

I did not use every means at my disposal in order to obtain a decision. How can the settlers at Denmark live on the expectation that in another five months the Government will help them. I do not say that the Government are against Denmark, but it is in the interests of the State that a decision should be given now.

Mr. O'LOGHLEN: The hon. member is quite justified in moving for a reduction of the item as a protest against the delay on the part of the Government. Hon. members who have visited the Denmark district can bear out the statement that the settlers there are in a deplorable plight and that at the present time they are hopeful of being able to get some sustenance out of pig raising, to which industry they have turned their attention. One has only to go to the homes of some of these settlers to see the conditions under which they are living. The matter is certainly worthy of immediate attention.

Mr. Harrison: Are the people there worse than the settlers at Yorkrakine?

Mr. O'LOGHLEN: I believe they are. They have been hampered by the high price of the land.

The Premier: That has been reduced.

Mr. O'LOGHLEN: But their money has gone and they are now dependent on little butter and bacon factories. I trust the Premier will come to a decision promptly.

The PREMIER: I have already told the hon. member that the Government will go into the matter at once with the view of remedying any disabilities that may exist.

Mr. H. ROBINSON: On that definite promise made by the Premier—

The Colonial Treasurer: There is no definite promise.

Mr. H. ROBINSON: My interpretation of the Premier's remarks is that he has promised to look into the matter at once. That is a promise and I do not want the Treasurer to block me afterwards. I have every confidence that the Premier will give the subject the consideration it deserves. I shall withdraw the amendment.

Amendment by leave withdrawn.

Item, Brunswick orchard, including wages, £700.

Mr. LUTEY: I would like to have an explanation regarding this item. As a layman I am now convinced that the right thing was done when the Honorary Minister authorised the *rooting up of the orchard*, but after hearing another expert on the matter in the person of the member for Bunbury, who contended that it cost much less than £1,000 to run an orchard of a similar size, I am wondering whether the amount on the Estimates is a fair charge.

The PREMIER: This amount was on the Loan Estimates, but it was transferred to the Revenue Estimates.

Item, Rabbit-proof fence, expenses of upkeep, £12,200.

Mr. MULLANY: About twelve months ago when the previous Estimates were before this House, considerable discussion took place on this item. On that occasion the member for North Perth moved to bring about a considerable reduction in the item and I supported the

proposal. Notwithstanding an assurance given at that time that the matter would be looked into and that probably reduced expenditure would be brought about, we find now that there is an increase in the item of £929.

The Minister for Works: There are more rabbits.

Mr. MULLANY: I regret we have not the report of the select committee which was recently appointed to inquire into the question of the rabbit invasion, but I believe that were a majority of the members of that committee here they would say that it was an utter absurdity to keep up this ever-increasing vote. The fences have entirely failed in the object for which they were erected and I believe that the sum of £12,200 could better be spent to combat the pest on the farms between the two fences. The fences are absolutely useless. I feel so strongly on the matter that I intend to move an amendment—

"That the item be reduced by £4,000."

The PREMIER: If the hon. member's amendment is carried the utility of the fence will be completely destroyed; in fact we might then just as well take it up. I went carefully into this matter and came to the conclusion that it would be advisable to allow the two fences to remain, and in that way confine the rabbits to the area between the two fences so as to more easily destroy them. The fences are well looked after and those who have seen them can bear out that statement. Not only do these fences keep out rabbits, but dingoes and foxes as well. The wire netting, if taken up, would be of no value. It would be a pity to remove this outer fence. I hope the Committee will not agree to the amendment.

Amendment put and negatived.

Vote put and passed.

This completed the Estimates of the Agricultural Department.

[The Speaker resumed the Chair.]

Progress reported.

House adjourned at 11.32 p.m.

Legislative Council.

Tuesday, 18th March, 1913.

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

[For "Questions on Notice" and "Papers Presented," see "Minutes of Proceedings."]

BILL—CURATOR OF INTERESTS ESTATES.

Read a third time, and passed.

BILL—HEALTH ACT AMENDMENT.

Report of Committee adopted.

MOTION—FRUIT CANNING INDUSTRY, LOAN.

Debate resumed from the 6th March on the motion by the Hon. A. Sanderson, "That the Auditor General be requested to report on (1) the circumstances attending the loan of £5,500 by the Government to the fruit canning industry, and (2) the present position and prospects of the venture."

Hon. C. F. BAXTER (Honorary Minister—East) [4.37]: I am somewhat surprised at Mr. Sanderson's attitude towards the negotiations between the A.F.L. Co. and the Government, seeing that that hon. member is not only interested in fruit-growing himself but is also the representative of a number of small fruitgrowers who are established in his constituency. Mr. Sanderson has made extracts from the files, and I think he might have gone a little further and been fair to the Government. By making generous use of the files he would have been doing justice to the Government, and would not have been presenting, as he did, one side of the case only. The hon. member led off by saying—

In order to put the position fairly and clearly before hon. members, I would like to say that there is no hostility to the fruitgrowing industry as far as I am concerned. So far from there being any hostility, I may say that I have been, and am, interested in the fruitgrowing industry, and nothing would give me greater pleasure, satisfaction, or profit than to see the fruit industry in this country established on a sound financial basis.

The hon. member takes extraordinary steps indeed to bring about that ideal. One wonders on what lines he intends to proceed, in order to place the fruit industry on a sound basis. By asserting that the advance made by the Government to the fruit industry was in contravention of Federal legislation, did he intend to assist that industry? Again, did he intend to assist our fruit industry by representing that the advance made by the Government was really a bonus? As a fact, the Government were making a loan at the current rate of interest. On the 1st November, 1916, the Honorary Minister rang up the Under Secretary for Agriculture and discussed with him this proposed advance. The matter was referred to the Solicitor General, who stated that so long as the advance was made by way of loan, secured and carrying interest, it could not be looked upon as a bonus. Further than that, the approval of the Commonwealth Treasurer had been given. So far from assisting the fruit industry, the hon. member, to all intents and purposes, is opposing any help whatever being given by the Government to those who are starting out upon the manufacture of jam for the purpose of using up the surplus fruits of the State. It is indeed hard to understand what method the hon. member

would take to establish the industry. Mr. Sanderson further said—

It will be seen, in the course of the statement I will make, that the fruit-growing industry in this country, speaking now from the jam-making and preserving point of view, is admitted to have one great rival, or, as one of the hon. members classed it, one great enemy, namely the Jones Company.

