

Legislative Assembly,

Thursday, 6th October, 1932.

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

BILL—JUSTICES ACT AMENDMENT.

Read a third time and transmitted to the Council.

BILL—BULK HANDLING.

As to Procedure.

Order of the Day read for the resumption from the 4th October of the debate on the second reading.

Mr. SLEEMAN: Before proceeding with the debate, I should like to have your ruling, Mr. Speaker, whether we are in order in proceeding with the discussion of a Bill which may be proved to be unconstitutional. On Tuesday last I raised the point that the Bill was unconstitutional, and you declined to give a ruling until you had got into touch with the Crown Law Department. The Bill should be laid aside until it is deemed to be constitutional. If we proceed with the discussion to-day, and next week you decide that the Bill is unconstitutional the time will have been wasted and we shall have been discussing something unconstitutional. I should like your ruling.

The ATTORNEY GENERAL: Suppose it is unconstitutional, I have yet to learn that it is the Speaker's duty to determine whether a measure is ultra vires the Constitution or not.

Mr. SPEAKER: I am sorry the hon. member has raised the question. He came to my room a few minutes before the House met and I told him that I had not

had time to get an answer from the Crown Law Department, and that meanwhile I intended that the discussion should proceed. Unless the House wills otherwise, that is my decision.

Mr. SLEEMAN: I cannot allow your remark to pass, Mr. Speaker, without an explanation. I went to your room as a matter of courtesy to tell you I intended to raise the point.

Mr. SPEAKER: All I can say is that I acquit the hon. member of any discourtesy in the matter. I probably misunderstood him, but I gave him distinctly to understand that it was not my intention to stop discussion on the Bill until I had received from the Crown Law Department a decision on the point raised. Unless members disagree with my ruling, the discussion shall continue.

Second Reading.

MR. DONEY (Williams - Narrogin) [4.40]: I support the Bill and want it, because I wholeheartedly believe in it. It has taken quite a number of years to bring the measure within the scope of practical politics, and I hope that now it is here, we shall extract from it the utmost value. Personally I feel very glad, almost relieved that the testing time has come, but I regret that from present appearances anyhow the great question, "to be or not to be," is likely to be determined on a basis not so much of the merits of the proposal as of tactics. I suppose there is nothing that so grips the life of the community in Western Australia as does wheat. It seems to dominate pretty well every action in this State. Our condition day by day is but a reflection of the wheat market. When we are happy and prosperous, it is an indication that we have a good harvest and are getting a good price for our wheat. Similarly when we are depressed or bad tempered, it is an indication that wheat, temporarily, anyhow, has slumped pretty badly. It is the duty of every good Western Australian to coax up and keep up the price of wheat. The Bill before the House is probably the most important measure to be introduced this session. I think one might go further and with all truth say that, apart perhaps from the emergency legislation, this is the most important measure that has been introduced for many

sessions. It will be noticed that the principle of bulk handling has received the almost unanimous support of the wheat growers of this State. The two big organisations of the wheat growers—the Primary Producers' Association and the Wheatgrowers' Union—have passed countless resolutions appealing for the adoption of a bulk handling measure. The industry on this occasion has spoken with one voice. It does not often do so, but it has definitely done so on this occasion, and I say we cannot ignore the voice. Incidentally this unanimity on the part of the farmers certainly deprives the enemies of the scheme of opportunity for deriding it on the ground that the farmers themselves do not know what they want. Hitherto, when any question of supreme importance to the wheat-growing industry has been before the State, the pretended friends of the industry have stamped it—for want of a better term—by shrewd propaganda on their part. As a consequence, the industry has been led to declare itself, or to speak, with two voices; or with three or four, for that matter. But on this occasion it certainly seems to me that the industry has resisted the snasions of the city and also those of the port, and is thinking out its own salvation along new and quite independent lines. So far as I am able to recall, it is seldom indeed that the farmers of this State have been led to express themselves so definitely, so insistently, so promptly and so unanimously. Beyond doubt they realise that they cannot afford to lose the half million of money here involved. I hope that this Chamber realises it also. Further, I hope that our friends in another place will realise it. The Bill is primarily, of course, a farmers' Bill. That cannot be disputed. However, in a wider sense it is, without the slightest doubt, a people's Bill. Directly or indirectly every man, woman and child in this State is linked up with the great national job of growing things. We have seen quite plainly during the past 18 months, anyhow, that when wheat and wool fall in price, Hay-street, St. George's-terrace, and Forrest Place and the like sag at the knees just as tragically as Wyalkatchem, Doodlakine, or any of those places. It is clear that wheat and wool govern pretty well everything in this State. Merely to say that this is a bulk handling Bill is not, I think, fully descriptive of the purport and the benefit of the measure. It might, I think, more correctly

be described as a Bill to bring £625,000 of foreign capital into Western Australia.

Hon. W. D. Johnson: No; £500,000.

Mr. DONEY: By virtue of the fact of the exchange, the amount is £625,000 so far as the local spending aspect of the matter goes. The major portion of the sum will be expended in labour. That at least is a point which hon. members opposite will appreciate. The measure might also be described as a Bill to bring half a million pounds annually into Western Australia, and—this is a point which should certainly be noticed—without recourse to taxation. Generally in cases of this kind such gains are the result of taxation of another section of the people. The measure, again, might just as correctly be described as a Bill to save fruitless labour. Certainly it is a Bill which will contribute largely to the saving of an industry that at the moment is in a most parlous state. Then again, it is a Bill to enable Western Australia to compete with a greater degree of equality than previously with the other great wheat-producing nations of the world. In order to be fair, we have to admit also that it is a Bill to displace a certain amount of labour—we cannot ignore that fact. I quite agree with hon. members opposite that that is an aspect which this House will have to address itself to, but certainly not on this Bill. I hope it has been noticed by hon. members that the sense of and the need for this measure have received generous support from those gentlemen who were selected some time ago as Royal Commissioners to inquire into the disabilities of farmers. The personnel of that Commission was, I believe, accepted by this Chamber as comprising gentlemen very fit indeed to pass judgment upon the vital needs of the farmers of Western Australia. In order to set at rest any doubt upon this point, I wish to read from the report of the Royal Commission, page 28, under "Legislation"—

In order to carry out the foregoing recommendations, the following legislation will be required.

Then paragraph (4) states—

An Act to make Trustees of the Wheat Pool a body corporate, giving them sole rights of handling wheat from sidings to terminals and storing at either point, and also power to inaugurate and control any bulk handling scheme in Western Australia.

I have heard it said that that recommendation was contained in the majority report, to which Mr. Farrell's signature was not

appended. Inferentially, however, Mr. Farrell certainly did support that recommendation—inferentially to the extent that in his minority report he deleted from the parent report such parts as he did not agree with; and this recommendation was not deleted. Therefore we have every right to say that Mr. Farrell thus indicated his participation in this particular recommendation. The Minister for Works demonstrated, not only during his second reading speech, but many times outside the House, that large savings are likely to accrue to the farmers from the adoption of bulk handling. It has been shown that those savings will range from 3d. now to 6d. by-and-by, when the scheme gets into its stride. It is not my intention to duplicate any of the arguments or facts or figures used by the Minister, but I think a fair deduction from what he has said is that bulk handling is indispensable to Western Australia's progress. Therefore the next task confronting the House is to find just that scheme which will assure to the farmers the greatest saving per bushel in the safest, fairest, quickest and soundest way. Fortunately it is not necessary now, as it was a few months ago, to determine which of the several schemes submitted is the best. It happens that there is at the moment but one scheme in the field. The scheme at one time submitted by the Minister, and generally referred to as the Government scheme, was in large measure orthodox bulk handling, with carefully planned variations here and there to make the scheme suited to the requirements of this State. Here it may be opportune to mention that the Minister for Works has been an ardent student of bulk handling ever since the question came into prominence in America many years ago. I think the hon. gentleman may be said to have written more, and spoken more, and probably spent more time on this subject than any other person in Western Australia. My own opinion is that when the Bill ultimately becomes law—as I believe it will—the major portion of the credit for that achievement will lie at the Minister's door. I think it is correct to say that his scheme was designed not so much in the hope of its ultimate acceptance by the State, as in order to indicate to other aspirants that not any old scheme would suit the Government, who knew as much about bulk handling as did any one else. I hope, too,

that it will be recalled that the Minister on several occasions made it plain that he had only to be shown that there was in existence a better Bill than his to secure the dropping of his own measure. The Government's scheme has served its purpose, and served it very well indeed. There can be no doubt but that the publication of the Government's scheme led to critical comparisons between it and the various other bulk handling schemes submitted in this State, and from the Eastern States and America for that matter. I think, too, that the publication in question has given the farmers a great insight into bulk handling, such as, anyhow, they could not have obtained from any other source. There is, of course, a fairly large measure of opposition to the bulk handling scheme. The origin of some of that opposition is pretty obvious. It comes from Fremantle, and of course we expected it. There is other opposition, not quite so obvious in its origin, which I think was probably initiated by merchants who sell cornsacks. Naturally we expected opposition from the cornsack merchants, because they, if this Bill is passed into law, will sell fewer cornsacks. But I cannot understand opposition from hon. members sitting opposite, to a measure which in due course will quite certainly produce a great deal of extra work. The member for South Fremantle (Hon. A. McCallum) said that if the Bill became law, many thousands of men would be put out of work. In a sense that is true, because work would be lessened in some occupations; although, just as plainly, more work still would be created in other directions. I cannot but think that the hon. member's estimate was arrived at somewhat hastily.

Mr. H. W. Mann: It was confirmed by the Minister.

Mr. DONEY: I am not responsible for what the Minister may have confirmed, or may have said or done; but I may remark that I did not hear the Minister confirm the estimate in question. The point is that I believe figures have been published showing that if bulk handling does come into force, 6,656 weeks of work will be lost to the wharf at Fremantle. I am given to understand that there is in the only two unions concerned—the Lumpers' Union and the Tally Clerks' Union—a total membership of 1,488 men. Now, dividing the 6,656 weeks of work by 1,488 men shows that 4½ weeks'

work is lost to each man concerned in bag handling at Fremantle. I readily admit that the loss per man of $4\frac{1}{2}$ weeks' work is a substantial consideration, especially in these hard times.

Hon. A. McCallum: Where did you get those figures from?

Mr. DONEY: They have been published. I can give the hon. member the source of my information.

Hon. A. McCallum: What is your authority?

Mr. DONEY: I will give it. I believe I am right in saying that this publication has been handed or posted to every member of the House.

Hon. A. McCallum: Yes, but that does not make it authoritative. What is the authority?

Mr. DONEY: The publication is my authority. I am giving the figures not as my figures, but as quoted figures. I was most careful to give the figures as a quotation.

Hon. A. McCallum: I know the source you got them from.

Mr. DONEY: In any case, it may be assumed that the Trustees of the Wheat Pool, who are responsible for the compilation of the figures, know just as much about this phase of labour as does any member of this House. A loss of $4\frac{1}{2}$ weeks' work out of 52 weeks does not entitle the hon. member to say that thousands of men will be put out of work. That is the point. It does not help at all to confuse whole-time with part-time work. The hon. member knows full well that the lumpers do not work full time throughout the year and are engaged during part of the year in other port occupations.

Hon. A. McCallum: Port occupations? What does that mean?

Mr. DONEY: I mean in occupations on the wharf at the port of Fremantle.

Hon. A. McCallum: You had better go down to Fremantle and tell that to the lumpers. It will be great news to them.

Mr. DONEY: I think it is a fact that they have to be satisfied with $4\frac{1}{2}$ weeks' work each at wheat lumping, and if that is the position, it shows that there must be a great deal of work for them in other directions.

Hon. A. McCallum: There are hundreds of men who do nothing else but lump wheat. Do you mean to say that I do not know the position, and that you do?

Mr. DONEY: No, I do not set myself up as an authority regarding the lumpers or the conditions of their employment, as against the hon. member. On the other

hand, I am entitled to quote figures relating to the men engaged in this particular form of trade.

Hon. J. C. Willcock: There are over 100 men who work at Geraldton for six months of the year at wheat lumping.

Mr. DONEY: I cannot swear to the correctness of the figures I have quoted. I have informed hon. members where I got them from, and they can assess them at the proper value.

Hon. J. C. Willcock: Your figures are like the Bill. There has been a lot of guessing.

Mr. DONEY: That may be so, but I am not responsible for the compilation. I have taken my figures from the publication to which I have referred, and these indicate that the total number of men displaced from work on a full-time basis will be 369, and a fair estimate of their loss is £75,000. Surely hon. members opposite will not decline £500,000 to save £75,000, nor will they forget that by the expenditure of £625,000 there will be a saving of over £500,000 to the people of the State.

Hon. A. McCallum: Where do you get that saving from?

Mr. DONEY: That saving is on the basis of $3\frac{1}{4}$ d. per bushel. I shall show later on how that can be saved.

Hon. A. McCallum: The Minister did not show that.

Mr. DONEY: That is on a basis of $3\frac{1}{4}$ d. per bushel on all wheat to be exported from this State.

Mr. Withers: We are looking for the saving to be effected and the protection to be afforded the farmer.

Hon. A. McCallum: We are looking for that $3\frac{1}{4}$ d. you speak of.

Mr. DONEY: I am glad members are taking an interest in the matter because they can get information from authentic sources that they can take as correct.

Hon. A. McCallum: What are these "authentic sources"?

Mr. DONEY: I know that nothing written or spoken can ever be regarded as absolutely authentic, but we can get as near to accuracy as possible. Members can judge for themselves the authenticity of the sources of information on the basis of the standing of the men from whom it was derived. I can merely offer that in explanation.

Mr. H. W. Mann: Would you accept the "Argus" figures as correct?

Mr. DONEY: I shall show the hon. member that some of the "Argus" figures are not authentic, and shall also indicate why the hon. member has referred to them. Although it may be natural, it cannot be right to regard a matter of importance to the State as right or wrong according to its effect on the port of Fremantle. I would remind the member for South Fremantle (Hon. A. McCallum) that the industry concerned is in a bad way and requires to a great degree the benefit of money that can be saved. That result is desired if the industry is to be saved from any danger of collapse. The point to be remembered by members opposite is that the extra return per bushel will make wheat growing proportionately more attractive, and will result in a greater acreage under crop and an expanded yield year by year. Who will deny that in the process, much extra labour will be utilised in clearing operations and in providing extra machinery and super, in transport and in many other allied occupations, or that the ultimate benefit to the railways will be incalculable? The member for South Fremantle mentioned his objection to the use of machinery. I do not say that at all times and in all circumstances that hon. member is opposed to the use of machinery, but he did seem to be opposed to its use in connection with the bulk handling of wheat. I do not mind admitting that if we could live to ourselves in this State as a self-contained commercial unit, no great harm would follow.

Hon. A. McCallum: Have I expressed an opinion on the Bill yet?

Mr. DONEY: The hon. member knows I am making an accurate reference to something he said a few weeks ago.

Hon. A. McCallum: I know you are making a quite incorrect reference. Because, in connection with a move to find employment for men, I said that machinery was displacing men from their occupations, the hon. member is interpreting my remark as indicating my opposition to machinery.

Mr. DONEY: I am not desirous of drawing that conclusion.

Hon. A. McCallum: But you are doing so.

Mr. DONEY: I would remind the hon. member that if he cares to look up the report of his speech in "Hansard," he will find that my statement is quite correct.

Hon. A. McCallum: I am quite sure you are wrong.

Mr. DONEY: I recommend the hon. member to look up his speech in "Hansard."

Mr. Kenneally: It is another instance of trying to get as near as possible to correctness.

Mr. SPEAKER: Order!

