this State will be insolvent if the wheat industry goes out of existence, and they may as well be hung for a sheep as for a lamb. In New South Wales this year the State Government have guaranteed 4s. per bushel on sidings for the wheat, and I feel that if an executive is formed as I have suggested, the administration expenses to the State wheat marketing scheme would be not more than half what they are to-day.

Hon. C. F. Baxter (Honorary Minister): Show us where the extravagance is.

Hon. J. A. GREIG: I will later on; it is an easy matter to do that. I also wish to suggest another amendment to the Bill, that is in the direction of providing for an independent audit by the growers if they so desire. The Federal, as well as the State Government, have so far refused to allow the growers to audit the wheat scheme or the transactions of the Australian Wheat Board, notwithstanding the fact that the growers have repeatedly asked for this right and have been prepared to pay the cost of such an audit. They are not asking for anything the cost of which will have to come out of the pockets of the taxpayers. They are asking for the right to audit their own business, and to pay for that audit themselves, and that is all I intend to propose in the amendment which I shall move. In New South Wales, at the beginning of the scheme, the farmers collected £600 to pay for a separate audit, but the Government refused to allow it. Eventually however, they gave way and allowed the audit to take place. The growers there are not satisfied that the money was well spent.

Hon. J. Duffell: Would they be prepared to do the same thing here?

Hon. J. A. GREIG: They are prepared.

Hon. C. F. Baxter (Honorary Minister): What did the New South Wales audit show?

Hon. J. A. GREIG: I have not the particulars with me. It may be said that the Auditor General carries out these audits, and that that ought to be sufficient. True, he does, but there would be an advantage in a separate audit. The Auditor General audits the figures which are placed before him. If those figures are correct and if the money has been drawn from the proper source with which to pay accounts he passes them without comment. But if a private auditor audits for a firm he not only says that the figures placed before him are correct, but he recommends where economies can be effected. The Auditor General does not and cannot be expected to do this. Though I would suggest that the Government auditor should audit the accounts on behalf of the Government as usual, I maintain that we should have the right to appoint auditors. I cannot see any objection to the proposal. I feel sure that the recommenda-

tions from the growers' auditors would be such that they would soon effect substantial economies over and above the cost of the audit. Just a few words on the administration of the Australian Wheat Board. Besides each State having an advisory committee, the Federal Government appointed an Australian Wheat Board which sits in Melbourne. The growers, however, had no direct representative on that board. The wheat growers of Australia, through their Federated Farmers and Settlers' Association applied to the Prime Minister to have one representative of the growers of the whole of the wheat-growing States of Australia appointed on that board, but they were refused that right. They asked that Mr. Clement Giles should be appointed. Mr. Giles was manager of the Farmers' Union in South Australia 25 years ago, since when he has had a great deal of experience in London in the selling and marketing of wheat, and he is probably one of the best qualified men in Australia that the farmers could get to represent them. However, Mr. Hughes refused to appoint him, but after a lot of pressure was brought to bear, he agreed to an election being held by postal ballot. He gave as his reason for refusing to appoint this man the fact that he was recommended by the Farmers and Settlers' Association, and that body, he declared, were not representative of the wheat growers of Australia. The association claimed that they were. Mr. Hughes said there were men who had wheat in the pool who had nothing to do with the Farmers and Settlers' Association, and therefore there should be an election. He took a postal ballot. Thirteen candidates nominated, but Mr. Giles was elected by an absolute majority; he got more votes than the other twelve candidates put together. That should have been reply enough to Mr. Hughes that the Farmers and Settlers' Association were representative of the wheat growers of Australia. Mr. Hughes informed us that the election cost £9,000, and it had to be paid out of the wheat pool. Although there was £85,000,000 worth of wheat in the Australian wheat pool at that time, the property of the growers, who were responsible for all loss and damage done by mice, weevil, weather or anything else, and whose whole existence depended upon the price obtained for the wheat, Mr. Hughes refused to appoint one representative on a board of nine. It cost nothing for the millers and the agents to get their representative on the board, and yet when it came to a matter of the very men who owned the property getting representation, it cost them £9,000 to have one man elected, and two years of hard battling to obtain this. It was a crying shame and a great injustice to the wheat growers of Australia. That was not all. To add insult to injury, as soon as the growers' representative was elected on the board, and apparently because he was not the man the Prime Minister and the other members of the wheat board wanted to see elected, the Government formed an executive of three out of this wheat board, and the growers' representative was not one of the three. This executive of three did all the important business of the pool, such as