I am with the hon. member to this extent, that a certain statement appeared in the "West Australian" immediately after the announcement that the Government were making this advance. The establishment of local fruit preserving works was very unfavourably commented upon in the statement. At the time it was given out that the person who was commenting so unfavourably was no less a person than the local representative of Messrs. Jones & Co., of Hobart. That statement may not be correct, but the Agricultural Department have every reason to believe that it is correct. I give it for what it is worth. Does Mr. Sanderson take the stand that because there is opposition to an industry it must not be begun or assisted? If so, how are we to start any industry? It is absolutely impossible to start any industry in any line without opposition. Any industry which is started must face opposition. The present time is most opportune for any industry such as that here in view to be started, because there is a lack of shipping to import food-stuffs into the State. If ever there was a time when an industry in the food line should be started here, it is now; and I hold that the duty of any Government in power is to assist in building up such an industry, more especially on the lines suggested by the present Government, which are business lines, and which stipulate for protection for the State's advances. This industry, if started, must benefit fruitgrowers, and, in doing so, must benefit Mr. Sanderson himself as an orchardist. It is hard for me to understand why Mr. Sanderson should raise such objections and fight the Government so bitterly. The hon. member went on to say—

If hon. members turn to the policy speech of the Premier of Queensland—

Very few hon. members have done that.

They will find that the Government of that State approached this question in a sensible way from their point of view. The Premier, Mr. Ryan, in his policy speech delivered in Townsville, said that, with a view of securing to the growers a fair return for their labours, and a ready market for their products, a fruit-canning factory was to be established at a cost of £40,000.

At last Mr. Sanderson is converted to State socialism; there can be no question about that. He favours the establishment by the Queensland Government of a State jam-making industry at a cost of £40,000. Yet, strange to say, he opposes any attempt on the part of the Government of this State to make an advance of £5,000 to establish a similar industry here. The hon. member says—

We come to Western Australia, and what do we find? We find that the benefits of

private enterprise are to be linked up with the benefits of State socialism, and the policy of the Government, as announced, is a pound for pound subsidy to any company who will put up the money.

He contradicts himself in that one statement. The policy of the Government, he says, is linked up with State socialism, and yet he winds up that sentence by saying that the advance is on the pound for pound basis as a loan at current rate of interest. The hon. member kept harping on the word subsidy. When he was speaking I interjected that this was not a subsidy, but a loan. It is hard to understand how a member, who in this House is always preaching opposition to State socialism, should boost up the Government of a sister State because they have come out in a socialistic venture of jam making. I would like to ask the hon. gentleman, what would be his attitude if the Government of this State opened out in the same direction and to the same extent as the Queensland Government, namely, £40,000. However, our experience of State trading concerns does not, in my opinion, justify us in launching out to such extent as the Queensland Government are doing. The Government of this State have made an advance, not to a socialistic concern at all, but to a co-operative body. The hon. member made this further statement—

I will even take this correction. I think when the hon. gentleman has a little more experience he will know that in this connection loans and subsidies and gifts are all alike, and that things now are mixed up in such a tangle that even a chartered accountant could not put it right.

I do not know whether a chartered accountant would be required to put it right, but the hon. member considered he could put it right only by a bitter attack on the Government. The money has been held up for the past eight or nine weeks pending the making of a suitable agreement between the Government and the company, an agreement which will protect the interests of the Government when the advance is made. Loans and subsidies are by no means the same. A subsidy is a grant, while a loan represents moneys to be returned. I maintain that the Government have ample protection in this case. We hold a security over the whole of the company's assets, including the uncalled up capital, the plant and stock in trade. The hon. member referred to the correction and to my interjecting that it was not a subsidy, but a loan. Notwithstanding that he harped upon the word "subsidy." As regards his later statement, I think it was altogether uncalled for. He said I required a little more experience. If he meant by "little more experience" that I am to become as short-sighted and vindictive as some other people I know, I hope the day is far distant when I shall gain that experience. The hon. member referred to the file as follows:—

On going through the file we find that Mr. Baxter is one of the Ministers whose signatures appear on it. "I concur" is what he writes. This file should be sufficient to send that Minister out of the Cabinet

and out of Parliament to-morrow. If what appears on the file had occurred in connection with a private institution that institution would have found itself in the Bankruptcy Court, and if the hon. member had been carrying on business for anybody else and had done anything like that he would have been dismissed without a moment's hesitation.

Could anything be more bitter or more uncalled for? I interjected several times asking the hon. member to tell the House what I had concurred in. It is most unfair to refer to me in those terms, to say that I should be out of the Cabinet. I will tell hon. members presently what it was I concurred in, and leave them to judge as to who was right, Mr. Sanderson or myself. As a matter of fact, this advance was approved before I took control of the Agricultural Department, and the fact that the money has not been paid clearly shows that I was not satisfied, and that I held the matter up until I should be satisfied that the Government were amply protected for the money advanced. Then why this bitter attack on me? I challenge the hon. member with having deliberately withheld information from the House, the information as to what it was I concurred in. This should have been given to the House, or alternatively no mention whatever made of it. It is absolutely unfair, and Mr. Sanderson was the last member from whom I should have expected it. His statement that the file is sufficient to send me out of Cabinet and out of Parliament is very strong indeed, seeing that my only connection with the file is in respect of this one matter, upon which I can fully justify myself. I want hon. members to judge who is right, Mr. Sanderson or those Ministers he so strongly impugned the other evening. My attitude was that no advance should be made to the company unless the Government were fully protected. I had a conference with the Colonial Treasurer. I have here the report of the conference. It is fairly lengthy, but seeing that Mr. Sanderson was so careful to omit these things from his speech, I will read it. Here is the official note of the conference I refer to—

The Honorary Minister had a conference with the Colonial Treasurer and Messrs. Wickens and Berkeley regarding the security existent to cover our present advance and the proposed further advances of £2,300 to the A.F.L. Jam Coy. It was pointed out that the fixed assets only accounted for a sum of from £700 to £800 and that the bulk of the capital was invested in stock. After going into the matter the Colonial Treasurer stated that the position was as follows—Assets, including plant and stock were valued at £8,000 and the liabilities at £3,500, leaving a balance of £4,500. This balance was estimated at date of statement available as a set off against the Government advance of £4,866. The Colonial Treasurer said that this being the position, it would be necessary to draw up an agreement that if that position was varied, we should have the

power to step in immediately. For this purpose he instructed that we should obtain a monthly statement of the company's transactions. He put the responsibility for the preparation of the necessary legal documents to carry out his instructions on the Honorary Minister, stating that he was prepared to make the advance once this was done.