Hon. A. McCallum: Your statement is about as correct as much that appears in those articles that have been published in the country Press.

Mr. DONEY: I was quoting from memory, and I believe my statement was correct. The hon. member can put the matter to rest by referring to "Hansard." I was about to point out that if we could live to ourselves, the hon. member's idea of walking backwards or, perhaps it would be better to say, standing still, with regard to the utilisation of machinery instead of manual labour, no great harm would result. But we in Western Australia live only by reason of successful competition with other countries that grow what we grow and sell what we sell. There is no doubt on that point. We can successfully compete only by adopting the labour devices operating in the countries I refer to, and, by every fair and reasonable means, reducing the cost of production. I consider a saving of 3½d. per bushel something well worth while. That reduction seems to me to be a genuine one, although I cannot swear to it. There is always the possibility of the influence of the unknown quantity which has so often upset carefully laid plans. We can safely discount that phase in respect of the figure I have mentioned because the calculations arriving at the result have been very carefully compiled indeed. I do not think there is much room for the unknown quantity to sneak in and upset calculations on this occasion. I have referred to the Bill as representing a means of saving a great deal of unnecessary labour. There will be no dispute on that point, whatever may be said regarding other phases of the measure. No man would prefer to work in the broiling sun dumping, ramming and sewing bags, nor do I think any farmer would prefer to foot the bill every year for cornsacks, when there is a means by which that can be obviated. Rightly or wrongly, the farmers, during the last three or four months, have been demonstrating that they do not desire to have anything to do with what they re-

gard as a Government-controlled scheme. They desire bulk handling as cheaply as is consistent with soundness. The farmers have actually to pay for the scheme, or will ultimately do so, and they desire to control it. They do not desire any such scheme to control them. That is what they are afraid of. They have determined, as members who have read the newspapers will know, that those desiderata are secured to them in the scheme propounded by the trustees of the Wheat Pool and, by hundreds of resolutions, farmers are asking for the necessary legislation to be approved by Parliament. Attractive though the scheme before us seems to be, of all those I have examined, and I have investigated many, the one propounded by the trustees of the Wheat Pool is the only one that I would feel safe in backing. Any such approved scheme must demonstrate not only that it obviates the necessity for bags but that it does not involve the farmer in expense that would neutralise the saving under that heading, and it must show that it eliminates those weaknesses that have prevented bulk handling schemes in other parts of the world from proving fully successful. The scheme is before members for criticism now, and I believe that any such criticism can be successfully combatted. The scheme certainly demonstrates that, unlike most such undertakings, it will not sink beneath the weight of its own capitalisation. The scheme is moderately capitalised at £625,000 only. I have heard members compare the proposal with the scheme in operation in New South Wales, and argue that because the latter has not succeeded, neither can the one now before us. When we have regard to the fact that an expenditure of £625,000 is suggested to handle 40,000,000 bushels of wheat, and that in New South Wales the capitalisation of the scheme was £4,000,000 to handle half that quantity of wheat, members will agree that the scheme in the sister State has not the slightest chance of success. I contend there can be no complaint on the score of capitalisation. As a matter of fact, the moderate capitalisation represents one of the two principal supports of the scheme under review, the other being, of course, the expansibility of the storage capacity at country sidings. It is in those two directions that the pool proposal draws so completely away from orthodox schemes. It is generally known that what has ham-

pered success in bulk handling in other countries is the inability of the storage facilities to expand and absorb abnormal deliveries of grain. Generally this necessitates the use of extra bags and extra storage at the farms, two very costly expedients. The pool's experiments in the Wyalkatchem area last year overcame this difficulty in a simple, economic and satisfactory way. The principal help in the Wyalkatchem scheme came from the elevators. In addition to the elevators, in the new scheme the position will be further helped by the introduction of what is known as bulkheads. These bulkheads, and big holding bins, with the elevators spell the utmost flexibility in regard to storage and, as any member having a practical knowledge of wheat handling will realise, that is a particularly satisfactory feature. Members will understand that the bulkheads are only an adjunct to the storage bins. It has been complained that this scheme implies a monopoly. Of course, those who say that are in one sense quite right, but there are good monopolies and bad monopolies. Those are bad which utilise the absence of competition to force up the price against their customers. But here, where the scheme is to be controlled by the farmers themselves through their elected representatives, it is unlikely to happen that they will force up the price against themselves.

Mr. H. W. Mann: The sugar growers say the same of their combine in Queensland.

Mr. DONEY: I do not see any comparison between the two propositions. If the anti-monopolists—for want of a better term—did have their way, and we opened the handling to everybody who cared to dabble, we have at least to remember that the farmers are charged every bit of extra expense entailed; every extra man, every extra machine will be just an additional charge upon wheat. There is nothing else to which this extra expense could be charged. We can imagine what the extra expense would be when we realise that it will cost £625,000 for one set. In Canada there are many sidings with six sets of handling facilities and, of course, the charge of the combined facilities is added to the cost of the scheme. But when it comes to the question of competition in buying there is no restriction at all, the field being left open to all and sundry. As to the use of the word "monopoly," the scheme is certainly not a monopoly at all, as I understand it. Probably the word "co-operation" would be a better description.

The point is that the farmers unite to do their own handling, and naturally they want to restrict expense by restricting competition. It is useless to tell the farmer that he will get a cheaper job by increasing the expenses. Our farmers are not quite so foolish as all that, so it is a waste of time arguing that point. As a matter of fact, the co-operative nature of the scheme has destroyed in the minds of the farmers all fear of exploitation. I was saying that the introduction of bulk handling will result in increased buying competition. In the past, the competition has been restricted to those very wealthy firms able to stand the strain of the erection and maintenance of the usual handling plant at the sidings. But now, when co-operative bulk handling is to minimise the cost, it is certain that many new buyers will be coming into the field. So to that extent the scheme is not monopolistic. That much we shall agree upon. There may quite easily be a difference of opinion as to the method to be followed in choosing the executive to control the pool's scheme. Under this scheme, the executive of seven is to comprise four trustees of the wheat pool, that is to say, the buying, not the handling, side of the pool's activities. There is a franchise which permits of pool participants (and I think their number is about 6,000 out of the 10,000 wheat farmers in this State, so it is a pretty wide franchise) electing the four trustees. Also, there are to be two other farmers to be elected as trustees and, as chairman of the six, a further member of the board will be the Minister for the time being, to see that the balances are evenly held. Personally I would have preferred to see the franchise so broadened that every bulk handler would have a say, but it is, I understand, made a condition of the loan, that the trustees shall remain in control of the £70,000 which is now the property of the pool but which is required to do duty as a guarantee that interest and sinking fund are found on due date.

Mr. Sleeman: Who guarantees it?

Mr. DONEY: The pool has already that money. The guarantee, therefore, lies in the fact that the money will be at the bank of whoever is lending the capital sum.

Hon. A. McCallum: What if the pool trustees are changed?

Mr. DONEY: Then we shall have to run the risk that those elected in their places may possibly not be so good, but the election is of course in the hands of the farmers them-

selves. Meantime, I am not prepared to argue that the presence on the Board of these four trustees weakens the position from the farmers' point of view, particularly when we remember that these men are men of proven probity and long experience, and stand very high indeed in the esteem of the wheat world of Australia.

Mr. Withers: Why do they want a Government guarantee behind the scheme?

Mr. DONEY: They do not, but somebody else does. I take it there will be elected in due course an auxiliary board of seven members. I should like to quote the following as testimony to the bona fides of the proposed board. This extract emanates from the pool trustees—

It will be necessary for the corporation, when constituted, to enter into an agreement with the Government which would embrace the following points:—

1. The corporation to agree to fix its handling charge for the first season in which the bulk handling facilities are fully available at 1½d. per bushel, and thereafter the handling charge to be fixed at a reasonable rate to be mutually agreed between the executive of the corporation and seven special committee-men to be appointed by growers of wheat in such manner as the Minister may determine, and such charge (in the absence of the mutual agreement) to be fixed by reference by arbitration.

I see in the Bill no reference to the appointment of those seven auxiliary trustees, although I can see no objection to its being there. Possibly there is some technical reason for the omission. Apart from all that, the point is that we have to give to some one person or body of persons a charter to bulk-handle our wheat, and it is certainly a commonsense thing to give that charter to men who have demonstrated their fitness for the job, and indeed it would be an inexcusable gamble to do otherwise. I have heard it urged that freight is cheaper for bagged wheat than for bulk wheat. But I am given to understand, and it can easily be ascertained by reference to the shippers, that bulk wheat carries an easier freight than does bagged wheat.

Mr. Withers: That is not so.

Mr. DONEY: But my quotation certainly goes to show that what I am saying is correct. A huge amount of time is saved at Fremantle by reason of the very much quicker despatch of bulk ships. That means a very big saving, and naturally that saving

is reflected in cheaper freights. I believe it means a freight saving of 3s. 9d. per ton on bulk wheat as between Fremantle and the Old Country. It is well known to those in the trade that, when and should all the Australian States become bulk handling States, there will be a difference of freight favourable to bulk wheat to the extent of 7s. 6d. per ton. Also it must be remembered that 85 per cent. of the wheat imported into the Old Country is bulk wheat. That in itself should teach us a lesson, and is well worth thinking over. And there is this, too, that everywhere the world over there is a turning to the bulk handling of wheat. It is a normal line of progress, and we would be foolish indeed and old-fashioned if we were to sit on one side and permit competing nations to take all the benefit of the newer method. Despite all the facts and figures in favour of bulk handling, the battle is far from won. Little storms are threatening everywhere. But what boots that? No one ever thought that bulk handling would, as it were, sail to its port without a brush with the enemy, not that those who desire to see the scheme come into operation wish to sidestep an engagement. But what I am afraid of is that the crew may be deluded by a cunning enemy into a squabble which may perhaps lead to the ship being wrecked before it reaches port. I should like to refer to a Press report which appeared about a fortnight ago of an interview with Mr. Poynton, general manager of the Midland Railway Company. I do not believe that all those who are not with us must necessarily be against us. Many men are still balancing the pros and cons, and Mr. Poynton is one of these. He and his opinions are entitled to our highest regard. He says that if bulk handling comes into force expensive alterations will be required at sidings. I do not know what makes him say that.

Mr. Kenneally: He has a better knowledge of railway requirements than the hon. member has.

Mr. DONEY: The only alterations that I know of at sidings would consist of the construction of bulk heads, of storage bins, the erection of an elevator, and the installation of a weighbridge.

Mr. Kenneally: You have a lot to learn.

Mr. Withers: And there would be no accommodation for any other produce that might go to the sidings.

Mr. DONEY: The hon. members were railway men, and possibly know more about these matters than I do, but if they were to go to Trayning or Wyalcatehem, or any other of the sidings concerned in the recent experiments, they would learn that the ordinary traffic was in no way interfered with.

Mr. Wansbrough: I would not question Mr. Poynton's experience if I were you.

Mr. DONEY: No expense other than that to which I have referred could possibly be occasioned at sidings. Mr. Poynton speaks of many difficulties, but says they are not insuperable provided the saving on corn-sacks is sufficient and can be made available to offset the loss incurred by the railways. I can answer that question in the negative. Such savings are not going to be made available to recoup the railways for their losses. Mr. Poynton says that unless the railways are constantly alert and can keep the storage bins empty, the operations of the farmers are likely to suffer considerably.

Mr. Kenneally: There is also the question of export, of charters, etc.

Mr. DONEY: If the hon. member understands all about storage bins, bulk heads and the like, he will know that the difficulty he refers to can hardly exist. Mr. Poynton also suggests that a strike amongst the employees would hold up the farmers' wheat. That is something that may apply to every activity. He sums up by saying that in all fairness to his company he could not make it a party to bulk handling. Our outlook is not so circumscribed as is Mr. Poynton's. Mr. Poynton excusably regards the matter from the point of view of his company. On the other hand it is our duty to assess the worth of this big change according to its effect, good or bad, upon the people of the State.

Mr. Kenneally: You are playing up the people's money in repairs, alterations, etc.

Mr. DONEY: It must have been made plain to the hon. member that the money comes from overseas.

Mr. Kenneally: Not for repairs and alterations.

Mr. DONEY: Repairs and alterations are already provided for in the figures.

Mr. Withers: You must not mislead the farmers in that way. They have already been sufficiently misled. You should try to protect their interests a little.

Mr. DONEY: I do not know what the hon. member is talking about. The other opponents of bulk handling are comparatively few in number. They are the commercial opponents, the gentlemen who either sell bags or handle wheat. Although they are numerically small, they are powerful and strongly entrenched, and cannot be expected to give up without a fight. Many of my commercial friends and their champions are relying for their ammunition in the fight largely upon the first half of a publication which they are constantly quoting and which purports to be a broad survey of the position. At the bottom of the title page I read "This should prove invaluable to every farmer who is prepared to study the subject with an open mind." It speaks of a broad survey of the whole position, but it is the narrowest "broad survey" I have ever come in contact with. This is the publication to which the member for Perth (Mr. H. W. Mann) referred when I first commenced to speak. If he will listen now he will get an idea whether the references I shall make support his point of view or not.

Mr. Wansbrough: Who is the author?

Mr. DONEY: The author of the first article is Mr. Gerald Robinson. This matter appeared some time ago in the "Argus." Opponents of the scheme are constantly quoting these articles. The man responsible for this "broad" survey says not a word in favour of bulk handling from beginning to end of his article. He starts off with, "Losses in New South Wales, Burden on the Taxpayer." He does not wait to make his points, but draws his conclusions at the start. The writer goes on to say that the facts presented are culled from official reports, which show that the bulk handling of wheat has proved a disastrous failure. He also says that the financial aspect of the enterprise is disheartening, and that the loan expenditure to June, 1931, exceeded £4,000,000. All this tends to show not that bulk handling is not a success when properly controlled, but that bulk handling in New South Wales has been badly mis-handled.

Mr. Withers: The article says that the facts presented are drawn from official reports.

Mr. DONEY: It says: "The total loss in four years amounted to £926,295. The

loss was incurred in providing a system which, on the average, handled only three bushels of wheat out of every ten produced." This is another reason why bulk handling does not succeed in New South Wales. The writer goes on to show that the loss in New South Wales under bulk handling is much greater than in the case of the bag system. He says "it is apparent that the system would not be self-supporting without a charge of less than 6½d. per bushel on all wheat delivered to country elevators." The charge per bushel against the farmer in Western Australia is, however, only 1½d. a bushel. The writer goes on to say—

The number of bags required for this purpose is about one-half of the number needed in the usual bagging system. If farmers bore the whole cost of the bulk handling system, they would be paying from 7¼d. to 7½d. per bushel exclusive of rail freight. This compares with the total cost of the bag system in Victoria of 4.55d. per bushel, also excluding rail freight.

The article then indicates that the conditions in New South Wales are unsuited to the system. Under the heading of "Causes of failure in N.S.W., Conditions unsuitable to system," it says—

Climatic conditions in New South Wales are distinctly unfavourable to the economic handling of wheat in bulk, but they are specially suitable to the bag system.

The writer claims that this article is a "broad" survey of the position. Its object is to show to the farmers of Victoria that bulk handling cannot possibly pay them because it has not paid New South Wales. He says that the conditions in Victoria are unsuitable for the bulk handling system. In his anxiety to condemn bulk handling he does not mind condemning Victoria as a wheat-growing State. He says—

There is no indication of an extension of the wheatgrowing industry in Victoria. The good crop of 1921-22 was followed by two fair ones, and then another good one. Thereafter poor and good crops alternated. Climatic conditions, which are primarily responsible for the size of the crop, are distinctly unfavourable to regular yields. Conditions in Victoria are no more favourable in this respect than in New South Wales, where the system has proved a disastrous failure.

