

Legislative Council,

Wednesday, 29th November, 1916.

	Page
Questions: Coaling of Transports, Fremantle and Albany	1248
Railway Employee's Dismissal	1248
Standing Orders Suspension	1248
Bills: Special Lease (Stirling Estate), recom.	1248
Roads Act Continuation, all stages	1252
Betting Suppression, 3s.	1252
Stamp Act Amendment, 3s.	1255
Nelson Rates Validation, 3s.	1255
Special Lease (Luke Clifton), report	1255
Wheat Marketing, Com.	1262
Select Committee: Wheat Marketing Bill, consideration of report	1262

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

QUESTION — COALING OF TRANSPORTS, FREMANTLE AND ALBANY.

Hon. J. EWING asked the Colonial Secretary: 1, Has he noticed a statement made by the Minister for the Navy that increased coaling arrangements are to be made at Fremantle and Albany, entailing a large fleet of steamers to ply between Newcastle and these ports carrying Newcastle coal for transports? 2, Has any action been taken by the Government to induce the Federal authorities to use Collie coal on their transports instead of importing Newcastle coal; if so, with what result?

The COLONIAL SECRETARY replied: 1, Yes. 2, Yes, the result being that the Prime Minister has requested that certain information be supplied and the Government are endeavouring to obtain it from the various coal-mining companies.

QUESTION—RAILWAY EMPLOYEES' DISMISSAL.

Hon. J. W. HICKEY asked the Colonial Secretary: 1, Is it a fact that Henry Groessler, plumber, Geraldton, has been dismissed from the railway service, on the ground that he is, or has been, the subject of an enemy country? 2, Is the Colonial Secretary aware that Henry Groessler is a naturalised British subject of twenty-four years' standing and that all (four) of his sons of military age have enlisted in the A.I.F., one of whom

was killed and another one wounded at Gallipoli? 3, In view of these facts is it the intention of the Government to reinstate Henry Groessler?

The COLONIAL SECRETARY replied: 1, Henry Groessler has been granted indefinite leave without pay under "The Public Servants Act, 1915," in common with other enemy-born subjects, under directions from the Government. 2, No, but inquiries are being made. 3, Answered by No. 2.

STANDING ORDERS SUSPENSION.

The COLONIAL SECRETARY (Hon. H. P. Colebatch—East) [4.36]: I move—

That for the remainder of this week so much of the Standing Orders be suspended as is necessary to enable Bills to pass through all their stages at one sitting and Messages from the Legislative Assembly to be taken into immediate consideration.

Last week I intimated to hon. members that it was the intention of the Government to adjourn the sittings of Parliament at the end of this week until early in the new year and I suggested that it might be necessary to meet earlier in the day or sit an extra day and that it would also be necessary to suspend the Standing Orders, so as to put through at one sitting any of the urgent measures which may come along from another place. I now find that there is no need to ask hon. members to meet earlier, but it may be found necessary to sit late on Thursday or to meet on Friday for the purpose of passing the Appropriation Bill or the Supply Bill as the case may be. It is not intended to use the motion for the purpose of putting through any Bills such as the measure to which Mr. Allen took exception last night, the Kingia Grass Tree Concession.

Question put and passed.

BILL—SPECIAL LEASE (STIRLING ESTATE.)

Recommittal.

Hon. W. KINGSMILL (Metropolitan) [4.40]: I move—

That the Bill be recommitted for the purpose of further considering Clause 7.

I am loth to appear in the character of an objector or obstructionist, but the more I go into this Bill, the less I am satisfied about the future of the dredging operations of the Swan river. Once this Bill is passed, there will be no recall whatever and we shall not have the slightest hold over the concessionaire in regard to his operations on the Swan river. This is not as it should be and my desire is to recommit the Bill, so that we may move an amendment in Subclause 2 of Clause 7 which reads as follows:—

Such license shall be renewed annually during the term of the special lease granted under the authority of this Act so long as such lease continues and shall be held subject to regulations made under the Land Act, 1898, and in force for the time being.