arranging shipping, selling, fixing of prices, and commission and so on. For the first six months after the farmers' representative was elected to the board, they only held three short meetings, and no important business was transacted because the executive had done all the important business. I have drawn attention to the treatment the growers have received at the hands of the Federal Government because the whole of the wheat dealt with under this Bill, except that which is used for local consumption and for seed, will come under the control of this Australian wheat board, and we are powerless to interfere as it is a Federal matter. I think I am justified in pointing out the treatment that the growers have received as a result of the wheat having been commandeered and taken from them and handled by the Federal Government. This Australian wheat board has not taken, and will not take, the growers into its confidence and let them know what is being done. The appointment of this executive, and the fact that the farmers' representative was not given a seat upon it, gave rise to such a storm of indignation amongst the wheat growers of Australia that quite recently, as we have seen from the papers, the Federal Government decided to abolish the executive. There is this qualification, however, namely, that the duties of the members of the board are to be defined by the solicitor, Mr. Power. The Government have done away with the executive, but have decided that the duties of the members of the board are to be defined in this way. I ask members what influence this Mr. Power has to define the duties of the members of the wheat board. I also ask growers to watch carefully the results of the allocation of the duties of members of this Australian wheat board, and see if they can find out just what influences this Mr. Power in his decisions. This is a matter which requires very close watching in the interests of the industry. I have said that the Australian wheat board will not take the farmers into its confidence, and explain orally what is being done. When I tell members the personnel of this wheat board, probably it will be easier for them to understand why I am speaking as I am to-night. The present Australian wheat board is composed of seven members. Mr. Hughes is the chairman, or his nominee, Senator Russell. There are also four Ministers of Agriculture, one from each of the wheat-growing States, namely, New South Wales, Victoria, South Australia, and Western Australia. Mr. Pitt, the manager of the scheme, and Mr. Clement Giles, the growers' representative, make up the board. This board also has an advisory board of four. The advisers are the managers, or heads of the firms of Jas. Bell & Co., John Darling & Son, Dalgety Co., Ltd., and Dreyfus Co. These four agents and millers are not only advisers to the board, but they are acquiring agents in the various wheat-producing States.

Hon. Sir E. H. Wittenoom: Not in this State.

Hon. J. A. GREIG: Except in Western Australia. They are also contractors under the board. Further, these four firms are the

London selling committee, together with Mr. Andrew Fisher, as chairman, and the Agents General of the four wheat growing States. The shipping agents for the shipping of Australian wheat are Messrs. Elder, Smith & Coy., and Gibbs, Bright & Co. Only a few days ago Mr. Clement Giles, the farmers' representative, addressed a meeting at Owen, in Victoria. He quoted the amount of commission paid by the wheat growers to the shipping control, to the Australian wheat agents, and the four agents in London. The shipping question was also touched upon and a comparison made between Canada and America, but by the specific instructions of the censor neither the local Press nor the Press in Melbourne were allowed to publish the facts and figures. The wheat growers of Australia want to know what right the censor has to step in between them and their representative on this Board, and particularly if he has been instructed to act by politicians.

Hon. I. W. Kirwan: How does the hon. member know that the censor interfered?

Hon. J. A. GREIG: I have it on good authority. The newspapers themselves said that they could not publish this information, because they were stopped by the censor.

Hon. I. W. Kirwan: Instructions from the censor are confidential.