On the bottom of that I wrote, "I concur." That is what I concurred in. That is the only matter on the file with which I am connected, yet Mr. Sanderson says that this file should be sufficient to send me out of Cabinet and out of Parliament to-morrow. Is that fair criticism? He further states that the Minister obtained the approval of Cabinet for an advance of £2,500. The hon. member added—

What that approval is worth, I do not know. Three days afterwards in the "West Australian" an adverse comment appears. "It is certain," says one of the importers, "the project is doomed to failure."

This is one of the many warnings Mr. Sanderson says we had received. Of course we would get warnings of this sort. The opposition traders were bound to issue warnings and state in the Press that the enterprise was doomed to failure. Would the hon. member, because of that, expect the Government to refuse assistance to this young enterprise? It is significant that, right on top of this statement in the Press, Mr. Sanderson questioned the legality of making this advance. I do not suggest any collusion between the writer of the Press comment and the hon. member, but it is peculiar that, following immediately on that article in the Press, Mr. Sanderson questioned the legality of the advance. Yet it is the same Mr. Sanderson who tells us that he wishes to assist the industry. Certainly his idea of assisting the industry would be exceedingly likely to doom it to failure. His attitude right through appears to be that the best form of assistance the Government can tender is not to make any advance, is rather to crush the young enterprise at the outset. If the Government refuse to advance to an industry of this kind, outside capital will not be found for the purpose and there will be very little hope of any progress whatever being made during war time. The hon. member also said this—

In October in a memorandum from the Fruit Commissioner he says the parties had met, that is the Under Secretary and the gentlemen connected with the company, and they had stated that the wholesale people had finally refused to join the company, and the Jones company was exercising influence in this connection. Any Minister who knows his business and with a sense of responsibility would see, if there is any truth in this, that this was a warning.

If it was any warning at all, it was a warning that we should stand by this young enterprise and see that it was not left to the tender mercies of the Jones Company or any other opposition company. If the Govern-

ment had adopted the attitude favoured by the hon. member there would not have been a jam company in existence in this State to-day. Of course, if in the opinion of the hon. member Jones & Co. should have a monopoly of the fruit preserving industry, one can understand his attitude. Does the hon. member really urge that the Government should not assist in thwarting the competition coming from the East? If this is the case, how does the hon. member suggest that we in this State should establish any industry, seeing that no matter what that industry is it will receive strong opposition? For his information, however, I may state that, despite Messrs. Jones & Co., the A.F.L. Company's sales have reached the vicinity of £2,000 per month. It is very gratifying indeed that a young concern such as this should have such a turnover. The course of the hon. member's speech was interrupted by Mr. Holmes, who asked, "That makes £2,500 in all?" To that Mr. Sanderson replied, "I can only say that I think so, but the Auditor General will be able to tell us that, too." Then Mr. Miles asked, "What capital have the company subscribed?" and Mr. Sanderson replied, "The Auditor General will tell us that, too." If the hon. member went so carefully through the file, and got out all the facts, why did he take no note of the information asked for in those two interjections? The file discloses that the amount was £2,500, and the hon. member must have been perfectly well aware of that because he had gone through the file. And he must also have known that the capital subscribed was £2,300. There was no necessity to talk of applying to the Auditor General for this information, seeing that it is all on the file. Could the Auditor General tell the hon. member anything more than what appears on the file?

Hon. J. J. Holmes: Had they subscribed that £2,300 when the £2,500 was advanced?

Hon. C. F. BAXTER: No, not the whole of it, yet the hon. member made repeated reference to this having been paid. He has made so much use of the file that he cannot have overlooked the fact that the amount has not been paid.

Hon. G. J. G. W. Miles: The £3,000?

Hon. C. F. BAXTER (Honorary Minister): The £2,300 has not been paid. As a matter of fact the whole attitude of the hon. member has been to pick out certain parts of the file so as to attack the Government, without showing how the position stands. The hon. member goes on to say—

The Fruit Industries Commissioner continues—"The Jones combine has already cut prices twice since the company started." There is about the fifth warning.

Where is the warning to the Government not to make the advance if the Jones company has cut prices twice? Have we not a right to assist an industry here? Is it not a benefit to the consumers if the price has been cut twice? That alone goes a long way to show that the Government should make the advance, especially if we are reducing the price to the consumer. Yet the hon. member characterises this as a warning. Why, it is an encouragement for the

Government to proceed. The hon. member says—

Now we come to August, 1917. It is essential that the jam factory should be kept going. Heaven knows why.

Mr. Sanderson says "Heaven knows why." That is a peculiar statement to make. How will the State progress if our industries are not kept going? It is a very peculiar attitude for the hon. member to take up. We must push our industries forward. We must keep people on their orchard properties, and the only way to keep orchardists going is to find some outlet for their products. We have no opportunity of doing that unless we establish an industry for jam-making, canning, and fruit drying. There is no shipping to-day, although the State has been exporting large quantities of fruit in years gone by. Since the war our fruit export has dwindled until this year I do not suppose a case of apples will be sent away. If something is not done in this direction people will abandon their orchards. They cannot live on fresh air, and their fruit cannot be allowed to rot on the ground, and this it will do if there is no market for it. Then Mr. Sanderson said—

I am not criticising the company; I sympathise with them to a certain extent, and admire them in another regard. I sympathise with them in the difficulty they find in starting any new affair at the present time, and I must say I admire the way in which they have handled their loan account.