I am quoting from these documents because I want to make it clear that, in the diversity of opinion that is developing between the progressives and the reactionaries the latter are depending upon these articles for their

case. I would remind the member for Perth that the writer when compiling this article was assuming that the scheme for installation in Victoria was an orthodox scheme involving the construction of silos. I have made it plain that here we have a very much less expensive and better scheme, and one that is as flexible as is ever likely to be necessary. I have some figures showing the cost to the farmers of bulk handling in the more important parts of the world where the system has been installed. In Western Australian the expected cost to the farmer is 1½d. per bushel. In this estimate there is provision for contingencies, and it is anticipated that the cost can in course of time be reduced to 1½d. In the United States the cost is 1.37d. per bushel; in Canada it is 2½d., and in New South Wales 2½d. It needs to be remembered, however, that the New South Wales capitalisation is £4,000,000, and that in addition to the 2½d. paid by wheatgrowers, about 4d. per bushel is charged to the revenues of the State. The Minister, when introducing the Bill, mentioned South Africa as a bulk handling country. There, however, it is a maize proposition and only a question of storage. The member for Mt. Magnet dealt with the Bill in a very fair, practical and helpful way, and the House showed its appreciation of that fact. The hon. member commented on a number of problems. I do not say that I am competent to throw any light on them, but I should like to make reference to a few. He said that bulk handling would be inadvisable if it jeopardised our wheat sales to Japan and China which last year took 14 million bushels out of our total of 42 millions. It is a fact that last year we sold a great amount of wheat at a low price to both those countries. If bulk handling is likely to jeopardise our sales to Japan, that would be regarded as a point adversely affecting the situation. I have secured some information bearing on this point, and I find on reference to the wheat pool that on the 15th January, 1932, Messrs. Hemphill & Sons sent in bags to China a cargo of 7,500 tons at £5 15s. 9d. per ton. For purposes of comparison, I might mention that on the same date the Farmers and Graziers Company, Sydney, sold to China in bulk 7,500 tons at £5 14s. per ton, a difference of 1s. 9d. per ton, which means ½d. per bushel. Thus the difference is more or less negligible. On occasions, no doubt,

a little more is lost. At the same time, it may be argued that certain cargoes do not show the small disparity of even ½d. Last year there was exported from New South Wales to Shanghai about 4,440,000 bushels of wheat. It naturally follows that not nearly so much as that would have been sold unless it had been sold at a pretty reasonable figure. I may be wrong, but I understood the member for Mt. Magnet to say that there was not in the Bill any obligation upon this scheme to bulk handle or even handle such wheat as was delivered to the siding. I believe that is right. There is no such obligation imposed by the Bill. This would involve a guarantee, and if the hon. member wants it I have little doubt it can be supplied, though it would mean an additional charge against the farmer; but, having regard to the standing of the trustees, such a guarantee is not necessary. In this respect we might remember that the pool trustees have been operating as wheat merchants ever since about 1921, and during the whole of that period they have handled millions of bushels of wheat and on not one occasion have they defaulted. That is a record to be proud of. It shows that the trustees are a body of men who can be depended upon. Nevertheless, there can be no harm in amending the Bill so as to force the trust to handle wheat, and of course there could be a suitable penalty. The hon. member contended also that the clause giving power to borrow not only the half million, but also "such further sums as might be necessary" was altogether too indefinite. It certainly seems indefinite, but it is quite innocuous. The explanation is, it may be necessary in due course to provide for such additional constructional work as will be required as production increases. But the point is that it is not intended, under cover of that particular clause, to increase the initial capital outlay. That will still remain at the figure that has been named. The hon. member also complained in respect of that sum of money that too much discretion was to be vested in the Minister and the board. I think, too, that the Bill is strewn with too many discretions attachable to the Minister. If it should become necessary to raise any considerable sum in excess of the £500,000, it would be right and proper that the consent of Parliament should be obtained. These

discretions should not be so often vested in the Minister. There is another point. The Government guarantee operates only in respect of such money as may remain unpaid at the end of the 10-year period, and it does not operate in regard to any of the intermediate payments. There has been a great deal of complaint on that score, and I am glad of the opportunity to put the matter right. I recall the hon. member's complaint that there was no compensation payable in the event of loss by storm. I point out that insurance cover losses by fire and flood in the case of bulk wheat as in the case of wheat in bags. I believe the amount of premium involved is very small indeed. Having regard to the fact that there is no reference in the Bill to insurance, I take it for granted that should the Bill become law many of these points will be covered by the agreement which would be drawn up between the Minister on the one side and the trust on the other. It has been assumed by some critics that the scheme set out in the Bill is a copy of the Westralian Farmers' scheme. That is not so. There are many material differences. If I remember rightly, the estimated cost of the Westralian Farmers' scheme was £950,000, and it was designed to handle 70 million bushels of wheat annually. The new scheme is to cost £625,000 and it is designed to handle up to 40 million bushels of wheat. The point I make is that there are big structural alterations in the new scheme that show it to be a big improvement on that of the Westralian Farmers.

Hon. J. C. Willecock: How long did they think it would be before we reached the 70 million bushels?

Mr. DONEY: I do not know what was in the minds of Westralian Farmers, Ltd., when they put up that proposal. The member for Mt. Magnet also declared that the estimate of £625,000 was neither correct nor sufficient. I think it can be shown that that amount will not be exceeded, because most of the costs that will be involved in the scheme are known. For instance, some 280 weighbridges will be required, the cost of which will be £70,000. Many of the bridges have already been installed and so the cost of them is known. Elevators are to cost £114,000, and ten of these have already been erected. There, too, the cost is known. The cost of the storage bins and the bulk is set

down at £199,000. Storage bins have already been installed, and so their cost is known. Thus the total known cost is £383,000, and that to some extent answers the criticisms levelled against the expenditure. The figures submitted to the House are the result of known costs incurred in exactly identical work. The only uncertain quantity is that of structural work at the terminal ports of Fremantle, Bunbury, Albany and Geraldton. Speaking from memory, the amount involved there is £140,000. Conceivably that may not be sufficient, I do not know, but in order to make sure, I recall, an amount of £45,000 was set aside for the purpose. It can be seen, therefore, that the costs have been assessed on a most reliable basis, and it is fair to claim that the £625,000 of outlay is unlikely to be exceeded. The member for Mt. Magnet made a point that £625,000 was unlikely to be sufficient, as it was well known that the actual expenditure on public works nearly always exceeded the estimates. We are all ready to admit that that is so in the case of Government work, but I have to remind the House that bulk handling is a private job and the same stricture would not apply to it. Handling costs, we have been told, cannot be correctly ascertained. It can be shown that all handling costs are ascertainable, with the sole exception of those incurred at the ports. I admit that there is a certain amount of doubt regarding them. In respect to port charges, Mr. Sticht is a gentleman whose bona fides will be accepted by every member—he is the principal engineer of the Mt. Lyell Cuming Smith Fertiliser Co.—and he has arrived at the figure of .14d. per bushel as the port cost. In order to be on the safe side, the board will charge .2d. or one-fifth of a penny per bushel. The total handling costs are estimated by the pool at 1.057d. per bushel. There again, in order to be on the safe side, the pool will charge the farmers 1½d. per bushel. As between those two figures there is a difference of .443d. per bushel, and I presume that amount will either be paid into a reserve fund on behalf of the growers or be distributed amongst the growers. On that point, however, I have no information.

Mr. Griffiths: That is a point to be determined.

Mr. DONEY: Yes, it would be determined by the Minister and the board. It is hardly to be expected that so involved a scheme could be run from the inception to the end

of the first season without one or two unexpected little losses creeping in, and the funds created by the accumulation of the halfpenny or thereabouts per bushel could be utilised to meet such losses.

Mr. Griffiths interjected.

Mr. DONEY: Handling wheat in bulk is not a very complex job, and it was clearly shown—I think to the satisfaction of everyone who saw the experiment at Wyalkatchem and other sidings—that the difficulties indicated by the member for Avon were not serious.

Mr. Wansbrough: What was the cost per bushel for handling at those sidings?

Mr. DONEY: I have not the figures. The member for Mt. Magnet claimed that at the end of 10 years the buildings and plant to be handed over would not be of any substantial value. I should like to point out, particularly regarding storage bins, that at Lake Grace, or Dumbleyung, I am not sure which, there are storage bins not nearly so well constructed as those it is intended to construct under the bulk handling scheme, and those bins were put there 10 years ago and still appear to be as strong and useful as when they were constructed. Let me remind members also of the old sheds of the Producers' Union in the York district. I understand they have been there some 30 years and are still in serviceable condition.

Mr. Wansbrough: They are not used for bulk storage.

Mr. DONEY: No, but there is no greater strain on a properly constructed building containing bulk wheat than on one containing bagged wheat. Sufficient can be said to show that at the end of the 10-year period the storage bins and the bulkhead material are likely to be just as serviceable as in the first year. Another matter voiced by the member for Mt. Magnet was that farmers whose farms happened to be a long way from the nearest bulk handling siding would be adversely affected. That, unfortunately, is a fact. They will have to buy a few more bags than would be necessary if they were living nearer a siding.

Mr. Wansbrough: What about those farmers for whom there will be no facilities at all under the scheme?

Mr. DONEY: Where there are no facilities, the farmers cannot use the bulk handling system.

Mr. Wansbrough: Why give one settler a benefit and not another settler?

Mr. DONEY: The hon. member should know why facilities cannot be provided in certain districts or at certain sidings. One reason is isolation, as instanced by Esperance and Hopetoun, and another reason is that deliveries at some sidings are too small to warrant the installation of the scheme.

Mr. Wansbrough: The scheme will not operate in the districts you mentioned.

Mr. DONEY: I have explained that; the hon. member must know that it cannot operate in those parts. It has been assumed by quite a number of opponents of the scheme that the objections voiced by Mr. Poynton can be made good, and that they apply with equal force to the Government railways. I believe that is not so. If members do not care to accept from me what I am about to say, they may easily question the Minister for Railways, but I believe that the Commissioner of Railways definitely and enthusiastically favours bulk handling. I believe that right from the outset he has been most helpful with assistance and advice. I believe that in only a few directions, certainly not on major points, have his views conformed to those of Mr. Poynton. I believe that the Commissioner considers the annual loss from the reconditioning of trucks to be some £20,950, which is a considerable sum, but he thinks that that loss will be offset by the quick despatch of trucks and the small amount of maintenance cost that, for the same reason, will be necessary.

Hon. J. C. Willecock: Where did you get all that information?

Hon. A. McCallum: Is it correct?

Mr. DONEY: No member can swear to the accuracy of figures quoted by him in the House.

Hon. J. C. Willecock: No, but you were referring to the Commissioner.

Mr. DONEY: But any member can decide whether figures submitted appear to be reasonably correct. Those figures are taken from the book before me, a copy of which, I understand, has been given to every member. Consequently, every member is in possession of precisely the information that I am using. I was careful to point out that if members did not wish to accept the information from me, they could question the Minister for Railways.

Miss Holman: We are questioning not the figures but your belief as to what the Commissioner thinks. That is what we want to know.

Mr. DONEY: My belief of what the Commissioner thinks?

Miss Holman: You said you believed the Commissioner thinks this, and thinks that. How do you know?

Mr. DONEY: I do not positively know, but I have reliable information.

Mr. Kenneally: Of course not. The same applies to most other things you are putting forward.

Mr. DONEY: The hon. member does not mean that.

Mr. Kenneally: I do.

Mr. DONEY: I do not "know" in the sense that I cannot actually swear to the accuracy of anything I say, but neither can any other member.

Mr. Kenneally: The hon. member is getting as near as possible to it.

Mr. DONEY: Yes, and the member for East Perth never gets any nearer than that. Should there be any disinclination on the part of the Midland Railway Company to provide trucks—I am not authorised to say so—the trustees of the pool may conceivably find an amount to enable the company to purchase trucks.

Hon. J. C. Willecock: They would want more than half a million for the scheme if they started on that business.

Mr. DONEY: Quite so. It would give rise to conditions that would have to be separately considered and financed. Mr. Poynton claims that the reconditioned bulk handling trucks could not be used for any other purpose. I do not know whether that is correct.

Hon. A. McCallum: Are they used for other purposes in any other part of the world?

The Minister for Lands: Yes; in America and in Canada they are used for everything.

Hon. A. McCallum: They are used for bulk wheat and for nothing else.

The Minister for Lands: I have seen them being used for the transport of other stuff.

Mr. DONEY: Even if what the member for South Fremantle suggests is correct, that is not specifically detrimental to the bulk scheme, because the trucks used for the transport of bagged wheat are in large measure used for no other purpose.

Sitting suspended from 6.15 to 7.30 p.m.

Mr. DONEY: Before the tea adjournment I was attempting to prove that Mr. Poynton's contention as to reconditioned bulk handling trucks not being fit for use for any other purpose was very little to the point, because it so happens that pre-

cisely the same thing can be said of those trucks that carry bagged wheat. Neither are the bagged-wheat trucks used for other purposes, except on the rarest occasion. I have taken some figures from the return of W.A.G.R. ton-mileages for 1931-32. The return shows that 1,952,360 tons came by the railways to the ports during the year under review, but that only 895,208 tons were sent inland from the ports. The difference between those two quantities is 1,057,152 tons. Thus it is perfectly apparent that some thousands of trucks returned empty to the interior from the coastal districts. Theoretically this means that some 5,000 trucks out of the 13,000 odd owned by the Western Australian Government Railways are used solely for the purpose of carrying bagged wheat. That is a pretty effective answer, I think, to Mr. Poynton's contention.

Mr. Kenneally: It does not touch the question at all.