Hon. J. A. GREIG: There was nothing confidential about this. I can show it to the hon. member in print. I got it from more than one public newspaper. I draw attention to these questions because this wheat marketing Bill is only a part of the wheat pool, which is handled in a hole and corner manner by a few men who have nothing to lose and probably a great deal to gain at the growers' expense. There is another question which I should like to mention, namely, in regard to the charterers' charges. Apparently from what I can gather, the charterers' charges are five per cent., but they only retain $1\frac{1}{4}$ per cent. and refund $3\frac{3}{4}$ per cent. It seems to me to be a very ancient custom which is still kept in vogue. I do not understand it exactly, but believe it to be something like this: if one goes to a big firm and asks for a quote for gas pipe, they will probably quote a certain price per foot. One then orders 1,000 feet, but when the invoice comes along one finds that there is a discount of something like 65 per cent.

Hon. J. Duffell: Not to-day.

Hon. J. A. GREIG: It used to be so. I think this is something like what is happening in regard to the shipping charges. When about 200,000 tons had been shipped at an average of about £5 per ton, this $3\frac{3}{4}$ per cent. was refunded, amounting in all to £37,000. Mr. Hughes was going to pay this into the Federal Treasury and not into the wheat pool. Fortunately, through some members of the Farmers and Settlers' Association in this State, who were very keenly interested and obtained that information from behind the scenes, because they could not get it by any other means, this became known and a protest was entered. Mr. Hughes at first objected to refunding the money, but finally

said he would obtain legal advice, as though he did not know without that. After taking legal advice, he found that he could not do as he intended, and that he had to pay the money back into the pool. The Farmers and Settlers' Association in this State, therefore, saved this £37,000 to the farmers of Australia, West Australia's share being about £3,700. This shows the sort of treatment we have had under the wheat pool. It is open to question to-day as to whether we should continue in the pool, or whether we should draw out and see if we cannot get on better under the State Government, or by some other means. The shipping arrangements have been very poor and we have gained nothing by the Federal pool, but have lost an enormous amount of money. I am disgusted with the management of the pool, both by the Federal and State Governments. The whole thing should be placed in the hands of business men, and fair representation given to the growers, who stand the loss on every occasion. The whole matter should be taken out of the hands of politicians and their little coterie of friends, particularly in the Federal Government, but that, unfortunately, is out of our power to do. In our own State we have the Honorary Minister in control, but he apparently is always in trouble and has more work on hand than he can get through.

Hon. C. F. Baxter (Honorary Minister): Who said so?

Hon. J. A. GREIG: I said that apparently he has more work than he can get through, and he has a staff of Government officials who are running up enormous and unnecessary expense. I maintain that under existing conditions there is no necessity for all this expenditure. The business of acquiring wheat in Western Australia has been left to the Westralian Farmers, Ltd., and if the Government appointed one man on their behalf with power under the agreement with the said firm to check their books and vouchers—which would mean seeing that the growers did not rob themselves—and held the right to travel over the country, go to the wheat stacks and see what was being done there, this would be quite sufficient. The Westralian Farmers, Ltd., with a little additional money, would have handled the whole thing more economically than is being done to-day. The duty of the agents could have been extended to stacking the wheat at the depots, and to shipping it when required. As it is, the Government are doing the stacking at the depots and are shipping the wheat at the wharves under Government stroke, and the grower has to pay all the time. A few months ago I was told at Fremantle there were 60 men employed on the wheat stack and they were so thick on the stack that there was scarcely room for them to turn round. Private enterprise would have employed 20 men to do the work. I think every member knows that work done under Government control costs more than work done under private control. An independent executive board should have been appointed to control the scheme. With such a board there would be some continuity

of administration. Ministers come and Ministers go. Managers come and are sent away. The Honorary Minister dismissed one manager of the scheme, and appointed another at a salary of £1,000 per year.

Hon. C. F. Baxter (Honorary Minister): I rise to a point of order. The hon. member said I dismissed a manager.

The PRESIDENT: What is the point of order?

Hon. C. F. Baxter (Honorary Minister): The hon. member is making a mis-statement.

The PRESIDENT: Then it is not a point of order. The Honorary Minister will have an opportunity in his closing speech to correct the hon. member. That is the position. There is no point of order.