I take it this is nothing short of sarcasm. The hon. gentleman all the time was referring to how these people were manipulating things to get an advance from the Government. The Government were doing their duty to the country, and the fruitgrowers were doing their best, when they were putting their money into it. If this industry is established orchardists can grow more fruit, but Mr. Sanderson's attitude is not to assist, it is to obstruct, to break down. Why he has such opposition I cannot understand. Here is a gentleman who has an orchard of his own, and ought to be looking forward to assist his brother orchardists, but he is putting every obstacle he can in their way. Mr. Sanderson further states—

Then there is a long passage about the fire insurance premiums. I will leave that out, although it is an indication of the grossly careless way in which the business was conducted by the Government.

The Government were making advances to these people, yet they were careless. Because they saw that it was covered by a fire insurance policy? It was an indication that the Government were not careless, but were very careful. Is it not the duty of the Government to see that there is a fire insurance policy? The Government have been most careful in this direction. Where is the consistency of the hon. member's reference to this matter? For the life of me I cannot see it. Mr. Sanderson again said, when I asked him what I concurred in—

How can I explain that? I have been almost an hour and a half speaking on this motion, and I have asked someone else to explain the whole position.

Yes, that is the position. The hon. member was an hour and a half speaking but what was he

saying? Giving only one side; taking unjust advantage of the knowledge which he had gained from the file; to make an unfair attack. Why did not the hon. gentleman state what I did concur in? He knew what it was. He knew that I had concurred in a statement submitted to me correctly setting out the position. I wanted to see the whole thing put on a proper business footing. The hon. member was not fair in that. He took a long time to explain the matter to suit his own ends. He would put nothing before the House to favour me. The hon. member further states—

Do not let hon. members imagine that this is a thing which ought to be dropped, because it is of no further interest, as we have lost the money or because the venture is going to prove a successful one.

This from a gentleman who wants to see an industry carried on. He does not want to hurt the company. He wants to assist them. He wants to see them progress. This money has not been lost. On the 31st October, 1917, a statement was submitted to the Government and attached to the file, showing the position of the company as follows:—Assets, good (exclusive of uncalled capital) £8,000; liabilities (exclusive of A.F.L. advance of £2,000 which they guarantee to leave in the undertaking) £3,500; Government advance £2,500; proposed advance £2,366; total £4,866. So that the position to-day is that each side has put in an equal amount and carried out the Government policy of pound for pound. It is interesting to note also that the company in its short life has expended in purchases of fruit and merchandise £17,000, and has made sales of approximately £15,000, and has contracts for approximately 600,000 lbs. of preserves at remunerative rates. I think this is very satisfactory and the hon. gentleman says this is a bad business venture.

Hon. G. J. G. W. Miles: How much a pound?

Hon. C. F. BAXTER (Honorary Minister): I cannot give the contract price just at this moment. Then the hon. member goes on to say—

So far as I am personally concerned, my fixed determination is to fight for unification, and my fixed belief of months and years standing is that this is the only sound policy to adopt. I almost rejoice at these performances of the Government, because I see that it is not a question of discussing unification, for unification will be brought about by force of circumstances.

The hon. member will have an opportunity of going a step further shortly. Within the next few months he will have to go before his electors, and I challenge the hon. member to go before his electors on the question of unification. If he does so we shall see what his electors have to say. That is the best step he can take if he is so sure about this unification business. I should like to explain to hon. members how the matter stands. Prior to the first advance the position of the fruit industry was such that without the assistance of the Government the in-

dustry was threatened with total collapse. In 1914 the export of fruit from this country, inclusive of grapes, was 126,000 cases. There is not a chance of sending half a shipload away this year. This is the state of things owing to the war. What can be done? We must go in for jam-making, canning and drying. Last year there was a large export from this State to the Eastern States. This also has ceased. We may be able to export a little late fruit to the Eastern States—late varieties of apples—but not anything else. Exports have ceased in the East as well as here. Every avenue in that direction has been closed. The area of orchards reaching the fruit bearing stage is increasing annually, and it is necessary for us to keep up with our export trade. We must go further afield and do something for those orchards which are coming into bearing each year. In 1916-17 there was a slump in soft fruits. They did not pay for the cost of the case and the fruit. Tons of fruit dropped and lay on the ground rotting. This is on account of there being no preserving works here to take the fruit and turn it into jam, or to can or dry it. For some time we have been importing preserves, etc., to the extent of £177,000 annually, yet we allow our own fruit to lie on the ground and rot. Are we to keep on importing this £177,000 worth? That is the attitude which the hon. member adopts. But that is not the attitude of the Government. We want to assist the industry. The industry must go ahead, and we must deal with our surplus fruit, or otherwise it would be lost to us. In addition to that, we find that the fruitgrowers, although not a wealthy class, subscribed towards the capital of the company. The West Australian growers invested £2,300 in this jam company. If I remember rightly it was stated by the hon. gentleman to be a long way below this, but that is the amount. The Associated Fruitgrowers, another combination, has put up £2,000, the Western Farmers have advanced £500. These are three distinct bodies, all comprised of fruitgrowers, and yet the hon. member said they had no faith. They have put up £4,800.

Hon. G. J. G. W. Miles: More than that if one company put up £5,000.