Mr. DONEY: Then let me say that in my opinion, if not in the opinion of the hon. member interjecting, it is an effective answer to what Mr. Poynton has said on the subject. I cannot, naturally, claim that these proportions must necessarily apply also to the Midland Railway Company, but I maintain it is highly probable they do, nevertheless. I have here a cutting from the "Daily News" of the 23rd September last. It is headed, "Bulk Handling. The Railways' Position." The article goes to show there is a move afoot either to permit the railways to share in the control of any bulk handling scheme that may be decided upon, or to give the Railway Department entire control of the scheme. Quite naturally one wonders what has become of Mr. Poynton's contention if now, despite his allegation that there can be no profit in bulk handling, he and his associates are prepared to take control of the scheme? However, the point I wish to make is that this proposed new departure if by any chance it should be made, would be entirely against the sentiment of the countryside. It involves Government control, the thing that my friends in the country are attempting to side-track, a thing that very certainly would not cheapen the cost of bulk handling. In point of fact, if we alter the basis of control, we are going to increase the cost, and correspondingly whittle-down savings. I feel sure that this

move was not initiated by the Commissioner of Railways. I believe that official is not in any way anxious to add to his responsibilities; and I feel pretty safe in asserting that he knows, also, that he cannot, by this method anyhow, add to his revenue. The fact I see disclosed in this newspaper cutting is that all the several interests detrimentally affected by the Bill, should it become law, are attempting to make it appear that they are out to help the farmer. Apparently they take the philanthropic view that the farmer is being led into a trap and that it is their duty to safeguard him. I take the view, on the other hand, that the farmer is just escaping a trap, and that at the same time another one is cautiously being prepared for him. I have already said that I believe this Bill to be plainly in the interests of the wheat-growers. Of course there is no scheme that is perfect, but I consider that the scheme to which we shall be committed if the Bill becomes an Act is just about as good a scheme as Western Australian conditions will permit. It is, I think, patent to all of us that in this Bill we are benefiting by the experience and the mistakes of those who may be referred to as the pioneers of bulk handling. Their weaknesses have become our strength. I think that will be generally admitted. We know, anyhow, that other bulk handling schemes are over-capitalised. We, on the contrary, are at an extremely modest capitalisation. The other schemes, too, permitted the intrusion of certain unfriendly interests, which evidently wrecked the spirit of the schemes. The point is that those very interests which at least are attempting to come in here, are those which did actually come in in the case of other schemes and did actually upset them. We here, fortunately, have the commonsense should the Bill become law, to restrict control to actual participants. In all the other schemes the siding holdings were, and for that matter are, fixed, whereas we are introducing an entirely new feature in that the storage facilities are expandable. That view cannot possibly be made too much of. There is also this consideration, that a drought in one part of the State or a surplus in another part will find the pool scheme ready and able to deal with the situation. A point might be made of this too—I believe the Minister mentioned it—that the

climate in the Americas and for that matter in New South Wales requires the farmers of those countries to turn their wheat and of course to grade it and I think in all cases to roof their wheat. Thanks to the beneficent nature of our climate we certainly do not require either to turn or grade our wheat, two costly operations, though in certain circumstances we require to roof our wheat. In conclusion may I say that there certainly is need for care and for a close examination of all the issues involved in this big question, but that there is no room whatever for timidity. Timidity here means procrastination, and procrastination will mean the loss of half a million or more annually to the people of this country. It is our duty to look upon this scheme from the point of view of the man most concerned; and that man is, of course, the farmer, whose success plainly means the success of Western Australia. The question might also be regarded from the point of view of the unemployed who, with the farmers, will receive the first benefit which will result from the passing of this measure. I consider that it would be a crime not to pass the Bill. I am not saying that the measure is close to perfection, or that it could not be amended with advantage in certain details; but I do suggest to the House that it would be highly unwise to disturb the general structure of the Bill. The hon. member for Mt. Magnet requested the Chamber to unceremoniously reject the Bill. I, on the contrary, ask the House to accept it. I care not whether hon. members do it ceremoniously or unceremoniously, so long as they do it. The best interests of the State demand that we pass the Bill. If we do not pass it, we shall be deliberately throwing millions of money into the Indian Ocean. There is no doubt whatever as to that. The farmer has started out in earnest on his quest for reduced production costs, and I put it to hon. members that this is the greatest opportunity we are likely to have to help the farmer in that regard.

MR. BROWN (Pingelly) [7.45]: As the Bill is to be referred to a select committee it is not my intention to go into details regarding its provisions. I shall speak briefly regarding some features of the measure, but particularly about bulk handling. I am rather surprised that the Bill is to be refer-

red to a select committee, but I do not know whether that is the Minister's intention. I am satisfied that the data the Minister has placed before members proved convincingly that bulk handling will be beneficial to Western Australia and to the farmers directly concerned. With regard to Government control, the original Bill the Minister placed before us made provision for one zone only—the Fremantle zone. Under that provision, my electorate would have been outside the zone altogether, and the big wheat producing centres of the electorate such as Kondinin, Kulin and Wickepin and all sidings along the line towards Narrogin would not be included. As the Pingelly electorate would have been outside that zone, I could not possibly support such a scheme. One objection taken to the Bill was on account of the monopoly to be granted to the trustees of the Wheat Pool. It must be borne in mind that the trustees will be responsible for raising the capital and for financing the scheme, providing interest and sinking fund and so forth.

Mr. Sleeman: Guaranteed by the Government.

Mr. BROWN: Unless the trustees have a monopoly of the wheat in the districts where silos are to be erected, it will hardly be worth while going on with the scheme. As to the Government's guarantee, I do not think the Government will be called upon to make good their undertaking.

Mr. Sleeman: Then why do you want the guarantee?

Mr. BROWN: It is included in the Bill.

Hon. P. Collier: And Government guarantees are never acted upon!

Mr. BROWN: It must be remembered that the wheat production of Western Australia will be between 40,000,000 and 50,000,000 bushels, whereas the Bill provides for a scheme on the basis of 32,000,000 bushels only. It will be seen, therefore, that in ten years' time the scheme will be paid for and the Government will not be called upon to find any money at all. Even if the Government have to take over the scheme, how much of the money involved will not be paid off in ten years? There will be very little left unpaid, and the Government will have a splendid asset in the plant erected at the various sidings. Provision was made in the original scheme for the erection of facilities at 280 centres

throughout the State. Under the Minister's scheme, the number provided is nothing like so many, nor will there be the one zone. The point I am concerned about with regard to the select committee, has reference to the evidence to be taken. Will the members of the select committee take into consideration various other schemes and will they collect evidence from practical men with experience in bulk handling of wheat? There are not many men in this State who have that experience.

Mr. Panton: Perhaps the select committee will proceed to Canada and other countries.

Mr. BROWN: That is what I want to know. Where will they get their evidence? Where will they secure facts from experts in order to enable them to submit a report showing that the scheme will be beneficial to Western Australia? To do the work properly will take a considerable time, and we should certainly place a time limit within which they must submit their report.

Member: A fortnight.

Mr. BROWN: Yes, at the outside. The year is nearing its end and unless the select committee's report is received before the end of the session, bulk handling will be shelved for a considerable time.

Mr. Sleeman: It will be gone forever.

Mr. BROWN: Often chairman of select committees request extensions of time to enable them to continue their inquiries. I hope that will not be so in this instance, but that the select committee will collect the evidence and report to the House as quickly as possible. As there are not many men in Western Australia who have had experience in bulk handling, I wrote to a relative of mine who is farming at Coolamon in New South Wales. I framed a questionnaire embodying about 17 headings, and I wish to place before the House the answers he gave to me. He is farming 14 miles from Coolamon and certainly should know how the system is operating in New South Wales. The first question I asked was—

Is bulk handling suitable, patronised and becoming popular in New South Wales?

The answer he gave was—

Yes, the majority of the farmers are now using silos.

The next question was—

Are elevators adaptable for quick unloading?

He replied—

Four teams can unload at one time and in the course of a few minutes.

Mr. Withers: But that is under a very expensive scheme compared with what is proposed for Western Australia.

Mr. BROWN: But we have not the quantities of wheat at the various centres that are produced in this particular part of New South Wales. In a good season there, 500,000 bags of wheat are produced in the district. I have seen 50 teams in the yard waiting to be unloaded under the bag system. It will readily be understood that if a man has to cart his wheat over a distance of 14 miles, he will have to wait a considerable time before he can have his wheat unloaded. Every bag has to be weighed individually and carried by the lumpers to the stack or the truck. That entails a considerable delay to those requiring to be unloaded. My relative tells me that under the new system, four teams can be unloaded at the one time and very quickly too. The next question was—

Is it considered that bulk handling represents a saving to the farmer?

The reply was—

The farmers consider a saving of 3d. a bushel is effected. The editor of the farmers' and settlers' paper estimates a saving of 4d. a bushel.

I take it that the editor of a farmers' journal is an expert and he considers that the saving is the greater amount.

Mr. Sleeman: Would not the man who is growing the wheat be in a better position to judge than the man who edits a paper?

Mr. BROWN: I take it the editor of such a paper is an expert and gets his information from reliable sources.

Mr. Sleeman: But he may have no means of checking the information.

Mr. BROWN: The next question I asked was—

Do bags require sewing?

The reply was—

No, the bags do not require sewing. They can be fastened with patent clips.

They can be put on easily and experts consider the saving is 2½d. a bushel compared with the old bagging system.

Mr. Panton: Apparently they can get the clips for nothing.

Mr. BROWN: The next question I asked was—

Are railway trucks always available?

The reply was—

On account of the harvest coming in at different periods, trucks are always available.

That will also apply in Western Australia. In the extreme North the harvest at Southern Cross, for instance, is much earlier than it is elsewhere.

Mr. Panton: They get up earlier there!

Mr. BROWN: If we are to have a scheme for bulk handling, it is in the interests of the farmer that the wheat shall be removed as quickly as possible. I am convinced that not so many trucks will be necessary as people imagine. The next question was—

Can trucks be used at any time?

To that my relative replied—

Yes, trucks can be used all through the harvest. They are always available.

Then I asked—

Must trucks be in constant use during the harvesting period?

The reply was—

Yes. To keep the silos in condition to receive the wheat, railway trucks must be kept in constant use.

That is important. An elevator or a silo at a country siding will have a certain capacity only and if trucks are not in constant use, it will mean that the plant will be filled to capacity and will be unable to take any more wheat. I next asked—

Has a stoppage ever occurred in receiving the wheat?

The reply was—

Yes. On one occasion wheat was held up for a few days on account of machinery breaking down. On another occasion the terminal siding was full.

He does not explain why that happened, but probably it was on account of ships not being available to empty the terminal elevator. Then again there may have been a shipping strike in progress. However, those are the only two occasions when there has been a hold-up.

Mr. Panton: Machinery would not break down here.

Mr. BROWN: Machinery is liable to break down anywhere. Next I asked—

Does bulk wheat realise as much per bushel as bagged wheat?

The reply was—

In the early stages of bulk handling bagged wheat fetched 2d. a bushel more than bulk wheat, although at present prices are the same.

Mr. Doney: That would be accounted for by the merchants disapproving of the scheme and that would affect the position.

Mr. BROWN: The 2d. represented almost the price of the bags and at that time the farmers sold quite a large quantity of bagged wheat. The next question I asked was—

Did the farmers purchase many bags?

The reply was—

No, the majority purchased a bale or two.

Then I asked—

How do the farmers transport wheat to the silo?

The answer was—

The majority of the farmers have a spare team, and are carting all the time.

It is quite possible that many farmers in Western Australia have no spare team, but I will explain as I go on how that difficulty can be overcome. The next question was—

How does the farmer who has no spare team do the work?

The reply was—

In some cases he harvests all the wheat in bags and when he carts them to the silo, they are emptied and he takes the bags back again.

Mr. Panton: Those farmers would want more than one bale.

Mr. BROWN: Yes. My relative also informed me that a lot of the farmers have their wheat carted by trucks. Many of our farmers in Western Australia own motor trucks, and many residents in the small country towns make their living by taking carting jobs with their trucks. Then I asked—

Is it considered there is any saving to the farmers who do avail themselves of this method?

The reply was—

It is considered that by letting their carting by contract while the harvesting is in operation, only a few bags are required.

That means that when the carter comes back after unloading, he brings the bags with him and by that means the one truck can take the supplies for two or three farmers at the one time. My relative informed me that

the saving on bags was sufficient to pay for the carting. Another saving arises from the fact that a farmer who has not many horses will have his team fresh for farm work while the wheat is trucked for him. That is an important phase in New South Wales where they work the land dry in February and towards the end of that month, or early in March, they start sowing. Under the system I have referred to, their horses are fresh for the work, and are saved the arduous task of hauling wheat to the siding.

Hon. P. Collier: Whose statements are you quoting?

Mr. BROWN: Those of my relative in New South Wales, and I can rely upon his judgment. He has been sending his wheat to silos for a considerable time, and he is a practical man who has had experience of bulk handling. He admits that in the early stages he did not use the silos.

Hon. P. Collier: We do not know the man, but we know his relative.

Mr. BROWN: I asked him—

Can the bags be used for more than one year?

His answer was—

It is considered that by having a fair quality bag, and on account of the bags not being rammed or stretched, they will last for three years.

So a man has to buy bags only once in three years. And he can use any sort of bag, so long as it is clean; he could cart his wheat in a wool bag or a bran bag, or he could use phosphate bags.

Mr. Sleeman: Or a kerosene tin.

Mr. BROWN: Yes, or a kerosene tin. The small farmer in Western Australia who is not able to have a second team, and has to put his wheat in bags is going to reap the benefit indirectly, because he will have to buy bags only once in three years. The small man who perhaps holds the view that bulk handling will be of no use to him, at all events under the scheme if he has nothing to gain he has nothing to lose. In my opinion he must gain, if only for the reason that he will require to buy bags but once in three years.

Mr. Panton: He could use a tank.

Mr. BROWN: Of course he could. Then I asked my relative—

Do you think that bulk handling will be universally used?

His answer was—

In my opinion the time is not far distant when no wheat will be sold in bags.

Hon. P. Collier: What do you mean by "universally"?

Mr. BROWN: Universally adopted, of course. He says there will be no such thing as bagged wheat.

Mr. Panton: What about the poor black man in India, who works at the bags?

Mr. BROWN: What do we care about him? Hon. members should have more consideration for those farmers who are up against it, but who nevertheless are keeping members here.

Hon. P. Collier: They are keeping you here, although you are not a farmer. How much wheat do you grow?

Mr. BROWN: I have grown more wheat than you have ever produced.

Mr. SPEAKER: Order! The hon. member will do better by addressing the Chair.

Mr. BROWN: Then I asked my friend—

Is the scheme becoming more popular every year?

His answer was—

Yes, every year it is increasing.

That shows that the scheme must be popular, and is a direct saving to the farmers. I am speaking of a locality where bulk handling is in vogue, and so I think this information must be correct. In fact we know it by the statistics. Members can read in the newspaper that the amount of wheat going through the elevators in New South Wales is increasing every year. I also asked the question—

Have you heard any complaints of the system carried out by the Government of New South Wales?

This is the answer—

No, the system is working very smoothly, and I have not heard of any complaints worth speaking about.

In view of the fact that we are to have a select committee on the Bill, I do not think it advisable to go into details. A great deal of evidence will come out before the select committee as to how the scheme will affect the railways and the lumpers on the wharf, and in other directions. We must bear in mind that anything that will lessen the cost of production must always hurt somebody. This scheme will do away with a certain

amount of labour, but at the present time we must consider the primary producers, and certainly the scheme will help keep them on the land and so it will be of advantage to Western Australia. I do not intend to delay the House any longer, but I was anxious to make the few points I have put before members. As I have said, I am sure those small farmers who are not altogether in favour of bulk handling will certainly lose nothing by it. I know that the Minister for Works, who has gone to so much trouble, is convinced in his own mind that bulk handling will be beneficial to all the farmers. I hope the select committee will get to work promptly and will be able to report to the House as soon as possible, so that the farmers may know that the bulk handling system will be in operation in a very short time.

On motion by Mr. Griffiths, debate adjourned.

BILL—LOTTERIES (CONTROL).

Second Reading.