Hon. J. A. GREIG: The Honorary Minister in his opening address paid a very high tribute to the ability of the present manager. But I think the Honorary Minister stands alone in his high opinion of the manager. I consider there is room for much improvement in the management of the wheat scheme. For instance, at various depots wheat was spread out over acres of ground at from one to five bags high. Any grower in this State handling his own produce and building a stack would have built a portion of the stack to its full height, topping off as he went along. I realise that where stacks are half a mile long it would be impossible to start at one end and build up the whole lot. But I saw acres of bags of wheat spread out over the ground many chains in length. That wheat to-day has had from four to six inches of rain on it, and must be in a very bad condition indeed. That is not good management. The Honorary Minister may say that the fault is due to the shortage of iron, to the impossibility of securing galvanised iron to cover the sheds. But I know that the manager of the wheat scheme had an offer of 50 or 60 tons of galvanised iron before there was wheat in any of the sheds. That offer was refused. It was made by the Westralian Farmers Ltd. The firm tried hard to get the Government to take the iron because they realised that the Government needed it and because they were interested in preserving the wheat. However, the offer was refused, and the result was that the Westralian Farmers the next week sold the iron at an advance of £5 per ton on the price which they had quoted to the wheat pool. The farmers have to bear the loss caused by that bad management. During the summer I went out for a two days' holiday trip in the country. That was when I saw the wheat stacks spread out over the ground as I have described. On that occasion I was told that the arrival of wheat trains was so badly arranged that the lumpers during some weeks did not work half time. On the day I arrived at Spencer's Brook I was told the lumpers had not done an hour's work. The next night there were 50 trucks standing in the yard waiting to be unloaded. The growers had to pay demurrage on each of those trucks. I ask, would any farmer not arrange his own business better than that? It is all very well to say that the fault was that of the Railway Department. I maintain there was bad management in the arranging for the wheat to come in. It should have been regulated better. Another discovery I made refers to old stacks.

There are stacks 12 months old along the sidings. The Government pick up the old wheat and send it to the flour mills to be milled. Much of it is weevily. The practice of the Government is to send out an engine with a rake of 40 or 50 trucks, on the Greenhills-Merredin line for instance, with instructions to have six or seven trucks left at each of six or seven sidings. The engine in one case went out a couple of days later to bring back a train-load of wheat. But what did the traffic men find? They found that there was a gang of men at one stack who had loaded the trucks there and had then sat down and waited for the train to come back to carry them to the next stack.

Hon. Sir E. H. Wittenoom: Are the men paid a full day's wage each time?

Hon. J. A. GREIG: I do not know. I did not inquire into that point. On my return to Perth, however, I rang up the manager of the wheat scheme and told him of my discoveries and asked him whether it would not be possible to load the trucks from one stack so as to get a full train-load. He said there would be too much loose wheat in that case. I then asked, why not load from two stacks, so that the baggers-up could bag up from one stack while the truckers were loading from the other. He said he would look into that matter. I maintain, however, that with good management of the wheat pool it should not be possible for a person on a two days' holiday trip into the country to discover all this mismanagement. Again, at Narrogin I found that the train got in one evening about 5 o'clock. The men that day had not been working full time at the stacks. The next day it was 10 o'clock before the trucks were shunted up to the wheat stacks. This was owing to the fault of the Government. A couple of days later a train got in at about 5 o'clock in the evening and was not shunted up to the depot, a distance of about a quarter of a mile, until 4 o'clock the next day. In consequence the lumpers were hanging about the stacks idle. The fault for that may lie with the Government, but if the manager were looking after the interests of the farmers he would shake the Government up. These are the things which make me say that I believe the Minister stands alone in his high opinion of the manager. The whole of the scheme from start to finish has shown a lack of organisation and of economical management. On the same trip, when I got to Katanning I found that Mr. Piesse was complaining bitterly because his silos at the mills were almost empty. Three silos out of four were quite empty, and the fourth had only about three feet of wheat in it. He was condemning the Westralian Farmers for not sending along more wheat. When I got back to Perth I rang up the Westralian Farmers to see whether they had any special agreement to supply Mr. Piesse with wheat. They said, "No; we have nothing to do with it; it is the business of the wheat scheme." I then tried to get hold of the manager of the wheat scheme, but got the secretary. I told him the circumstances, and he replied that if the case was as stated it was the fault of the millers for not notifying him. I think that probably is the true explanation. Again, the manner in which the wheat is being stacked at the sidings is nothing to be proud of. At Spencer's Brook