Hon. C. F. BAXTER (Honorary Minister): The West Australian growers put up £2,300, the Associated Growers £2,000, and the Western Farmers £500. The area under fruit is as follows: apples 7,163 acres, pears 718 acres, soft fruits 3,150 acres, oranges, mandarins and lemons 1,946. It was recognised that it was about time that some industry was started notwithstanding the many warnings we have had from those in opposition. It was our duty to force the industry forward, especially as there never was such an opportunity to establish it as it existed at that particular time. Let us look at the exports. In 1914 when the acreage in bearing was not nearly what it is to-day, the exports overseas were as follows: apples 103,558 bushels, pears 3,746 bushels, and grapes 14,252 bushels. We have not even the same home consumption

to-day as we had in 1914. We have lost a great number of consumers from the State, and in addition we have not the opportunity of shipping fruit away. Yet the hon. member would have us sit down quietly and let the prospects of establishing an industry die right out. Let me give hon. members the imports. Of dried fruits we imported £45,798, and of canned fruit £131,594. When we make importations of such huge value does it not strike one that it is due to the Government to assist in the establishment of an industry? Of course it is. Through the glut in soft fruits in 1916-17 the prices realised were such that many of the growers had to put their hands into their pockets and pay freight and commission. The factory in question since it started, has relieved the position to some extent, but nothing like what it will do in the future. It was alleged by a local newspaper on the 11th February, 1917, that tons of soft fruit had rotted. We know that a large quantity rotted, too much in fact to be lost to the fruitgrowers of the State. Apples, oranges, and pears may be stored and marketed regularly, but soft fruits must be dealt with at once, and what other way is there of dealing with them than to can them or convert them into jam or dry them? Since they have been established, the company's sales have reached a total of £15,000, so that the bogey of Jones & Co.'s opposition, raised by the hon. member, is of little consequence. Whilst I was in Melbourne this company managed to secure a contract with the Imperial and the American Governments to supply 380,000 lbs. of jam. The major portion of that contract is for the supply of fig jam and the company will be turning it out at a decent profit. The jam is being made from figs which would otherwise have rotted. Western Australia could not have taken advantage of an order like that if the Government had not gone to the assistance of the company, and yet the hon. member wants the House to believe that a wrong attitude was adopted. The original order for the supply of jam was only 130,000 lbs., but while I was in Melbourne the Minister for Agriculture wired and asked me to urge the Federal Government to make representations to the American Government to accept fig jam. The American Government agreed, and in that way the order was increased to 380,000 lbs. In addition to that an order was obtained for the supply of 115,000 lbs. of jam for the Imperial Government and 20,000 two-lb. cans of pears for the A.I.F. This order, too, would have gone to Jones & Co. if the A.F.L. had not been established in this State. It is difficult to understand the hon. member's attitude on this question. He stated that he sought information only and that he had perused the file from beginning to end, but it appears to me that the hon. member only selected those parts of the file which suited himself. The file contains the whole of the information which it is possible to supply. What more does the hon. member want? Does he suggest that he is not intelligent enough to understand what appears on the file and that therefore he wants the whole of it submitted to the Auditor General who might be able to get more out of it?

If we engaged all the auditors in Perth to investigate the matter, they could not find out anything more than it is possible to do by carefully going through the file. At the present time one of the most reputable firms in Perth are auditing the company's accounts, and the report and statement will be available for inspection at a later period. Does the hon. member want more than that; does he suggest that that report will not be sufficient when it is made available?

Hon. A. Sanderson: Will it be laid on the Table of the House?

Hon. C. F. BAXTER (Honorary Minister): If the hon. member wishes to have the report he can ask for it. I cannot say at this stage whether it will be presented to Parliament. I do not know whether it is necessary to keep the House occupied any longer on the matter. Hon. members are at liberty to discuss the motion and if it is desired to pass the matter on to the Auditor General, the Government will have no objection, although I do not see what good can be served by so doing. As I have said, all the information is on the file and I do not know that it will be possible to elicit any more.

Hon. R. J. LYNN (West) [5.25]: The concluding remarks of the Honorary Minister satisfy me, inasmuch as he stated that if the House decides to pass the motion, the Government will not offer any opposition. I intend to support the motion because of the second paragraph which is in the direction of ascertaining the present position and prospects of the venture. Mr. Sanderson, when speaking, quoted extracts from the file to show that a considerable sum of money had been advanced by the Government before any money had been subscribed. If that is so, it would be interesting to know why any money was advanced by the Government before an equivalent was subscribed by the shareholders. I have no wish to question whether this is a subsidy, a loan, or a grant, but in the ordinary course of business, if the Government were subsidising any firm or corporation, the first thing to do before depositing any money at all would be to have a legal agreement drawn up, and when the subsidy was handed to the bank an equivalent of that subsidy subscribed by the shareholders of the corporation would have to be there also. I do not know how it can be called a subsidy if Mr. Sanderson's statement is correct when he said that £2,000 of Government money was deposited as against £300 subscribed by the shareholders. A subsidy is a grant of pound for pound on the amount subscribed, but it appears to me that the money was provided by the Government before the company was really registered. That in itself appears to me to be a loose way of transacting business. In my opinion the Government are quite right in assisting an industry of this character. It is one of the industries I would favour the Government granting a bonus to. I take no exception to that. If the motion is carried it will do considerable good, in my opinion, in the direction of ascertaining the prospects of the venture. I am anxious to see the venture

become a success, and I believe Mr. Sanderson would also be pleased to see the company well established, but it is impossible under existing conditions for the venture to become a success. I will give one reason. We have heard a good deal about the competition of the Jones combine. That is indeed a very wealthy combine, and it has far reaching effects, but let me tell hon. members that the Kalgoorlie trade is now rapidly being secured by Adelaide. Adelaide to-day is the capital of Kalgoorlie and not Perth from a local industry standpoint. At the present time jams can be taken from Adelaide to Kalgoorlie at a lower rate than they can be sent from Perth to Kalgoorlie. I believe the rate is something like £7 from Adelaide, while from Perth it is something like £8. Last month the Nestle's Milk Company brought no less than 100 tons of milk from Adelaide at a cost of £7 a ton to Kalgoorlie, and our freights on the local railways would have amounted to £8 6s. per ton, representing a dead loss of £1,000 to this State. How is this sort of thing possible? We hand out State funds to subsidise a local industry on the one hand, and we go to the Commonwealth authorities under an agreement with our State railways, on the other hand, and give them the right to land cargo in Kalgoorlie at a price which is in excess of that which is charged from Perth to Kalgoorlie.

Hon. J. E. Dodd: That is not an insuperable difficulty.