THE MINISTER FOR RAILWAYS

(Hon. J. Scaddan—Maylands) [8.9] in moving the second reading said: Perhaps next to the liquor question there is none that causes quite the same amount of controversy as that of gambling. I suppose I ought to be candid enough to admit that the task allotted to me of introducing into Parliament a Bill for the purpose of legalising certain forms of gambling is not a very pleasant one; in fact if I merely considered the matter from my own personal point of view I would not be a party to legalising gambling at all. But there are times in the history of perhaps every country when very unpleasant tasks have to be undertaken and very unpopular things done, and I suppose I must accept my share of responsibility with others in doing something which may at the time appear to be unpopular. After all, there are very definite divisions of public opinion on the question of gambling, and particularly on the question of the conduct and control of lotteries. There is one section which decides very definitely, not only against legalising it, but against permitting it to be conducted at all, while there is another section just as definitely inclined towards permitting it even as far as the public are prepared to indulge in it. This Bill, I

am afraid, does not meet the wishes of either of those two sections. It is somewhat in the nature of a compromise, and I do not know that that is not desirable sometimes. I do not want to be misunderstood, particularly in disagreeing with one section who I believe on conscientious grounds are opposed to gambling in any form. I respect the opinions of those who are conscientiously convinced that it ought not to be permitted, and particularly ought not to be legalised. But while I may respect their views I cannot altogether agree with them. There has been quite a controversy through the columns of the Press during the last 18 months, and I think even prior to that there was a fair amount of difference of opinion expressed on the question of lotteries, which were called sweeps, art unions and the like. The Leader of the Opposition will remember that he, as Premier, had to take action to prevent something that had become in the nature of a public scandal, namely, the amount of gambling that took place at functions known as fairs, particularly in the enclosure entitled the White City. From time to time it has been found necessary by successive Governments, even by administrative act to step in and prevent abuses arising from certain forms of gambling. But it does not alter the fact that a fair percentage of the activities of those who have indulged in sweeps and art unions have been along the lines, not of personal gain, but of obtaining assistance for charitable institutions which but for that assistance would have found it difficult to exist. So without entering into the question of whether it is the best method by which moneys can be raised for charitable purposes, whether we should rely entirely upon voluntary effort or upon some form of taxation, I am rather disposed to face the position by legalising lotteries, by asking Parliament to view it from that standpoint and see if we cannot, by some means, arrive at the conclusion that we can materially assist charitable organisations worthy of assistance, and at the same time very effectively control this particular form of gambling and prevent it from degenerating into an abuse. If I believed for a moment that the provisions of the Bill would tend to increase the opportunities for gambling I would not be a party to its introduction; and may I say farther that if I did not believe it would have the effect of reducing the opportunities for gambling, again I would not be a party to its introduction. I believe it will have both effects,

and I believe it will have the effect also of removing what quite a number of our people, perhaps rightly, object to: I mean the abuse known as street sellings and the hawking of all kinds of tickets and coupons inviting people to participate in sweeps, crossword, news-word and other forms of puzzles. Prior to 1930 the method of conducting sweeps was free and easy. It was not restricted even to charitable organisations. Every little place which thought it ought to have a public hall immediately arranged for a sweep, and asked for the right to make that sweep as wide as possible in scope within the boundaries of the State. People were not always particular whether they obtained just sufficient money for their purposes or got a good deal more. The conditions under which some of the sweeps were operating were not satisfactory. There was no proper control over them. Until the whole thing was completed, and a so-called balance sheet was produced, no one was aware where the money was going, although people who subscribed it knew whence it had come. It was not right that such a condition of affairs should continue. In 1930 the Government decided to put an end to sweeps of that kind. For approximately seven months no sweeps were permitted except of a minor nature, which did not amount to much. During that period the magnificent opportunity was presented to those who believed that voluntary effort could do all that lotteries could do in the maintenance and upkeep of charitable organisations, to put their beliefs into practice. I have yet to learn that any substantial results were achieved by this means. The prevention of sweeps for this period had the effect almost of crippling some of our charitable institutions, to such an extent that we had requests that we should permit the sweeps to be conducted again because of the tremendous difficulties that institutions were encountering in the effort to carry on. The Victoria Institute for the Blind, for instance, reached such a difficult stage in its history that it has not yet recovered, although it has had the benefit of one sweep which was conducted on its behalf, and some benefit from another.

Mr. Panton: It has had just over £4,000.

The MINISTER FOR RAILWAYS: Yes. Despite continual appeals which were made to the charitably disposed section of the people, the institution is still in difficul-

ties and to such an extent that it has recently been advised that it must provide a sinking fund to set off against the overdraft at the bank. This arises because of the dilapidated condition of the buildings. It was due to the desire of the Government to prevent a continuance of the conditions prevailing prior to 1930 that this unfortunate position was brought about. When one has done something not just quite right, one ought to take the earliest opportunity to make amends. I am trying to do that, and am introducing a measure which I think will make effective amends for what has happened in the case of this institution and others, and which will, in future, place them in a much happier position. The voluntary system of appeal was tried by the institution in question. I have it on the authority of the secretary-manager that he himself sent out to different church organisations an appeal for help. The response was a matter of £24, which came from only one church organisation.

Hon. P. Collier: That was not a fair appeal.

The MINISTER FOR RAILWAYS: It was a just appeal.

Hon. P. Collier: Was it?

The MINISTER FOR RAILWAYS: He pointed out to the church organisations the very serious condition in which the institution found itself, and merely asked them to get the people who were attached to those churches to contribute 2s. a year.

Hon. P. Collier: The whole thing was improper. It was not fair to ask the church organisations to find this money.

The MINISTER FOR RAILWAYS: No, but it was fair to ask those who wanted that kind of method of raising money to show their bona fides. The request was made, with the result that I have shown.

Hon. P. Collier: It is not the job of the churches to find money for charitable purposes.

The MINISTER FOR RAILWAYS: No, but the churches are finding it, and are conducting some of the finest charitable institutions in the State by voluntary aid. In a large measure those institutions are relying upon the churches to maintain them.

Hon. P. Collier: Not the charitable institutions that may be said to belong to the Government.

The MINISTER FOR RAILWAYS: The institution in question does not belong to the Government. It is controlled by a committee appointed by the subscribers. It is financed by arrangements made with a chartered bank, where it has an overdraft which it finds some difficulty in keeping within proper limits.

Mr. Panton: We should not have got the overdraft if our Treasurer had not been the manager of the bank.

The MINISTER FOR RAILWAYS: I know of quite a number of institutions about which it has been asserted that voluntary subscriptions can be just as effective as any other method. On the other hand, I know of no case in this State, or anywhere else in Australia, where it has been done as effectively as it can be done by this other method.

Hon. P. Collier: Has it been contended that the voluntary effort cannot maintain our charitable institutions?

The MINISTER FOR RAILWAYS: The hon. member can only argue the matter from two standpoints. One is that the individual effort ought to be applied to everyone in the community by means of a tax.

Hon. P. Collier: Yes.

The MINISTER FOR RAILWAYS: If so, why did not the hon. member bring down such a tax during the six years he was Treasurer, instead of allowing these institutions to remain in their then condition?

Hon. P. Collier: We found the money for them.

The MINISTER FOR RAILWAYS: The hon. member did not find sufficient.

Hon. P. Collier: We did.

The MINISTER FOR RAILWAYS: Those charitable institutions were making similar appeals for public funds with which to carry on then just as they are doing today. If the hon. member thought then, as apparently he thinks now, that it should not be a matter for voluntary effort, but for Government action to maintain these institutions by means of taxation, he ought to have taken advantage of the opportunity he had for six years to impose taxation and obtain the requisite financial assistance.

Hon. W. D. Johnson: The revenue of the country was sufficient then, and men were able to feed themselves.

The MINISTER FOR RAILWAYS: During that six years as much was done in the way of gambling through sweeps, lotteries and art unions as had ever been done before, or as has been done since.

Mr. Panton: The Institute for the Blind ran its own sweep during that period.

The MINISTER FOR RAILWAYS: We cannot argue along those lines too successfully. Let us face the position as we find it to-day. If members say this is not the best means whereby funds may be provided, will they suggest that we should impose a sufficient tax to render it unnecessary for these institutions to fall back upon voluntary aid? It has often been said that the people are already over-burdened with taxation. Here is a method by which people can voluntarily tax themselves. There is no compulsion about the business. No one need subscribe to a sweep or a lottery who objects to paying taxation by that means. The moment a person objects to that form of taxation he ceases to pay the tax, because he no longer contributes to the lottery. That is a better method than imposing an additional burden by means of taxation, and perhaps in the meantime compelling those who want to have a little gamble to send their money out of the State. I believe we can conduct lotteries in Western Australia. Without in any way being offensive to those who have conscientious objections to such a practice, I think we can conduct lotteries that will provide a fair deal for those who want a little gamble, and will bring to needy institutions a fair amount of money that can easily be obtained, from people who will not object to the money being used for such a purpose. Subscribers will know that only a certain percentage of the money they contribute will be returned in the form of prizes, and that the balance, after the expenses have been deducted, will go to charitable organisations. If they object to such a distribution they will have the right to apply that objection in a satisfactory and effective way by refusing to take any part in the business. That should be simple enough. During all the time we have been talking about lotteries and objecting to a local lottery, the State has been flooded with advertising matter, sent through the post office to individuals in the form of books of tickets to be purchased by themselves or sold to their friends. Such books have come from Tasmania, Queensland, New South Wales, the Irish Free State, and other parts. We have been flooded with tickets of this description, and with application forms inviting our people to invest in these lotteries.

Mr. Panton: And the money goes out of the State.

The MINISTER FOR RAILWAYS: It is useless to complain against the conduct of lotteries within our own borders and for the benefit of our own people, especially when it would be for the benefit of our sick and maimed, and of our orphans and widows, and yet permit this money to be sent out of the State to the advantage of similar people elsewhere. I have always understood that charity begins at home.

Hon. P. Collier: It covers a multitude of sins.

The MINISTER FOR RAILWAYS: Yes.

Hon. P. Collier: But we might leave out the widows and orphans.

The MINISTER FOR RAILWAYS: Were it not that it is hoped to provide benefits for these people I would not be introducing the Bill. I am not bringing it down to enable people to indulge in gambling. I want that to be distinctly understood. There are people who are struggling and finding it difficult to get the wherewithal to live. Many of these, too, are not responsible for the condition in which they find themselves. If institutions cannot get money in any other way I am not prepared to take the backwash from a conscientious section of the community and be roundly abused for bringing down a method that savours of stepping into the breach.

Mr. Withers: Why not allow every individual to conduct a sweep for himself, and get rich in that way?

The MINISTER FOR RAILWAYS: That is not practicable. Apart from a few of the bigger sweeps, in which we very seldom hear of anyone in Western Australia winning a great sum, I do not know that one gets rich even if one wins a first prize of £1,000. That is not a sum the possession of which entitles anyone to call himself rich, but it frequently has the effect of relieving a person of a tremendous amount of worry. The winner of a recent sweep was a struggling farmer, and he will no doubt welcome the assistance that has come to him. What was of still greater importance was that the net profit resulting from that lottery brought something like £2,000 to a very deserving and worthy institution. In 1930-31, after a discussion of the matter in Cabinet, permission was granted for the establishment of a committee for the conduct of a State-wide sweep. I suppose I ought to be frank enough to admit that in the conduct of these

lotteries we have not kept within the four corners of the Criminal Code. If so, I shall have to plead to the jury or our jurors that the results achieved were probably of greater importance than the sin I committed. Through this period we have conducted sweeps in a way about which not much complaint can be made. We removed most of the objectionable features of the street selling of tickets, and where the regulations were not being adhered to, action was taken. Generally the conduct of the lotteries has not been offensive to the people who objected to them.

Hon. P. Collier: Which lotteries?

The MINISTER FOR RAILWAYS: Those conducted by the Ugly Men's Association.

Hon. P. Collier: What has been the attitude of the Government towards the lotteries outside of those?

The MINISTER FOR RAILWAYS: There have not been many other lotteries.

Hon. P. Collier: What do you call a lottery?

The MINISTER FOR RAILWAYS: I know what the hon. member has in mind, but I do not think he can beat me.

Hon. P. Collier: Your Bill is very elastic in that respect.

The MINISTER FOR RAILWAYS: That may be the hon. member's opinion, but we will discuss it at a later stage. Since their appointment the committee have conducted a number of sweeps, the last of which closed only this week. They received in subscriptions £68,341 18s. 6d. The prize money returned to those who contributed amounted to £30,889 10s. 5d. The expenses totalled £12,816 12s. 9d., which included 10 per cent. paid to agents who sold tickets. The amount distributed to charitable and other organisations was £24,635 15s. 4d. The total expenses, on the gross takings, worked out at 18.75d. per cent.

Hon. A. McCallum: Do they publish a balance sheet after each sweep?

The MINISTER FOR RAILWAYS: Yes, it is sent to the Minister after each sweep.

Hon. A. McCallum: It is not published.

The MINISTER FOR RAILWAYS: A balance sheet, as such, is not published. It is one thing to suggest that it should be published, but it is another thing to find the wherewithal with which to pay for the

publication. It would be necessary to publish the balance sheet in many newspapers, and that would add to the expenses.

Hon. P. Collier: Well, publish it in the "Government Gazette."

The MINISTER FOR RAILWAYS: Perhaps the hon. member does not realise that the "Government Gazette" is not read by so many. The conditions under which the members of the consultations committee were appointed were that they themselves should appoint a firm of auditors approved by the Minister who would present a balance sheet to the Minister after the conduct of each sweep. I am giving now the results of the balance sheets.

Hon. P. Collier: In very general terms.

The MINISTER FOR RAILWAYS: What does the hon. member want? I have seen balance sheets that have been placed on the Table of this House and circulated amongst members, balance sheets that were so full of details that no one worried about perusing them.

Hon. W. D. Johnson: Will you place on the Table of the House the balance sheets that you have, so that we may peruse them during the progress of this debate?

The MINISTER FOR RAILWAYS: I have no objection to doing that, and the hon. member will see that what I have said is exactly the position. I have given aggregate figures because I did not think it worth while to deal with each sweep separately. The main feature is that the sweeps have made available to charitable institutions and other organisations a sum totalling over £25,000 in the last 15 months. The institutions that have benefited have been the Returned Soldiers' League, King Edward Memorial Hospital, Ugly Men's Association, School for the Blind, Parkerville Home, Returned Maimed and Limbless Men's Association, Foundling Home, Clontarf Orphanage, St. Joseph's Orphanage, Anglican Boys and Girls' Homes, Salvation Army Boys and Girls' Homes, Castledare Home, Silver Chain League, St. John's Ambulance Association, and seventy other charitable institutions and objects. These received amounts varying from £10 to £152.

Hon. W. D. Johnson: Was the money given to the Returned Soldiers' League for charitable purposes?

The MINISTER FOR RAILWAYS: I do not think there is much to quarrel about

with regard to the money paid to that body. I am prepared to stand behind the efforts that we have made to assist the returned soldiers. Whatever we have given them has been money well spent. The measure itself hon. members will find rather interesting. We had not very much to guide us as to how sweeps should be conducted. It is true there are one or two instances where State lotteries have been permitted. Personally I do not agree with State lotteries. I suppose it can be said that if you legalise lotteries at all and particularly if you appoint or make provision for a statutory authority to conduct a lottery, then to all intents and purposes it is a State lottery. There is, however, this difference about it: If the State conducts a lottery it becomes a State affair; it is conducted under the control of the Minister and in these circumstances the Minister's decision on most matters prevails; but where it is conducted by a statutory body with restrictions imposed upon that body, those restrictions must be complied with in exactly the same way as they would have to be complied with by a private individual or a company with the right of proper supervision by the police. With the Minister administering the Act he could avoid the consequences of non-compliance with any of the restrictions without suffering any serious penalty, but a statutory board would, under the provisions of this Bill, be subject to serious consequences for any breach or breaches of the Act or regulations, and thus it becomes something far removed from what would be the conditions under a State lottery.

Hon. P. Collier: That is marvellous reasoning.

The MINISTER FOR RAILWAYS: Of course, the hon. member may reason in some other way.

Hon. P. Collier: I am just looking at the clause.

The MINISTER FOR RAILWAYS: I hope the hon. member will derive some comfort from looking at it.

Hon. P. Collier: I shall have an opportunity of saying something about it.

The MINISTER FOR RAILWAYS: I have no doubt; I do not imagine that I can introduce a measure containing 20 clauses without the hon. member having something to say about it.

Hon. P. Collier: Clause 3 is a beauty.