wheat has been put into the stack, and then weevil has been discovered on it, and some of the bags have been put out. Probably half a truck is unloaded, and then the discovery is made that there is weevil in the wheat. Thereupon the wheat is sent to the mill. The stacks are built close to the ground, there being only an inch of board between the wheat and the earth in some places. I should be glad if the Honorary Minister, in replying, would inform the House whether the management have taken any notice of Professor Lefroy's reports, which we have read in the Press for months past. Professor Lefroy says he is prepared to stake his professional reputation that wheat can be kept for several years free from weevil if stacked in a proper manner.

Hon. Sir E. H. Wittenoom: I do not credit it.

Hon. J. A. GREIG: He has explained through the Press how it can be done, and personally I believe it can be done. I have repeatedly kept wheat on my farm for three or four years and had no weevil. The wheat was stacked on a mouse-proof stand three or four feet from the ground. Whether that was the reason why the weevil kept out, I do not know. But when a man like Professor Lefroy makes such a statement, the manager or else the Minister controlling the wheat scheme should certainly inquire into the matter. From what I understand, Professor Lefroy's proposals do not involve much expense. They should be capable of being carried out economically in a country like this where there is so much timber.

Hon. J. W. Kirwan: But the manager of the wheat scheme has stated that none of the wheat has been injuriously affected. At all events, the Minister for Works has said that for him.

Hon. J. A. GREIG: If that is the case, it does not, in my estimation, say much for the authority of the manager. Again, those controlling the scheme estimated that the whole of the wheat would be in the sheds by the end of April. Now we are in the middle of May, and, though I have not the exact figures, I doubt whether half the wheat is in the depots at the present time. I know that thousands of bags are stacked out at the sidings, exposed to the weather. The rain has gone right through the wheat, and the wheat has rotted. The farmer has to pay the cost of the whole. During this discussion much has been said of the agreement with the Westralian Farmers Limited contained in this Bill, and as to that firm having the sole handling of the wheat in this State. Personally I consider the board took a wise step in giving the Westralian Farmers the handling of the wheat. I think it is a pity that a similar course was not adopted in the other States. If the Australian Wheat Board had taken the interests of the industry into consideration, they would have stepped in, at all events in South Australia, and insisted upon the whole of the acquiring being done by one firm. When the mice plague came in South Australia, one firm put up galvanised iron mouse-proof fences round their stacks. Curtains were put round the stacks. During the night the mice ran down the curtains out of the

stacks. The result was that, although originally there were millions of mice in the stacks, the vermin were drained out. Stacks not so treated fell down, the rain penetrated them, and the whole became one fermenting mass. I saw heaps upon heaps of burning wheat in South Australia, and I was informed that the burning had been going on for months. The responsibility for the loss could not be placed on the agents, because their agreements provided that they were not to be responsible for damage by mice. I am not blaming the other firms, because they kept to their agreements; but the Westralian Farmers went further and protected their wheat because it was their own. The Government here should have gone further and given the Westralian Farmers the handling and the stacking of the wheat, because their shareholders are all interested in the wheat. I intend also to move another amendment, authorising the Government to pay advances on the wheat stored on the growers' farms in their own bins, silos, or sheds, providing that such storehouses meet with the approval of the wheat board. At present bags are of very high price and very poor quality, and, as a result, it is cheaper to build a jarrah bin or silo to hold 5,000 bags of wheat than it is to buy the bags. If farmers were allowed to build those bins at their farms the saving in bags would pay the cost of the bins in one year. Those bins can be built cheaply with floor boards put on the inside of the studs and cramped tightly together. It makes a very cheap and durable wheat bin, and the farmer would then require only a few hundred bags in which to take the wheat home, where it would be shot into the bin. The Government could pay advances on the wheat in the bins, and when the wheat was required to be sent away, the farmer could then buy the necessary bags. We are told that some of this wheat will be kept on hand for five years. If such is the case it will be impossible to keep it for so long a time in bags. This amendment would also relieve the Government of the necessity for building so many sheds and silos. I am of opinion that if the Grain Elevators Agreement Bill becomes law, the silos will not be built in time for next year's harvest.