Hon. R. J. LYNN: Certainly not, but this has been going on for the last month or two. We have been told that this was brought about because of the shortage of tonnage and that the tonnage was unable to compete. It was also said that we had no tonnage with which to bring our goods to Western Australia. A reference to Saturday morning's paper discloses a statement by the Prime Minister in which he said that he had a steamer ready but could not get any freight to take to Western Australia. The tonnage question has been solved for some weeks. If the tonnage question has been solved, and there is no occasion for the question being introduced as to tonnage coming to our State, why has this question of railway freights not been considered before? It appears ludicrous to me that we are giving subsidies to, and expecting success from a company in Perth, when we are, under an agreement, allowing retail people to charge 1d. per lb. more for the A.F.L. jams than Jones & Co. are allowed, and subsidising the jam factory, or the industry, with this cash from the Government and then allowing the best part of our markets, that is in Kalgoorlie, to be exploited by another State. It may be good policy from the point of view of the manufacturer, but from the point of view of the foundation of an industry, it cannot be a success if it involves the bleeding of the public to this extent. An industry must stand on its own basis. Local jams, just as an other commodity which is introduced, must of necessity have some sales if the company is going to keep going and build up the fruit industry. I have no wish to quarrel with the Govern-

ment in this respect, other than to say that if they propose to continue this they should continue it on a much larger scale than they are doing now. The primary and secondary industries are the only industries that are going to do our State any good. For far too many years we have been sending out of the State hundreds of thousands of pounds for stuff which we should be producing locally. If the Government propose to continue on these lines, and I think they are going in the right direction from the subsidy point of view, they should do something more to place the business on such a sound basis as to secure success. I intend to support the motion in order to ascertain the prospects of this industry. Any assistance that I can render to the Government in this matter I shall be only too glad to give, and also to supply any information that is at my disposal. The Honorary Minister quoted some paragraphs relating to the fruit market, and I have here a telegram which might discount the figures he mentioned, to some extent. I do think the Government should, if possible, ascertain if a larger sum could not be used to place this industry on a firm basis, and if there could not be some co-ordination between Government departments in order to ensure the success of the venture.

Hon. J. EWING (South-West) [5.55]: What appeals to me more than anything else is the inadequate manner in which these industries are being provided for. If the Minister would carry out the suggestion made by Mr. Sanderson and lay on the Table of the House the report of the auditors upon the work of this company, I think it would overcome, to a large extent, the necessity for the motion. What we do want to know, however, is the policy of the Government in this matter. We know that we are in very parlous straits as regards our finances at the present time. We were told by the Government, and by the preceding Government, that what we have to do is to encourage production. If this is going to be done, it must be done in a larger way than is now being done. When the Honorary Minister was speaking, an interjection was made in regard to the Treasurer, who is supposed to have an agreement to step in. So far as I can gather the words "step in" mean that he is to come in the moment these people are in difficulties, in order to protect the interests of the Government and the people of Western Australia. But we may make a grave error in stepping in at an inopportune time. The position of the people of the South-West, who are interested in the fruit growing industry, is a serious one. In 1917 we found that there was a glut of fruit and all export had stopped. In these circumstances, every encouragement should be given to them so far as fruit canning is concerned. These particular people have already subscribed £2,800, whereas the Government, up to date, have contributed £2,500. When speaking on the Address-in-reply, I said that the Government should come along with a matter of £10,000 in order to place this industry on a firm and sound basis. Mr.

Kingsmill, I think it was, interjected "They have not asked for that amount; why force it upon them?" and seemed, to some extent, to ridicule the proposition. It is no good building up an industry of this kind in opposition to Jones & Co., of Tasmania, without a large amount of capital. I do not think Mr. Sanderson is opposed to the fostering of this industry. He is one who has gone in largely for fruit growing himself, and I gathered from his remarks that he is entirely in sympathy with the industry. He desires it to be carried out on proper commercial lines no doubt, but thinks these people should put up pound for pound. I take up the position—and always have done so, especially at a time like this—that it is necessary for the Government to define their policy. They know perfectly well that the people in the South-West who are endeavouring to improve the dairying industry, as well as the fruit growing, have not the money in their possession with which to put up pound for pound. If they have not this money it is for the Government to consider what their policy is going to be. We are told that the Government have no money. I refuse to believe this to be the position in Western Australia to-day. A better state of affairs would exist if the Government would say, "We will earmark £150,000 and acquire that money somehow, and have it available to lend to those people who desire to establish industries." Such a policy, if put into effect, would be greatly to the advantage of our State. If we are going to tell these people who are endeavouring to build up the primary industries of the State that we have no money for them, that it cannot be obtained, and if we are to refuse every request they make for money and assistance, there is no hope for Western Australia. The Government should realise that the only way to get out of our difficulties is to lend money to people who are prepared to develop the primary industries of the State, such as the fruit and canning people, and should provide a sum of £10,000 if they are satisfied that the prospects are good. I do not suppose many hon. members will take up that position, but I trust some of them will do so. It is the only possible position for us to take up in this State at the present time. If the Honorary Minister is confronted with any possible disaster in connection with any particular company, or co-operative concern, in the establishment of an industry, whether a better factory or fruit and canning works, let him think of the future of Western Australia and let him not hesitate to advance the necessary money, in order to keep these people going. If the Minister will promise to lay the auditor's reports on the Table of the House, what Mr. Sanderson requires will have been done. I am sure that such reports will contain a great deal of matter of interest to hon. members. I would impress upon the Honorary Minister, the Government and the Treasurer, that it is their duty to find this money. If they intend to make everyone of these co-operative concerns in connection with our primary industries find pound for pound before giving

them any money, they will get into the position that they cannot make good and these industries will languish. This may be an opinion which will not be voiced by any other hon. member, but I believe it to be the true position. The Government should find a sum of £150,000 and ascertain those directions in which it can best be spent in the interests of primary production. If they can do this it will be the salvation of the primary industries of our State.