The MINISTER FOR RAILWAYS: Probably it is quite a good one. The measure itself provides for the establishment of what I call in the Bill a lotteries commission, and we give that commission statutory authority. Hon. members will find that we indemnify the commission against the provisions of the Criminal Code and the Police Act. We also indemnify those who conduct sweeps of a smaller kind in exactly the same way. The commission will be confined in its operations. We provide that they shall not obtain permits from the Minister for more than 15 sweeps in any one year. That, of course, may be more than is necessary. It may be less than will be desired when many of the other forms of sweeps or lotteries are removed, or there may be a greater demand for participation in the consultations held by the commission. We define what is a lottery. Hon. members will find that rather interesting. There is a definition of "lottery" in the Criminal Code, but that definition has been difficult to interpret, although it interprets itself. The courts have held that what might be termed a lottery, if it has attached to it an element of skill, does not any longer remain a lottery. It is not difficult to introduce an element of skill, so called, for the purpose of removing it from the interpretation of a lottery under the Criminal Code. We have had examples of that during the past weeks and months by the conduct in the Press of what are called cross-word and newsword puzzles. These have required so much skill that I will be candid and say that I have seen cross-word puzzles in the children's column of the "Daily News" that have been very much more difficult than those that have been conducted for prizes. We do not make provision in the Bill for the prevention of the conduct of cross-word puzzles. That may cause some surprise, but we do make provision that these puzzles shall in future be known as lotteries, and that it will not be possible to conduct them unless first of all permission has been granted to carry them on under the provisions of the Bill.

Hon. P. Collier: As recommended by the commission and approved by the Minister. That is a nice state of affairs.

The MINISTER FOR RAILWAYS: It will be interesting to hear the hon. member later on. After all, the only difference

that could be possible would be that instead of the commission recommending the granting of the permit, the Minister should take it upon himself to grant it. I am providing two barrels to this particular gun. I want those who apply for the right to conduct a lottery, other than a State-wide lottery, first of all to make application to the commission, and the commission in turn must submit it to the Commissioner of Police for a report as to the suitability of the persons applying to conduct the lottery, and afterwards, even though the commission may be satisfied, the Minister can take the responsibility of refusing to issue the permit. If the hon. member wishes to make it easier than that, he may do so.

Hon. P. Collier: You are providing what may or may not be conducted, by leaving it to the commission.

The MINISTER FOR RAILWAYS: The hon. member is reading the Bill hurriedly. When he has read it carefully he will find that those who require permission will have to comply with certain conditions.

Hon. P. Collier: It is a farce to declare here what is a lottery and what is not.

The MINISTER FOR RAILWAYS: It does say very definitely who may conduct a lottery.

Hon. P. Collier: On the recommendation of the commission.

The MINISTER FOR RAILWAYS: What does the hon. member suggest?

Hon. P. Collier: It should be laid down definitely in the Bill what is and what is not a lottery.

The MINISTER FOR RAILWAYS: It is laid down very definitely. However, I do not propose to continue an argument with the hon. member across the floor of the House. The hon. member is entitled to his opinion, and I shall grant him that right. I ask him at least to concede to me a similar right. I am entitled to my opinions and to express them, and to allow the House to decide just what will be the better course to adopt. I am not wedded to any particular proposal in the Bill for the purpose of arriving at a basis on which we can properly control lotteries.

Hon. P. Collier: There is not a legalised lottery in Australia run by a commission as you propose.

The MINISTER FOR RAILWAYS: That may be so, but it does not matter. I would not for one moment suggest that the hon. member had always been actuated by what had been done by someone else in Australia. He has frequently gone beyond the conditions prevailing elsewhere—and rightly so—because he believed that what he proposed was better. I think my proposals are better than any scheme in Australia, and that is why I am submitting them for the consideration of the House. We provide definitely that the commission shall be held responsible for the conduct of State-wide lotteries in accordance with the conditions set down in the Bill. If they commit a breach of the conditions, they are just as liable, as any other person conducting a sweep of a similar nature would be. They will not have any tenure of office beyond the three years for which they will be appointed, and in the event of Parliament at any time repealing the Act, they will go out of office without the right of compensation.

Hon. P. Collier: That is rather unfair, is it not?

The MINISTER FOR RAILWAYS: I do not think so.

Hon. P. Collier: Oh yes!

The MINISTER FOR RAILWAYS: It is understood that, if persons are appointed to a particular position of responsibility for a certain term, in the event of their being asked to retire previous to the completion of the term, they are generally compensated. There will be no misunderstanding about the appointment of the commission. There will be a distinct understanding that they may be retired by Parliament at any time.

Hon. P. Collier: I think a man losing a good job ought to be compensated!

The MINISTER FOR RAILWAYS: The commission will receive applications from persons who desire to conduct lotteries. I use the word "lotteries" in the sense in which the word is defined in the interpretation clause. The term includes all forms of sweeps, art unions, etc., where a drawing is required. The commission will consider and recommend, after police investigation, whether a permit should be granted. They will exercise supervision and control over any lottery in order to ensure that the conditions under which the permit was granted, as set out in the Bill, have been complied with. Their recommendation is

necessary before the Minister may issue a permit. The Commissioner of Police has been given very wide powers under the Bill, wider probably than is usual, but I wish to ensure the removal of objectionable features in connection with the conduct of lotteries. If we are going to have lotteries, let us have them conducted in such a fashion that there will be no question of objectionable features, either from the standpoint of those conducting the lottery or holding the permit, or from the standpoint of the eventual distribution of the money. The police must investigate and report on the suitability of persons applying for a permit. If they are not satisfied they may make a confidential report to the Minister, and I provide that the report shall be strictly confidential in order to give the Commissioner of Police and his officers the fullest possible opportunity to make a complete report before any permit shall be granted. The police have the right to enter any place where a lottery is being conducted in order to ensure that it is being conducted in accordance with the measure. This will even apply where a lottery is being conducted by the commission—that is, a State-wide sweep. Moreover, the police will be empowered to remain there and from time to time examine the books. A police constable may take with him an auditor or any other qualified person to assist him in the scrutiny. If he has reason to suspect that an illegal lottery is being carried on at any place, or that any lottery in respect of which a permit has been granted is being carried on in contravention of any of the provisions of the measure, he may make a complaint on oath to a justice of the peace, who may issue a warrant authorising the constable to enter and, if necessary, break into any place where a lottery is being conducted or is supposed to be conducted or any premises where any thing or record pertaining to the carrying on of the lottery is supposed to be, and he may seize and take possession of all moneys, securities, papers, documents and things relating to any such lottery.

Mr. Marshall interjected.

The MINISTER FOR RAILWAYS: I am trying to deal with the matter seriously. The powers proposed to be conferred upon the police are very extensive, but in my opinion they are very necessary. We require any person taking part in the conduct and management of a lottery to answer any question submitted to him by the auditor or by the police officer. We also require a person

conducting a lottery to advise the Commissioner of Police of the date, time and place of drawing so that he may have a representative present. We impose a restriction that the commission's expenses shall not exceed 25 per cent. of the gross amount received from the sale of tickets or subscriptions, including commissions paid to agents on the sale of tickets. Provision is made for a continuous audit and for the Minister to appoint an independent or special auditor at any time if he considers it desirable.

Mr. Corboy: Is the cost of the ordinary auditor to be part of the 25 per cent.?

The MINISTER FOR RAILWAYS: No money will accrue to the Government and no expense will be borne by the Government. Whatever cost is incurred will have to be borne by the committee or permit holder conducting the lottery and will have to come out of the 25 per cent. That must be the maximum cost of conducting the sweep. If the hon. member had been in his place earlier, he would have heard me say that the total expenses of authorised sweeps represent 18.75 per cent., so the figure is well within the mark. Provision is also made that where there is no restriction regarding the locality in which tickets may be sold, that is where it is a State-wide sweep, the application to the Minister for the permit shall set out completely the purposes for which the sweep is to be conducted, and the total prize-money to be returned to contributors to the consultation. After making provision for the 25 per cent. expenses, institutions will benefit by the distribution of what may be termed the profit. Between the 25 per cent. and the amount of the actual expenses, there will probably be a margin. There has been a margin in the sweeps conducted so far. Provision is therefore made that the excess profit may be distributed by the commission, with the sanction of the Minister, to any charitable purposes.

Mr. Corboy: Would not excess balance better describe it?

The MINISTER FOR RAILWAYS: It would really be excess balance. The Bill provides how the money shall be handled, how the sweep will be closed, and what will be done in the event of a lottery being over-subscribed or under-subscribed. In the event of its being under-subscribed, the prizes, as well as the distribution of profits, will be pro rata. If over-subscribed, the same will apply. Conditions, however, will alter after the measure has operated for a

time, and special provision is made to enable the Minister, on application by the commission, to close a lottery at an earlier date than that originally fixed and advertised if he is satisfied that it is over-subscribed. It is not desirable to allow a sweep to be over-subscribed to too great an extent. If a greater number of applications are received than are necessary, the surplus applications may be placed in the next sweep to be conducted by the commission if such a sweep is proposed within a period of one month.

Hon. S. W. Munsie: That is what Tattersall's do now.

The MINISTER FOR RAILWAYS: Yes. If there is to be no sweep within a month after the closing of the sweep for which applications have been over-subscribed, then the money will be refunded. That is only right because those subscribers would not have participated in the drawing. Provision is made to ensure that the public who subscribe are protected. The printer of the tickets has to comply with certain conditions. After printing the tickets, he must break up the forms and distribute the type, and present to the commission a statutory declaration that he has done so. He must also supply particulars of the starting and finishing numbers of the tickets he has printed. This is intended to prevent anything in the nature of fraud. A long list of offences is set out in the Bill. It may be said that the list is altogether too long and that the penalties proposed are altogether too severe. We may differ in our opinions on those points, but I question whether it is desirable to legalise lotteries without having penalties, particularly for fraud or intended fraud, that will make it not worth while for people so to indulge. Anyone who, with intent to defraud or by a fraudulent trick, scheme or device converts to his own use or to the use of any other person any prize or moneys raised by a lottery, shall be liable to imprisonment with hard labour for five years or to a fine of £500. If, with intent to defraud, a person is guilty of any of the following acts, he will be guilty of a crime:—altering or falsifying any book, document or voucher relating to a lottery; making or concurring in making any false or fraudulent entry in any such book, document or voucher; omitting or concurring in omitting any material particular from any such book, document or voucher. The penalty for any one of those offences is imprisonment with hard labour for three years or a fine of £300. The Bill also provides that it is an offence

to conduct an illegal lottery, a misdemeanour which will be punishable on summary conviction by imprisonment for six months or a fine of £100. It is also made an offence to advertise an illegal lottery. Members will notice the definition of "illegal lottery." The term also includes a foreign lottery in order to avoid the necessity for having to refer to each one separately.

Hon. A. McCallum: What is a foreign lottery?

The MINISTER FOR RAILWAYS: A lottery may be legal in the country where it is conducted, but being outside the State of Western Australia, it would be a foreign lottery.

Mr. Corboy: Tattersall's and the Golden Casket would be foreign lotteries.

The MINISTER FOR RAILWAYS: Yes, Tattersall's, the Golden Casket, the New South Wales sweep, and the Irish Free State sweep would come within the term "foreign lottery." It will be illegal for any person to participate in the conduct of a foreign lottery by advertising or by any other means inducing people to subscribe to such lottery.

Mr. Panton: It is illegal in South Australia, but they get rid of a lot of tickets there.

Mr. Kenneally: Or by purchasing a ticket in a foreign lottery?

The MINISTER FOR RAILWAYS: The Bill does not go that far. I do not think we are entitled to go to the length of infringing what might be termed the freedom of the individual if he chooses, of his own volition, to apply to Tattersall's in Tasmania for a ticket. That is an entirely different matter from allowing people here to advertise foreign lotteries and to induce people to purchase tickets in them.

Hon. S. W. Munsie: All those advertisements on shop windows, "I communicate with Hobart" will be illegal?

The MINISTER FOR RAILWAYS: Yes, under this measure. Of course the Federal Government imposed postal restrictions on Tattersall's—

Mr. Corboy: And then taxed them.

The MINISTER FOR RAILWAYS: And then collected a tax. The Bill does not go to that length. People should be sufficiently free to participate in a lottery elsewhere, subject to the restrictions imposed under this measure. But we do not intend to allow anyone to advertise foreign lot-

teries or induce people to take tickets in them. For that offence the penalty is imprisonment for six months or a fine of £100. The Bill also provides for restrictions of less importance. Members will observe the provision that tickets in lotteries shall not be sold or offered for sale in any street, right-of-way, doorway, or in any prescribed place or class of place in which sale or offering for sale is forbidden, under a penalty of £10. It is highly restrictive too, but it is there for the purpose of trying to remove what I consider have been objectionable features in the conduct of lotteries. May I say to the Leader of the Opposition that where the commission have conducted a lottery and have arranged for agents to sell lottery tickets under the conditions imposed upon the Commission and the agents have not complied with those conditions, the Commission have the remedy, so easily available, of refusing to supply the agents with further tickets. It is within the powers of the Commission to refuse to supply agents with further tickets under those conditions.

Hon. P. Collier: There is no doubt about the powers of the Commission under the Bill.

The MINISTER FOR RAILWAYS: The powers are most definite.

Hon. P. Collier: They are all-embracing.

The MINISTER FOR RAILWAYS: So are the restrictions most definite. But the Leader of the Opposition, from his experience of public life, will appreciate that under these conditions there can be no pulling of strings by someone who wants the right to sell in some doorway or right-of-way or street for a period. Such permission cannot be obtained through political pull, because the Minister is not entitled to grant the permission. The Bill definitely states that no such permission can be granted. If the Commission permits the sale of tickets under such conditions, then the Commissioner of Police can take action against the Commission for a breach of the Act.

Hon. P. Collier: That is with regard to the sale of tickets.

The MINISTER FOR RAILWAYS: There can be no pulling of strings in that regard.

Hon. P. Collier: But there can be pulling of strings as regards getting permission to run lotteries.

The MINISTER FOR RAILWAYS: The hon. member has lost sight of the fact I stated previously, that before a permit to run a lottery can be granted, the applicant has to run the gauntlet first of a recommendation by the Commission—

Hon. P. Collier: That is where the wire-pulling will come in.

The MINISTER FOR RAILWAYS: The applicant must first obtain a recommendation by the Commission. Then he has to run the gauntlet of whether the Minister will approve or otherwise. The Leader of the Opposition apparently suggests that either the Commission or the Minister will have the right, without further consideration, to grant or withhold a permit.

Hon. P. Collier: There can be no pulling of strings in the case of those who want to run a lottery through the Commission?

The MINISTER FOR RAILWAYS: They will have to obtain the Minister's permission.

Hon. P. Collier: The Minister will be guided by the Commission's recommendation.

Hon. A. McCallum: Do not you think all sorts of influences will be brought to bear on the Minister, all kinds of strings pulled and threats of political influence used against him?

The MINISTER FOR RAILWAYS: That has not been my experience; the hon. member interjecting can speak for himself. I admit that I am still a tyro in public life and have a lot to learn.

Hon. A. McCallum: You know that that will be the position.

The MINISTER FOR RAILWAYS: I know nothing of the sort.

Hon. A. McCallum: Yes, you do.

The MINISTER FOR RAILWAYS: I know that the Minister cannot have pressure put on him to grant a permit, because he can grant it only on the recommendation of the Commission.

Hon. A. McCallum: What if he hesitates about granting it?

Hon. P. Collier: Yes, subject to the recommendation of the Commission.

The MINISTER FOR RAILWAYS: Then the Minister must take the responsibility he ought to take. The Commission have to make a recommendation, and the Commissioner of Police investigates. Though that may be a cumbersome and roundabout method, it does at least place

an additional bar against the Minister's granting permits.

Hon. A. McCallum: It opens the door wide to bribery and corruption.

Hon. P. Collier: Such a thing has never been done before in a Parliament of Australia or the British Empire.