Hon. Sir E. H. WITTENOOM: What about weevil in private barns?

Hon. J. A. GREIG: I think it could be treated there as in silos, by the use of a chemical. When the Bill was first introduced, the shipping was the chief problem troubling us. We have heard a lot in regard to shipping charges, but although for two years I have tried to get something definite as to what charges are imposed on wheat, I have been unable to do so. Mr. Hughes bought a fleet of steamers for the Commonwealth and told us they were for the purpose of bringing British goods to Australia and taking Australian wheat back to Great Britain. I doubt whether one of those ships has taken a single load of wheat direct to Great Britain. They are trading where rates are higher. From the "Times History of the War," Volume 2, page 11, I find that when the British Government commandeered shipping they commandeered it at pre-war rates.

If that is so, the boats purchased for Australia would be compelled to carry home at pre-war rates. It would be interesting if the Honorary Minister, in his reply, could give us some information on this point, and as to what is likely to be done. I was exceedingly disappointed with his address when moving the second reading. His speech was remarkable for what he did not say. I hope he will take the House into his confidence and give us some useful information. He has just been on a trip to the Eastern States and, judging from his remarks in the newspaper this morning, he has been in the inner circle of the Australian Wheat Board. When we realise that wheat in the central provinces of America is sold at 9s. 2d. a bushel, railed 2,000 miles to the sea coast, and then shipped across to the Far East and sold in open competition with our flour, the wheat for which was purchased here at pool prices, it seems that the grower here is not getting that profit which must accrue from the selling of his wheat and flour. Subsection 1 of Section 9 of the existing Act reads—

The interest of a vendor under the acknowledgment and certificate issued by a Government agent shall not be transferred or assigned without the consent in writing of the Minister first obtained.

In the Eastern States the growers have the right to sell their equity in wheat certificates. In this State they have not that right.

Hon. C. F. BAXTER (Honorary Minister): We are prepared to give them that right.

Hon. J. A. GREIG: It should not be necessary for the grower to go on his hands and knees to the Minister begging for that right. The farmers are neither children nor fools. They should be allowed to do their own business.

Hon. C. F. BAXTER (Honorary Minister): The Government are prepared to make the certificates negotiable.

Hon. J. A. GREIG: Well, I am going to move that that provision be struck out. It seems to me, in viewing the whole thing, that the Federal Government in particular have failed to grasp the fact that a country's greatness depends upon the security and contentment of those engaged in the agricultural industries. I do not know of any other question that has caused so much vexation to the farmer during the last few years as that of wheat. It is the same in all the States. I have endeavoured to point out the treatment we have received from the Australian Wheat Board. It seems to me the agricultural industry has more than its fair share of the economic burdens to carry. I think, for the services rendered and the capital expended those engaged in that industry are worse paid than any other section of the community.

Hon. Sir E. H. WITTENOOM (North) [8.40]: After the very excellent speech from the hon. member, who has really placed before us the position of the wheat scheme in Western Australia, I am afraid that I can add very little to the discussion. My principal object in speaking this evening is to reiterate and emphasise my strong protest against the action of the Honorary Minister in handing over the contract to one firm in Western Australia. If