Hon. J. DUFFELL (Metropolitan-Suburban) [5.40]: I intended to support the motion but, seeing that there is a likelihood of the mover replying almost immediately, I will take this opportunity of saying that it was with no small amount of regret that I listened to the words of my colleague, Mr. Sanderson, a few evenings ago when he made his statement with regard to the Honorary Minister, Mr. Baxter. I was hoping that some hon. member, in speaking to the motion, would have drawn attention to this statement. With a full knowledge of the meaning of my words I say now that I regret exceedingly the words which were used by Mr. Sanderson as to the administration by Mr. Baxter as Honorary Minister, and contend that they were uncalled for. As regards the industry under consideration, I am sure the Honorary Minister will not be found wanting in his duty concerning his use of the funds of the Government in assisting any of our primary or secondary industries. I have always made a point in this House of encouraging, as far as in me lies, the primary and secondary industries of the State. We have had quite recently an example, and also the experience, of our dependence upon the industries of the Eastern States during this time of trouble. We have had figures quoted by hon. members to show that it has been found necessary to bring articles of food over from the Eastern States to Kalgoorlie at a lower price than that at which they could have been carried over our own State railways from Fremantle to Kalgoorlie. That was explained by the leader of the House a few evenings ago when he said that at the time that arrangement was made it was impossible to get tonnage with which to bring these articles from Adelaide to Fremantle, or any other port in Western Australia. I do not know that it is essential for me to enlarge upon this, but I think the motion is necessary from the point of view put forward by Mr. Lynn, namely, that we should know the position with regard to the fruit canning industry of Western Australia. Personally I am not afraid of any outside competition, no matter how strong the particular company may be. Every company must have a beginning, and if they commence on right lines they have very little to fear from competition, providing of course they look after the percentage of overhead expenses in conjunction with their output. By the large orders placed with the company by the Imperial and the Commonwealth Governments, some consideration has already been shown to them. In previous years tons of fruit have been allowed to rot upon the ground or have been fed to pigs owing to the want of commercial avenues for its disposal. Therefore the Government are justified, so long as a quid pro quo is put up by the producers, in encour-

aging anything in the nature of a canning and jam making industry.

The COLONIAL SECRETARY (Hon. H. P. Colebatch—East [5.46]: In reference to a remark made by Mr. Ewing, I would like to suggest that the Government are hardly in a position to undertake to lay on the Table of the House the report of the auditors of this company.

Hon. J. Ewing: I did not know that was the position.

The COLONIAL SECRETARY: But the Government, although they see no good object to be served by the motion, have no objection whatever to the matter being reported on by the Auditor General.

Hon. A. SANDERSON (Metropolitan-Suburban—in reply) [5.48]: I desire to have an opportunity of dealing with one or two extraneous matters referred to by the Honorary Minister. I shall refer to them merely in passing. It was my belief that members of this House heard enough from me about unification, without hearing anything from anyone else. I think I can make the pledge that after this very brief reference I shall not refer to the matter again this session. And that may mean for ever. The Honorary Minister challenged me to go to my electors on this unification question. It is somewhat significant that this very afternoon, as I was coming to this House, I should read the following reference to unification in the speech of one of the candidates for the metropolitan seat, a reference with which I associate myself, if not to the extent of every word, yet to the extent of a practical endorsement—

It is said in some quarters that our salvation is in unification, in others separation, and that to remain as we are means bankruptcy. You will naturally ask me what are my views. I reply that unification at the present time is impracticable. We could not have unification without the other States agreeing, and we know that some of them would not come in. We might possibly put up a case for separation—

I favour separation rather than unification; there I differ from the candidate, Mr. Lovekin.

but it will be difficult to obtain. To go on as we are, of course does involve bankruptcy. My suggestion is that we do the best we can until after the war, make as little leeway as possible, and when peace is declared have a convention as outlined by Mr. Austin Chapman, to consider this question of the future Government of Australia.

So far from refusing to accept the challenge, I not only take it up myself, but am delighted to point out that one of the candidates for the Metropolitan Province has arrived at a similar conclusion. With regard to the motion, I am comparatively indifferent whether it is carried or not. I have had an inspection made with my own eyes, and I have had a report made by an inde-

pendent authority, whose opinion I respect. I am indeed glad that all the papers have been laid on the Table of the House. So far from putting only one side of the case, as the Minister charged me with doing, I said that the facts and figures appearing in the file disclosed a *prima facie* case for an independent report, so that we could know where we are. That is the position in which I stand at present, that a *prima facie* case has been made out, and that it would be of value to know what the opinion of an independent auditor and a trained accountant on this affair might be. But if I made any attack which hurt the susceptibilities of the Honorary Minister, an attack to which even my case-hardened colleague has taken exception, I can tell the Honorary Minister that anything I said when moving my motion is a bagatelle to what I am prepared to say here now and to what I am prepared to say outside. Let not the Honorary Minister imagine that in this Chamber we bandy words and indulge in personalities. If we had any desire to do so, you, Mr. President, would prevent us. So far as I know, never has the House behaved itself, in the personal aspect, except with the greatest decorum. I am dealing with the Honorary Minister as representing the Cabinet and as representing that malign section of the Cabinet, the Country party. If it gives my hon. colleague any satisfaction, let me withdraw everything that I said about the Honorary Minister here, and let me go on and tell his hon. colleague in the other Chamber, that I am prepared to publish about him tenfold of what I said here in this House. I am prepared to say that either of the Honorary Minister representing the Country party or of the County party themselves. And this is the grand finale of a National Government and of elective ministries, that a colleague of a member of the Cabinet seeks to defend himself, not by assuming that corporate responsibility to which we were trained in the old system of Parliamentary Government, but by dissociating himself from his colleague. This is the new system, the Country party system or method of government, that apparently a Minister can repudiate his colleagues in order to protect himself. Let the Honorary Minister in another place understand quite clearly that so far as my election is concerned, this is not an electioneering speech, but is a speech against the Country party. If it is the last speech I am to make here or anywhere else, still I wish to warn Western Australia against the malign influence of the Country party. Not so much against that party as it was organised originally, but as it has been carried on by its members in these two Houses of Parliament. I see the greatest danger in that party. Let hon. members not talk about the danger of the Labour party. They were bad enough. But what have the Country party done? They have destroyed the Liberal party. So far as I can understand, I remain the sole representative in Parliament of