THE MINISTER FOR RAILWAYS: Of course it has not. The Leader of the Opposition surely would not suggest that I do exactly the same as everybody else does. This pious protest from the Leader of the Opposition—

Hon. P. Collier: It is not a pious protest. There is nothing merely pious about it.

THE MINISTER FOR RAILWAYS: It does not impress me very much, because if ever there was a period in the history of the State when gambling had a free run, it was during the six years the Leader of the Opposition was in office.

Hon. P. Collier: No. The gambling was there before I assumed office. I merely continued what you allowed.

THE MINISTER FOR RAILWAYS: I am not denying that it was started before he assumed office, but he took no steps to stop it until just before he went out.

Hon. P. Collier: I succeeded to what you had started.

MR. SPEAKER: I ask the Leader of the Opposition to reserve his criticism until after the Minister for Railways has finished his speech.

THE MINISTER FOR RAILWAYS: We do impose a certain restriction on the conduct of lotteries; but although we provide that an art union or a raffle or a guessing competition is a lottery, we do not propose to place the same restriction on the conduct of such minor forms of lotteries. Where they are conducted by a church organisation or religious body, or any charitable institution, it is proposed that applications for permits may be granted under such conditions as the Minister may consider it necessary from time to time to impose. But we do not suggest that the same conditions are required in these cases as in the case of a public lottery. Such permits would be granted only in connection with bazaars or fairs to be held by a religious body or a church organisation. I shall not detain the House much longer, because hon. members will find that for the most part the Bill is self-explanatory. However, I do wish to say, in justification of the introduction of the

measure, that its prime purpose is to take advantage of what some people consider is not very objectionable; that is, indulgence in a gamble for the purpose of obtaining desirable or necessary assistance for a charitable institution. I do not want hon. members to think that because I have introduced the Bill in opposition to the expressed opinions of certain section of the churches, I am an irreligious libertine. I do venture to say that there is no justification, so far as I see, for describing participation in a lottery as a sin for which there should be a severe penalty. Such participation may be economically wrong; it may not be desirable. All those objections may be taken, but if gambling is controlled it is not quite so objectionable as some of our friends attached to certain sections of the churches try to make it appear. The trouble is that these things have grown to such an extent as to become harmful, and therefore restrictions must be imposed lessening the evil and at the same time probably making the thing a little more beneficial to institutions that can very well do with additional funds. Certain acts are universally accepted as being sins. So far as I can discover, the Ten Commandments set out the sins for which we shall have to answer.

Mr. Kenneally: I would not start on those.

THE MINISTER FOR RAILWAYS: At different periods in the history of mankind there have been made, under varying conditions, additions to the list of sins contained in Holy Writ; and people have been asked to believe that they committed a sin if they did any of those other acts. I do not consider that indulgence in a lottery is necessarily a vice. In fact, I believe it is not a vice. I believe that under the conditions proposed by the Bill, it will not be a vice. I do not know that justification cannot be found in the Sacred Volume itself for deciding matters by lottery. If my memory serves me rightly there was an occasion in the history of the Tribes of Israel when they divided the land by casting lots. Again, when there was a vacancy among the Apostles through one Judas having taken a forcible departure, it was decided by lot who should enter the ranks of the Apostles, and the lot fell upon Tobias.

Mr. Kenneally: There was also the disposal of certain garments.

THE MINISTER FOR RAILWAYS : Yes. I do not know whether the practice has not obtained in this State. There were occasions when applicants for land had to submit to a ballot, drawing lots as to which one of them should have a certain block of land.

Mr. Corboy : Is not an election a ballot?

THE MINISTER FOR RAILWAYS : Take the case of friendly societies. The admission into them is something in the nature of a gamble, because a man does not know whether he will be compelled by sickness or accident to obtain medical treatment, or whether he will be obliged to draw on the society's funds for the maintenance of his wife and children because of his being prevented from earning his livelihood. The man gambles on those things.

Mr. F. C. L. Smith : There is no risk in that case.

THE MINISTER FOR RAILWAYS : I personally contributed for years to a friendly society, without drawing a penny in the way of benefits. I did not get any of my contributions refunded; I was not entitled to any refund. I gambled on the chance that some day I might have to draw on the society's funds. For years I paid fire insurance on property I owned; and, similarly, for years I paid for insurance of my motor car against destruction by fire. I have never drawn a penny from the insurance companies. As a matter of fact, there are plenty who have made but one payment and have then drawn their insurance money. Their cars have been burnt almost at once, and they secured the insurance money. That represents a reasonable money. That represents a reasonable gamble.

Mr. Panton : That is no gamble; it is a certainty.

THE MINISTER FOR RAILWAYS : Those people adopt that course for the purpose of avoiding a risk which may arise and therefore the transaction is in the nature of a gamble. Is not the purchase of shares in a company formed to operate under the provisions of the company laws of the State, in a large measure, a gamble as well?

Mr. Panton : That is a respectable gamble; that is the difference.

THE MINISTER FOR RAILWAYS : Yes.

Mr. Marshall : Is the Stock Exchange a gamble?

THE MINISTER FOR RAILWAYS : Not the Stock Exchange itself, but the transactions in connection with the Stock Exchange certainly are.

Mr. Marshall : Of course they are.

THE MINISTER FOR RAILWAYS : While I do not advocate freedom for the community, even in a democracy such as ours, to indulge in gambling to the full extent the people may desire, it is at least reasonable to suggest that we can, by imposing restrictions and penalties, by setting down methods by which it can be conducted, by restricting the number of lotteries that can be held, and by making someone responsible for the proper conduct of them and their compliance with the terms of the Act, permit gambling to operate without any serious injury to the community or, in my opinion, any injury to those who conscientiously object to gambling. For that reason I submit the Bill to the House. I do so with the object of allowing Parliament to decide whether lotteries shall be conducted in future. If Parliament contends that lotteries cannot be conducted under the conditions I have outlined, then they should not be permitted at all. If Parliament agrees that they may be conducted, then we should agree upon the conditions under which the business shall be transacted. The Bill may be amended as members desire so long as we have this matter decided definitely once and for all. I have the authority of the Premier for my statement that members on either side of the House may take what view they like on the Bill from the first clause to the last, and may take whatever action they may deem fit, so long as we deal with the measure in such a form as will lay down definite conditions under which lotteries may be conducted, and at the same time very materially, while restricting avenues of gambling, do away with objectionable features such as street selling, and assist appreciably some deserving institutions that require help. With regard to crossword puzzles and news-words, may I say for some who may be directly interested, that inasmuch as they must comply with conditions similar to those governing the operations of anyone else conducting a lottery, they will be permitted to continue if conducted under the conditions outlined in the Bill. Permission will have to be applied for in the ordinary way.

Mr. Corboy : They will not get permission.

THE MINISTER FOR RAILWAYS : They are regarded as a lottery and therefore

must comply with the conditions just the same as anyone else who is conducting a straight-out lottery as provided for in the Bill. In the circumstances, I leave it to Parliament to decide an issue that should be decided as early as possible, and thus help to remove many of the objectionable features that have been associated with the conduct of lotteries in the past.

On motion by Mr. Panton, debate adjourned.

BILL—STATE TRADING CONCERNS ACT AMENDMENT (No. 2).

Second Reading.

Debate resumed from the 4th October.

HON. W. D. JOHNSON (Guildford-Midland) [9.20]: There can be no objection to the Bill. I welcome its introduction as its purpose is to remove a so-called State trading concern from the insecurity of State trading and stabilise it as a permanent means of transport to be conducted as part of the transport system of the State. The ferries are to be placed under the direct control of the Minister for Railways and the Minister will conduct it as a public utility.

[Several members were engaged in audible conversation.]

Mr. SPEAKER: Order!

Hon. W. D. JOHNSON: In view of the talking that is going on, I do not think it is worth while proceeding.

Mr. SPEAKER: Order! It is quite all right! The hon. member may proceed.

Hon. W. D. JOHNSON: The Minister for Railways will conduct the ferries in future as he conducts the tramways and railways. The ferries were taken over by the Government at the request of the residents of South Perth while I was Minister for Works in 1912. Prior to that the ferries were under the control of Mr. Sam Copley, who had a monopoly in that he had a lease of the connecting points on either side of the river. He had a monthly tenancy of the jetties and that service was continued for years. Just prior to 1912, an opposition firm commenced competing against Mr. Copley's service and a reduction in the fares was the result. Finally, Mr. Copley bought out the opposition and immediately he endeavoured, by increasing

the fares, to recoup himself for the expenditure involved in buying out the opposition company. The people of South Perth protested very strongly and the local governing authorities, influenced by public opinion, made representations to me, as Minister for Works, to prevent the exploitation of the people by a privately-owned concern. After investigation, the Government decided to put a stop to it, and Mr. Copley was notified that at the termination of the necessary term, his lease of the jetties would be cancelled. At the end of the period I refer to, that course was adopted and the ferries were operated as a Government concern. Much argument took place as to what should be done with the plant in the hands of Mr. Copley, who tried to make the Government pay an exorbitant price for the purchase of plant, which he considered essential for transport arrangements across the river. Ultimately we succeeded in getting Mr. Copley to accept a reasonable price for the plant and the ferries were then placed on something like an established basis. Since then the service has been conducted as a State trading concern, and there has not been a great deal of adverse criticism from the public. A mistake was made at one stage when the Government, of which I was a member, endeavoured to improve the service by having a boat constructed locally. It can be said that the attempt was a failure for the purposes for which the vessel was constructed. That difficulty has been overcome and, generally speaking, the transport arrangements have been satisfactory. I welcome the Bill as calculated to consolidate the position. I believe that this form of transport should be controlled by the Government on behalf of the people. We were on sound ground at the time we embarked upon this public enterprise. It was taken over for the people at the request of the people and I am glad the Government have realised the necessity of placing the system on a basis as permanent as that of the tramways and railways. I support the second reading of the Bill and congratulate the Government upon the course adopted.

MR. WELLS (Canning) [9.27]: I have no objection to the proposed transfer of the ferries from operating as a State trading concern to the status of a public utility.

Something should be done to improve the conditions that prevail. A previous Government went to the expense of purchasing a costly engine in order to instal it in a new boat for the ferry service. It cost £3,000 and has been in cold storage for four or five years, during which the interest bill has grown considerably. It would be advisable to dispose of the engine and purchase a boat that could cope with the demands of the service.

The Minister for Railways: Your remarks apply to another Bill we are to deal with, not to this one.

Mr. WELLS: Then I will reserve my comments till later on.

Question put and passed.

Bill read a second time.

In Committee.

Bill passed through Committee without debate, reported without amendment and the report adopted.

BILL—MORTGAGEES' RIGHTS RESTRICTION ACT CONTINUANCE.

Second Reading.

Debate resumed from the 27th September.

HON. J. C. WILLCOCK (Geraldton) [9.30]: I have no great objection to the Bill, which is intended to continue the Act for a further period. Unfortunately the necessity still exists for protective legislation of this kind. While there has been some improvement in the conditions, still anybody suddenly called upon to repay a mortgage by the time stated in the mortgage might have serious trouble in arranging a new mortgage on the original conditions. There is not much money about, and if a mortgagee forced a sale it might mean serious hardship for the mortgagor. The Act is rather obscure in relation to banks and what they can do. Actually they do not come within the purview of the Act we are considering, but it is one of a number of financial emergency measures, and we were given to understand that interest reduction would be granted by the banks. That has not been done. Perhaps the Minister could give the House some information as to what has been done in that regard by the banks. The last I heard of it was that on October 1st the

banks were about to make a further reduction in overdraft rates. I have not seen any public announcement that that has been done.

The Minister for Lands: That will be dealt with in the other Act, which provides for it.

HON. J. C. WILLCOCK: The position is obscure and I know of men who, having an overdraft, are afraid to pay any money resulting from the sale of produce into the bank lest they might not be able to get it out again. I do not know whether it would be possible to amend the Act to deal with that provision. Overdrafts differ from mortgages in their effects, but in principle they are exactly the same. Banks have an opportunity to retain money paid in to what I might call current account, by people who have overdrafts. These people on paying in to current account have been told that their overdraft has been reduced by that amount. It might mean very serious consequences for a man who purported to use that money in his business. The Act is obscure as to what banks can or cannot do in respect of overdrafts. In the parent Act we restricted any other mortgagee from doing that sort of thing, yet the banks can conduct operations in that way to the hardship of their clients. Could not the Minister tell us whether it would not be possible to amend the Act?

Mr. Kenneally: The method of introducing the Bill prevents its being amended.

HON. J. C. WILLCOCK: It could be got over by providing that the operations of the Act shall be continued subject to certain amendments.

Mr. Kenneally: You would be ruled out of order.

HON. J. C. WILLCOCK: No, the Bill is the property of the House and we can do as we like with it, provided the majority agrees. I want to know if the Minister has had brought under his notice such cases as I have alluded to.

The Minister for Lands: No, I have not heard of such a case.

HON. J. C. WILLCOCK: I heard of a case only last week. A man on selling his produce paid £200 into his account at the bank, and was immediately notified that his overdraft had been reduced from £700 to £500. In the Geraldton district last week one man was wandering about with £70 or £80 in his pocket because he was afraid to

put it into the bank for fear it would be used to reduce his overdraft, whereas he wanted to use it in his business.

The Minister for Lands: The Act under review merely prevents foreclosures.

Hon. J. C. WILLCOCK: If a man with an overdraft of £700 puts £200 into the bank, the bank does not foreclose, but it tells him that the money has been put to his credit as against his overdraft. The ordinary mortgagee could not do that, for the Act prevents it, while permitting the banks to do it.

The Minister for Lands: I have heard of many cases, but not one like that.

The Premier: You could not provide against such a case.

Hon. J. C. WILLCOCK: In these times of emergency we provide that mortgagees shall not insist upon people reducing their mortgages.

The Premier: But the cases are quite different.

Hon. J. C. WILLCOCK: Well, as I say, the bank is capable of accepting on current account £200 from a wheatgrower who has just sold his produce, and placing that money against his overdraft.

The Premier: Why was the money taken to the bank? Because the bank held the scrip?

Hon. J. C. WILLCOCK: I suppose so.

The Premier: Well, that is the bank's security.

Hon. J. C. WILLCOCK: But by summarily reducing that overdraft they might seriously embarrass the man in the conduct of his business. The bank accepts the proceeds of his sale, and then sets off the money against his overdraft. Apart from that, the Act has served a very useful purpose and has been a boon and protection to a number of people, not only farmers, but others purchasing homes and needing just such a safeguard. I think its operations ought to be continued.

THE MINISTER FOR LANDS (Hon. C. G. Latham—York—in reply) [9.40]: I have not previously heard of the cases mentioned by the hon. member. I hardly think we could cover them in this Act without a great deal of amendment, but if necessary they might be dealt with in the financial clauses of another Act. This Act is simply to prevent foreclosures of mortgages and to

prevent any person from dispossessing another on account of a sale of any property in excess of a certain value. It does not interfere with interest payments or anything like that. I will take a note of what the hon. member said, and if he can privately give me some specific instances capable of being traced, I will take them up and see whether it is necessary to make any amendment in the law. This is one of the few pieces of the financial emergency legislation which has not proved entirely double-barrelled. In some instances it has inflicted hardships on mortgagors.

Hon. A. McCallum: It has been a very good policeman.

The **MINISTER FOR LANDS**: Yes, having it on the statute-book has served as a preventive of unfair action. Moreover, it immediately did something that members desired, in that it protected from dispossession people who were paying instalments on premises.

Question put and passed.

Bill read a second time.

In Committee.

Bill passed through Committee without debate, reported without amendment and the report adopted.