we look at the original Act we find in Section 7 that the agency agreements made in the terms of the first and second schedules with the agents named in the third schedule, on the respective dates therein stated, are, subject as hereinafter provided, ratified and confirmed. And if we turn up the third schedule we find there the names of six firms, including the one that to-day holds the contract. It was distinctly given out by the Prime Minister that when they interfered with the wheat business throughout the Commonwealth, it was only to be done during the term of war, and one of the conditions distinctly laid down was that the existing state of business was to be interfered with as little as possible. It was to be continued, as far as possible, under the Government, who intended to take over the whole of the wheat marketing. And the Prime Minister further said that after the war nothing should be done to prevent the business returning to its normal pre-war conditions. It was found necessary that the Government of the Commonwealth should take over the handling of the wheat owing to the restriction of shipping, and to the fact that they were the only authority who could control it. Mr. Hughes rightly said that he desired to interfere with the existing business of the various firms as little as possible, during the term the Government had to handle this business, and that when the war was over it should return to normal conditions. But we find that the Honorary Minister in Western Australia, for some reasons which I have been unable to discover, gave the contract for the handling of the whole of the wheat in Western Australia to one firm.

Hon. W. Kingsmill: Organisation.

Hon. Sir E. H. WITTENOOM: I do not blame that organisation in the least. I give it a great deal of credit for its astuteness. Whether it had an indiarubber Minister to deal with, or one a little pliable, or whatever the conditions that enabled that organisation to carry out its desire so thoroughly, I am unable to say, but the Westralian Farmers, Ltd., was enabled to outstrip the whole of its competitors. The zone system seemed to be very fair. During a debate in this House the wheat representative of the Government stated that it would not be fair to have the zone system because the Westralian Farmers, Ltd., who did so much more business than some of the other firms, would not get a fair share. That statement would, perhaps, have been correct had it ever been proposed that the zone system was to be divided up equally. That was not intended. The zone system was to have been equally distributed on the basis of the previous two years' business of each firm. That seemed to be a fair and reasonable proposition, and I am only going once more to place on record my protest. These other firms for years connected with this business, and some have had advanced money and have built up a connection, have been excluded for this one particular firm. We must remember the words Mr. Hughes used, that the business of wheat marketing should not be interfered with during the term of the war more than necessary, and that at the end it should return to its

normal conditions. Therefore I want to add my protest to what has been done. Any words which I may now use are of no import, because the agreement has been made, and the year is nearly over. The matter is established for some time to come, but the time will arrive when actions of this kind will be remembered and brought up in the future in the proper quarters. With regard to the wheat marketing scheme, I do not think those responsible for handling the wheat have thoroughly recognised the full value of what the wheat represents—I refer to the waste, the way in which the wheat is thrown about and the splitting of bags and so forth. No one seems to recognise that it may mean the value of a man's whole year's work, and it may mean the money which the financial institutions have advanced. This wheat represents many farmers' whole year's work, and, as I said before, represents in many cases the advances which financial institutions have made against the wheat. We hear that an advance of 3s. is to be made as against 4s. How is all this waste to be accounted for? As far as I can see there will be very little out of the balance of the 4s., and all these matters have to be considered. We have had it to-night from a gentleman who is an expert, that the whole of the business is done in the most expensive manner possible, and whilst we have heard one side of the question, the same as in regard to the Bill which we have just been dealing with, we have to hear the other side. I await with interest the remarks of the Honorary Minister in reply to this debate, and I should like to hear that there is not this waste that I have noticed, and which we are told goes on. I do not blame for a moment the Westralian Farmers. They have done their best to get the business, and have been successful, but I want to impress on the Government and members that this wheat is the life blood, may I say, practically of a large number of hard-working people. It is not the money of the ordinary taxpayer, that is a small part, but this is the product of a man's work for a year, and the security of financial institutions. As to the advisory board, my opinion is that this should be an executive board. Judging from what I saw in the newspaper this morning in regard to the Honorary Minister's visit to Melbourne, I understand nothing now will be tolerated but entire Government control. Therefore, it is no use discussing the question. I am also of opinion, independent of any cost to the Government, that it would be a wise thing, as was advocated by the Hon. Mr. Greig, to have an independent audit. I believe it would be a good thing. I do not know that I need say more in connection with the Bill, but I await the Honorary Minister's speech in reply with interest. It is not much use saying anything about the agreements with the Westralian Farmers or the millers. Those have been entered into, and they are acts that are past. Nothing we can say can alter them, but I draw the attention of the Minister, when answering to my idea as to whether there is not a lot of time wasted in marking bags. When the bags are brought in and weighed each bag has to be marked.