what was considered the Liberal party of Western Australia. That is the position in which I find myself. My attack is not on the Honorary Minister. He is nothing to us personally, except that we greatly regard him. So far as politics are concerned, however, no words that I would be permitted to use in your presence, Sir, would express the feeling of alarm with which I view the performances of the Country party. What is the one plank—and this is what makes me so agitated, if hon. members like—what is the one plank of the Country party which caused that party to be welcomed by sections of the community in all parts of Western Australia? It was their fiscal policy; it was their free trade policy. And here this afternoon the Honorary Minister tells me that I should support this affair because it would put money in my pocket. The Honorary Minister in this Chamber was surprised that I, as a fruitgrower, was not supporting the affair, since it would put money in my pocket. Let me ask this—what, in one word, is the essence of protection? It is the robbery of the majority of the people to put money into the pockets of the minority. That is my definition of protection. The Country party started off as champions of that belief; but they end with this ridiculous £5,000 granted to the fruitgrowers, and probably lost. There is some hope of shattering the Labour party. Their policy shatters itself. Their policy is to rob the minority in order to put money into the pockets of the majority. But the pockets will not go round; there is not a sufficient number of pockets into which one can put one's hand in order to send out money to the majority of the people who support the Labour party. I welcomed with the greatest pleasure the intimation given the other evening by the Hon. J. E. Dodd that at any rate there is one person who revolts against that system. So we come to the conclusion of this affair. I am going outside; my term of office is practically exhausted; I certainly have very little right and absolutely no inclination to expound my opinions on public questions inside this Chamber, since I am going to my electors. I shall either come back fortified to go on with the work which I have been attempting to do here, or I shall finish with political affairs so far as the Legislative Council is concerned. If I am rejected, my successor will rightly take upon himself the privilege and the duty of representing my present constituents. But I am going to my constituents to tell them first of all that I accept the challenge of the Honorary Minister. My colleague is apparently very sensitive to my strictures, and I am sorry that they should have shocked him. I am afraid, however, I must go on, as the last Liberal, in my own way. I am going out to tell the electors of the Metropolitan-Suburban Province of what the Country party have done, of what they are doing, and of the danger to the whole State of Western Australia if they are allowed to continue in office and in power any longer. That finishes the affair. I am quite sure the Honorary

Minister and also my hon. colleague entirely absolve me from any personal attack on the Honorary Minister or on any other member. It is too exhausting, particularly when I am almost choked with emotion to think of the outrageous position into which the public affairs of this State have drifted, and for which, to my way of looking at the matter at any rate, the Country party, and the Country party alone, are mainly responsible. It is indeed a grief to me. When I saw the Liberal party shattered and sinking, I thought that at any rate there was this lifeboat of the Country party with one sound plank. I did not ask for much—just one sound plank. That plank, if the Honorary Minister is a proper and representative member of the Country party, has gone, and I have finished with the Country party as well. What happens to this motion is a matter of comparative indifference to me. If, as I understand, the leader of the House does not object, possibly it will be advantageous to have this report; if, on the other hand, the Colonial Secretary or anybody else objects, I am comparatively indifferent. I think it would be interesting, and of some value, but I can assure hon. members that I have already made an independent investigation of this question, not by myself alone but with the assistance of skilled helpers, and the consequent report and opinions I shall also have an opportunity of putting before my electors before many weeks are over. Having said that, I repeat the pledge that I shall not again mention unification in this House. I recognise that my term of office is practically at an end, and that it would be most unseemly in me, and would possibly hamper my successor if I drew upon the representatives of the Metropolitan-Suburban province even the criticism of the Honorary Minister, to which it seems my honourable colleague has some little objection.

Question put and passed.

BILL.—ELECTORAL ACT AMENDMENT.

Assembly's Message.

Consideration resumed from the 7th March of the Assembly's Message giving reasons for disagreeing to the new clause added by the Council, providing a penalty for disorderly behaviour at a lawful public political meeting.

In Committee.

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

The CHAIRMAN: On Thursday last progress was reported on the motion moved by the Colonial Secretary "That the Council's amendment be not insisted upon."

The COLONIAL SECRETARY: On Thursday I moved to report progress in order that I might have an opportunity of inquiring into the reasons given by the Assembly for disagreeing with the amendment. I submitted the matter to the Solicitor General for his opinion, and in the course of a minute to me that officer reports that at any time during the course of a public meeting

any person present may be required to leave by the convenors or the chairman of the meeting, and in case of refusal may be removed. As to the point raised by the Assembly that the Police Act deals with the matter, the Solicitor General reports that under the Police Act of 1892 disorderly conduct in any public place is an offence punishable by a fine of £2, or one month's imprisonment. He points out that our amendment would not strengthen the position, because, under the Police Act, any person who at a public meeting acts in a disorderly manner, is liable to the penalty provided in that Act. The Solicitor General also informs me that cases have been successfully taken under the Police Act. In these circumstances I do not think there is sufficient justification for insisting on our amendment.

Hon. V. HAMERSLEY: I am glad to have the assurance that sufficient power is provided in the Police Act, and I only wish that all future chairmen of political meetings were supplied with the same information as to their powers to restrict disorderly behaviour at meetings. At very many public meetings the chairmen have been at a loss to know exactly what action they could take. Personally I fail to see why we should not insist on this amendment to the Electoral Act. If the provision is there included, the chairman of a meeting will know exactly what power he has. I will vote in favour of insisting on the amendment.

Hon. J. J. HOLMES: I support the position taken up by Mr. Hamersley. I have had experience of meetings held under the State legislation and of meetings held under the Federal Electoral Act. I think it will be agreed that the provision in the Federal Act has had a very good effect in strengthening the position of chairmen of public political meetings. It enables the chairman to quote the law, which very likely he would be unable to do if the penalty was hidden away in the Police Act.

Hon. A. SANDERSON: In view of the opposition of another place I think it would be inadvisable to insist upon the amendment. After all, the matter is not of vital importance. Political meetings in this State, as a rule, are very tame. I speak with some knowledge of the subject. I am one of the few who have had rotten eggs thrown at them. I think the electors should be as free as possible in their choice, and in their methods of expressing approval or disapproval. In the circumstances I think it would be a mistake to insist upon the amendment disagreed with by the Assembly.

Question put and passed.

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

House adjourned at 6.13 p.m.