BILL—LOCAL COURTS ACT AMENDMENT.

In Committee.

Resumed from the 4th October. Mr. Angelo in the Chair; the Attorney General in charge of the Bill.

Clause 3 to 5, Title—agreed to.

Bill reported without amendment and the report adopted.

BILL—DEBTORS' ACT AMENDMENT.

In Committee.

Resumed from the 4th October. Mr. Angelo in the Chair; the Attorney General in charge of the Bill.

Clauses 3, 4, Title—agreed to.

Bill reported without amendment and the report adopted.

BILL—STATE TRADING CONCERNS ACT AMENDMENT (No. 1).

Second Reading.

Debate resumed from the 29th September.

HON. A. McCALLUM (South Fremantle) [9.51]: This is a Bill that really pronounces the funeral service over the State Implement Works. The institution is already dead and we are asked to pronounce the benediction. It cannot be claimed that the works have been a great success, and I agree with much of what the Minister for Works said, that the fault was due largely to the way in which the works were started and equipped at the outset. They were not equipped with up-to-date machinery, the whole lay-out of the place was afterwards proved to be wrong, and many obsolete patterns were procured that did not meet the needs of the times. Although the works as a whole have shown a financial loss, they certainly have not shown the loss to the State that some private enterprises, which have been backed by the Government, have shown. The freezing works at Carnarvon have cost the State more than twice as much as the Implement Works, and the Carnarvon Works have never turned a wheel or employed a man. The State Implement Works, on the other hand, employed several hundred men for a long time, and a lot of money was circulated in the State which, but for the works, would have gone out of the State. While the Implement Works were in operation, the argument was continually used that they prevented private enterprise from establishing implement works here. There was never a more fallacious argument. Now that the works have ceased to make agricultural implements, it will be interesting to see whether private enterprise will step in and do what it was contended the State Implement Works prevented it from doing. The figures show that there was always ample room for private enterprise to undertake the manufacture of implements here. While the State Implement Works were operating, millions of pounds were sent to the Eastern States for the purchase of implements, and the great bulk of those implements were financed by the State Government. They were bought with Agricultural Bank advances, bought from the Eastern States while our own works were left idle. The following figures

show the value of agricultural implements imported:—

1922-23	..	..	£311,586
1923-24	..	..	454,000
1924-25	..	..	485,000
1925-26	..	..	679,000
1926-27	..	..	768,000
1927-28	..	..	888,000
1928-29	..	..	739,000
1929-30	..	..	510,000
1930-31	..	..	257,000
1931-32	..	..	94,000

Those are terrific figures. Why did not private enterprise step in and cater for that business? Those were the importations while the State Implement Works were operating, and yet private enterprise was crying out to have the works closed on the ground that they were interfering with private enterprise. The figures disclose that there was no ground for the complaint. I venture to say that now that the Implement Works have closed, private enterprise will be as lacking as it proved to be in past years. The Eastern States have such a grip that they would quickly squelch any attempt to start works here. An allegation was made that the trade unions prevented the firm of H. V. McKay from starting in this State, but there was nothing further from the truth. McKay's wanted to establish works and fix their own rate of wages—something they could not do anywhere else in Australia. They declined to approach the Arbitration Court to get the industrial conditions fixed; they wanted their own way, and because they could not get it, because they refused to abide by the laws of the land, they made an excuse for not starting operations here. Their excuse, however, was too thin to bear examination. The State Implement Works were unsuccessful largely through being started on wrong lines. The State was unfortunate in the choice of the first manager. That was one of the risks that had to be taken in the establishment of a new industry. Private enterprise, as well as State enterprise, makes mistakes. Private enterprise has made a failure of the Carnarvon and South Fremantle freezing works, and the State has sunk more money in those concerns than in the Implement works. But for the State now leasing the works at South Fremantle, it is almost certain that they would have been closed. I am sorry that the Implement Works have

not proved a success. I regret that they did not receive the backing from the agricultural industry that we had a right to expect. Considering that the State gave the agricultural industry such huge financial backing and without much security, it was very unpatriotic on the part of farmers to send the money out of the State for implements instead of giving preference to local production. I do not acquit Country Party members of making political propaganda of the Implement Works. It was largely political propaganda that killed the sale of State implements in the country. Country members boycotted the works, and from every platform from which they spoke denounced State enterprise and singled out the Implement Works as a target for their political propaganda. They were very successful to the extent of considerably cutting into the business. I know that the State Implement Works have turned out good implements. It is admitted by farmers who used State ploughs that they were equal to any other plough on the market. There was no superior implement.

Mr. Brown: What about the harvesters?

Hon. A. McCALLUM: They were not a success. I believe, however, the member for Guildford-Midland (Hon. W. D. Johnson) is still using one of them, but I do not think they were kept up to date. Other firms brought out later patterns, but the State Implement Works did not keep pace with the times in that regard. Probably that was the reason for their failure with harvesters. The plough and the drill with which I had experience were as good as anything of the kind on the market. The farmers' wagons that were turned out by the works were better than anything else that was being sold in Western Australia. They did not sell in any great quantity, however, because a prejudice was set up in the public mind against them. The loss of these works means a great deal to the State. At one time 600 men were employed there; their wages circulated here, and their families were kept here. For many years there were over 300 men working there, but now I think there are 50 or less.

The Minister for Works: There are 84 on part-time.

Hon. A. McCALLUM: That would not represent 50 men on full time. It is to be

regretted that the works should have come down to this. If there is no development in our agricultural industry it will be very hard to say what future lies ahead of Western Australia. There will always be a huge market here for agricultural implements. Private enterprise has miserably failed to cater for those requirements. People will not invest money here in this direction, but they get the rake-off. The profits are going away from us. The State has given financial backing without security in the building up of this huge industry and has financed the purchase of machinery, but all the profits are going out of the State. One of the McKays recently died and left about two millions of money.

Hon. P. Collier: All made in one life.

Hon. A. McCALLUM: Yes.

The Premier: He brought out some wonderful patents.

Hon. A. McCALLUM: That money was paid largely by farming interests.

The Premier: No other man contributed so much to the farmers as he did through his patents.

Hon. A. McCALLUM: The Premier knows that McKay was not responsible for the inventions. I do not want to rob any of the McKays of the credit due to them. They have been enterprising men; but they did not invent, they bought the inventions.

The Premier: They gave them to Australia.

Hon. A. McCALLUM: When any new agricultural implement was patented this firm was the first to buy it up and attach it to their own factories. In the Eastern States many small factories are working for the firm on different patents, but they are all part of one huge concern. Every credit is due to Hugh McKay and those associated with him in his great enterprise. It is not always the man who conceives the idea and invents the machinery who reaps the benefit. It is the man with capital, who is prepared to pay for the invention, who generally gets the advantage. I am sorry we have to look forward to the position when the whole of Western Australia's requirements in agricultural machinery are to be catered for outside the State. The statement that private enterprise will come in and later for this market has been proved fallacious by the figures I have quoted. From 1922 to 1930 the lowest import figure for any one year was a quarter of a million

pounds and it rose to £880,000 in one year. Yet private enterprise said that the little concern at North Fremantle stopped people from coming here, although there was that huge trade awaiting them. This will be added to if the agricultural industry is to develop and expand. It is a great pity that our main industry should be dependent for its implements or tools of trade on factories situated beyond our shores. A case cannot be made out that we would do better if the State stopped in and financed private enterprise in the setting up of works, because nearly every time the State has done that we have fallen in. I do not think one good bargain has been made in that respect. Practically every instance has constituted a failure. It is a pity the State Implement Works did not receive more loyal support and backing at the hands of the agricultural industry. In certain lines their implements, if not superior, were at least equal to anything on the market. They were as cheap as anything that was available from any other source. Sales were not effected because of the prejudice that existed against the implements, a prejudice largely accounted for by the political propaganda set up in the country against them. There is nothing for us to do except to express regret that this should be the position. I do not know what the object of the Bill is. The Minister said it was to deal with the accounts, that the accounts were not kept in accordance with the State Trading Concerns Act, and that these works must be taken out of that jurisdiction. I suspect there is another reason. I think the reason why these works are being taken out of the State Trading Concerns Act is that at some future date some other Government may desire to revive them.

The Minister for Works: I never thought of that.

The Premier: You know that is not so.

Hon. A. McCALLUM: I would not have thought the Minister would have that in mind.

The Premier: You might take my word for it.

Hon. A. McCALLUM: I suspect that is the reason that prompts the introduction of this Bill. Members of the Government want to make sure that whilst they have the members behind them they will so frame the laws of the land that no future Government that comes into power and desires to revive these works will be able to do so without getting

another law passed through both Houses of Parliament. That will be the effect of this Bill. The law says that only those works can be carried on that are set up under the State Trading Concerns Act, and that no other works can be conducted by the Government except with the approval of both Houses of Parliament. All I can hope is that private enterprise will come to the assistance of Western Australia, will do justice to Western Australia, and do as well by this State as this State has done by it. I trust that private enterprise will set up works here, and keep within our shores a considerable proportion of the huge sums of money that now go beyond them. Undoubtedly they should allow our own tradesmen to be employed in catering for the requirements of our own farming industry. We have as good tradesmen here as can be found in any part of Australia. We have as good tradesmen as we have farmers. The sons of tradesmen want work just as the sons of farmers want work. Opportunities should be provided here for Western Australian youths to learn trades. There is the huge wheat industry, that itself develops other industries. The argument used against a protective policy has always been that primary industries must be set up first, and that once they prove successful secondary industries will follow. But here is the proof that that is not the case. Private enterprise manufactures where it can be done most conveniently and most profitably. By specialising a huge output is produced in large populous centres, and the goods are sent here, free of duty, the only charge being freight and this is added to the selling price in Western Australia. Private enterprise will continue to pursue that policy. There is no indication of any alteration. I regret that Western Australia has not obtained the results that should have accrued from the huge financial backing this State gave to primary industry. It would not be possible to set up a manufacture of harvesters and ploughs here and obtain such backing as the farmer has had. After getting that backing, the farmer has been ungrateful enough to turn round and support enterprise outside Western Australia, leaving these works to go to ruin. The expenditure of our farmers in the Eastern States built up industries which not only paid wages but reared palaces as well. That money should have been circulated among

our own community. The works represent an effort started with the very best of intentions, in the desire to keep the money within our own borders. The smallest annual expenditure in this connection during the past 11 years has been over a quarter of a million, and it has risen to well over three-quarters of a million. Such sums, spent here, would have employed tradesmen and apprentices and given a great fillip to the establishment of other secondary industries within our borders. As regards the future, I can only express the hope that private enterprise will show itself a little more active than hitherto in rendering justice to Western Australia.

MR. SLEEMAN: I move—

That the debate be adjourned.

Motion put and negatived.

MR. SLEEMAN (Fremantle) [10.15]: It seems useless to debate this Bill at length. I believe I have ventilated the subject of the State Implement Works, and the necessity for the continuance of that enterprise, as frequently as any member of this Chamber. At times I encountered great opposition, but notwithstanding that fact I always tried to put up a fight for local industry. On the subject of local industry a great deal has been heard from numerous people who set themselves up as advocates of local manufacturing of machinery and so forth; but when it came to State-made machinery or implements, those people had no time for them. Because the State Implement Works were not a private company, it was assumed that the money circulated by them here was not a benefit. That attitude was frequently adopted. The member for South Fremantle (Hon. A. McCallum) referred to mistakes made at the initiation of the works, but I contend that the difficulties thus created were not insurmountable. It is never too late to mend. The farmers of this country will rue the day the works closed down. They will be at the mercy of implement works in the Eastern States and elsewhere. It is said that private industry is indispensable, but our experience of it has been a sorry one. In cases where the Government have assisted private industry, worse results have accrued than in the case of the State Implement Works. The member for South Fremantle quoted two freezing works, one of which has never turned a wheel. The other, thanks to having been made a semi-Government cou-

cern, is doing a little work. Recently I asked some questions regarding another private enterprise that had been assisted by the Government—the Calyx Porcelain Works. In 1925, when the company went into liquidation, there was £13,500 owing to the Government. The Government had spent that sum in bolstering up a private enterprise. In practically every year the State has spent considerable money to keep this industry going. The Estimates show such items as £1,200, £850, and £4,430 for this purpose. In 1929 the amount was £2,000, in 1930 £2,200, and in 1931 £617. The results are not a whit better than those obtained from the State Implement Works or any other Government enterprise in Western Australia. The works have now been handed over to a gentleman—I do not know whether he is a capable man; he may be extremely capable. However, one cannot gather what arrangement has been made with him. The Minister, in replying to my questions, said that arrangements had been made with a gentleman who could put the enterprise on a business footing. The gentleman has tried for years, as liquidator. There has been no information as to what the liquidator is getting out of the business. I venture to say he has secured a large amount of money during the years he has been in charge. The Minister said that the liquidator's remuneration was as fixed by the court, and that the information desired by me would have to be obtained from the court. In spite of the debt of £13,500 owing to the Government in 1925, further amounts totalling £11,627 have been added to the indebtedness since 1925. There is something like £7,000 worth of stock that has been handed over and no announcement has been made. We cannot get much information as to the arrangements that have been made. I am sorry the State Implement Works are to cease operations but it is in accordance with the policy of the Government, and they are giving effect to their policy. It is useless to divide the House because the Government have the numbers behind them to carry out their decision. I hope that in the near future, now that the State is to go out of business, some of the private firms will commence operations seeing that it was stated they would not operate here because of the State Implement Works. The unions were blamed for McKay's decision not to establish works here, but we know that if he wanted to, he

would have done so. We also know that it is better for him to have mass production in the Eastern States from whence the machines can be distributed to Western Australia and elsewhere. I am sorry that we are to lose the large amount of money that was expended originally when the State Implement Works were established at North Fremantle. I oppose the Bill, but I know it is useless, and so we will die fighting.

Question put and passed.

Bill read a second time.

In Committee.

Bill passed through Committee without debate, reported without amendment and the report adopted.

BILL—INDUSTRIES ASSISTANCE ACT CONTINUANCE.

Returned from the Council without amendment.

House adjourned at 10.25 p.m.

Legislative Council.

Tuesday, 11th October, 1932.

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QUESTION—UNIVERSITY, EMERGENCY LEGISLATION.

Hon. Sir EDWARD WITTENOOM asked the Chief Secretary,—Is it a fact that the University authorities are legally free from the reduction of 22½ per cent. on interest on mortgage or other commercial transactions as provided by the emergency legislation?

The CHIEF SECRETARY replied: Yes.

SENATOR SIR HAL COLEBATCH.

The PRESIDENT: I have invited Senator the Hon. Sir Hal Colebatch, who for many years was Leader of this House and who is present to-day, to take a seat on the floor of the Chamber.

RESOLUTION—STATE FORESTS.

To Revoke Dedication.

Message from the Assembly requesting concurrence in the following resolution now considered—

That the proposals for the partial revocation of State Forests, Nos. 4, 7, 14, 15, 17, 20, 21, 22, 24, 25, 26, 27, 28, 29, 30, 34, 35, 36, 37, 38, and 39, laid on the Table of the Legislative Council by the Command of His Excellency the Lieut.-Governor and Administrator on the 29th September, 1932, be carried out.

THE CHIEF SECRETARY (Hon. C. F. Baxter—East) [4.35]: In considering this resolution it will be remembered that some days ago I laid on the Table of the House full information regarding the proposed revocation. It included a lot of explanatory notes, and I felt that members should have an opportunity to peruse all the papers and so get better acquainted with them than perhaps they would had I dealt with the documents in a speech. I therefore move—

That the resolution be agreed to.

On motion by Hon. W. J. Mann, debate adjourned.

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