There must be a terrible waste of time and delay in that. Then we find where other companies have had to pay large penalties for any wrong doing, with this particular company the total liability for anything that can happen by them is only one farthing a bushel, and that is their commission. Therefore, whatever wrongs they do they can never lose anything, but they cannot gain what they otherwise would have done. With these few remarks I support the second reading.

On motion by Hon. H. Stewart debate adjourned.

House adjourned at 8.53 p.m.

Legislative Assembly,

Tuesday, 14th May, 1918.

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

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

QUESTION—ESTATES REPURCHASED.

Mr. MALEY (without notice) asked the Honorary Minister: Will he make a statement in regard to what progress has been made with the valuations of the Narra Tarra, Oakabella, Bowes, Wundi, and Wibi re-purchased estates in the Victoria district.

Hon. F. E. S. WILLMOTT (Honorary Minister) replied: So far as the Narra Tarra estate is concerned, the final report has been submitted to me by the officer in charge, and it will be dealt with by Cabinet at an early date. The final reports in regard to the other estates I hope to have ready to submit to Cabinet within the next fortnight.

LEAVE OF ABSENCE.

On motion by Mr. HARDWICK leave of absence for two weeks granted to the member for North Perth (Mr. Smith) on account of urgent public business.

BILL—RABBIT ACT AMENDMENT.

Select Committee's Report Presented.

Mr. Piesse brought up the report of the select committee appointed to inquire into the Rabbit Act Amendment Bill.

Report received and read.

BILL—STAMP ACT AMENDMENT.

Read a third time and transmitted to the Legislative Council.

BILL—LAND AND INCOME TAX ASSESSMENT ACT AMENDMENT.

In Committee.

Resumed from the 19th April; Mr. Stubbs in the Chair, the Attorney General in charge of the Bill.

Clause 2—Amendment of Section 16; income liable to tax:

Hon. W. C. ANGWIN: I wish to draw attention to the economy which has been practised in regard to this table of figures. I do not know what it means, and doubt if anybody can read it.

The Attorney General: You must have a bad copy.

Hon. P. Collier: I also have a bad copy.

Hon. W. C. ANGWIN: I move—

"That progress be reported and leave asked to sit again."

Hon. P. Collier: This is an entirely new Bill.

Motion put and a division taken with the following result:—

Ayes	..	..	..	..	12
Noes	..	..	..	..	25
Majority against					13

AYES.

Mr. Angwin	Mr. Pilkington
Mr. Collier	Mr. Roche
Mr. Green	Mr. Walker
Mr. Holman	Mr. Willcock
Mr. Jones	Mr. O'Loughlin
Mr. Lutey	(Teller.)
Mr. Munsie	

NOES.

Mr. Angelo	Mr. Mitchell
Mr. Broun	Mr. Mullany
Mr. Brown	Mr. Nairn
Mr. Davies	Mr. Piesse
Mr. Draper	Mr. H. Robinson
Mr. Durack	Mr. R. T. Robinson
Mr. Foley	Mr. Teesdale
Mr. George	Mr. Thomson
Mr. Griffiths	Mr. Underwood
Mr. Harrison	Mr. Veryard
Mr. Hickmott	Mr. Willmott
Mr. Hudson	Mr. Hardwick
Mr. Maley	(Teller.)

Motion thus negatived.

Hon. P. COLLIER: What is the position now?

The CHAIRMAN: That Clause 2 stand as printed.

Hon. P. COLLIER: Apparently, it is the intention of the Government to go on with the consideration of this Bill in Committee. Some statement is due to the Committee from the Minister.

Hon. J. MITCHELL: Will the Attorney General make a statement in regard to the new amendments to this Bill which have now been brought down? I understood that it was his intention to make a general statement.