Hon. members will see that while this purports to be an annual license, it is really nothing of the kind, because the Bill explicitly lays down that during the currency of the special lease in regard to the Stirling Estate, this license must be renewed. So it is not an annual license. It is a license issued for 21 years and we do not know what the effect of these operations will be. The Colonial Secretary, in answer to a question, said that the operations in the river would not impede navigation. I do not suppose they would, but there are other ways in which the river might be affected and, therefore, when the Bill is re-committed Mr. Allen will move in the direction of striking out the word "shall" in the first line of the subclause and substituting "may in the discretion of the Minister for Lands." The clause will then read "Such license may in the discretion of the Minister for Lands be renewed annually etc." That will be a sufficient safeguard. The more we consider these Bills granting concessions, the more we must be forced to the conclusion that they should be introduced as is done in England, namely, as private Bills. Such a Bill can thus be referred to a select committee and it is turned inside out before it becomes law. It is often the case where there is an atmosphere of hurry as there appears to be just at the present time—we are all hurrying with legislation so that we may

adjourn and the Premier may go to Melbourne—this atmosphere of hurry is not good for legislation.

Hon. A. Sanderson: Hear, hear!

Hon. W. KINGSMILL: I am sorry to have to move in this direction, but it is absolutely necessary that something of this kind should be done. We should not run the risk that is contained in the Bill if we pass it in its present form. If we find out that damage is being done to our river we should be in the position to stop whatever work is going on. The concessionaire can do what he likes to the land and we have any amount of estates like the Stirling Estate, but we have only one Swan river. The concessionaire states that he is absolutely certain no damage will ensue, in which case he will not have any objection to the amendment which will be submitted. On the other hand, if he thinks some damage might ensue, I can understand that he would object very strongly to the proposed amendment. It is absolutely necessary that the Bill should be re-committed and the amendment made to the clause.

Question passed.

In Committee.

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

Clause 7—Power to grant dredging license:

Hon. J. F. ALLEN: In accordance with the statement made to the House by Mr. Kingsmill, I move an amendment—

That in line 1 of Subclause 2 the word "shall" be struck out and "may in the discretion of the Minister for Lands" be inserted in lieu.

There is no doubt that the feeling of the House is that more time should be given to the consideration of questions of this description. It was only yesterday that I had to call the attention of the House to a certain concession which was being rushed through the Chamber and which required further consideration than was being given to it. In this particular case there is a danger of a considerable evil being created in the river by the action of the concessionaire disturbing the bottom of the river and possibly in cleaning the shell before

removing it. We were promised that this would not take place, but there is nothing in the Bill to provide that it shall not take place. I think such a provision for annual revision by the Minister is highly necessary.

Hon. A. SANDERSON: I cordially endorse everything that has been said by Mr. Kingsmill as to the hasty method adopted in connection with the Bill. But surely the course taken in connection with this amendment is hastiness in *excelsis*. The Bill having reached the third reading stage, those interested in the matter would naturally assume that they could let it alone; but now, without any notice to the parties interested, this amendment is to be made. Is that a sound way of conducting our business?

Hon. C. SOMMERS: I am utterly averse to the proposed amendment. Yesterday we were told that the dredging is to be subject to the supervision of the Public Works Department and of the harbour authorities, and an assurance was given that what Mr. Kingsmill fears will not take place. Any mud attaching to the shell, we were told, was useful to the concessionaire, and the whole of the material dredged was to be taken away in punts. Moreover, the channel is going to be deepened as a result of the dredging operations. If the Minister is to be put in a position to prescribe from year to year that something else shall be done, how can the concessionaire carry on business, or, indeed, how can he risk such a large expenditure? Part of the urgency of this matter is that the concessionaire will supply an order for the Naval Base at Fremantle.

Hon. J. W. Kirwan: What are the safeguards in the Bill?

Hon. C. SOMMERS: That the Minister may make regulation under the Land Act. My main objection is that the amendment is to be made without any notice whatever to the parties interested. I have interested myself in the Bill, but I have had no notice of the amendment prior to coming here to-day.

Hon. J. DUFFELL: I support the amendment. The remarks of Mr. Sommers show the absolute necessity for protecting the interests of the community as suggested by the amendment. If the clause passes as it stands, no regulation made by the Minister can override the word "shall."

Hon. J. F. CULLEN: I hope no hon. member will say there has been rush or haste with regard to this Bill, or any unfairness in its recommitment. There has been no attempt to rush any measure which has come down this session. There should be no complaint as regards recommitment, because this Chamber must make every measure as perfect as possible. If necessary there might be a further adjournment, to allow those interested in the Bill to consider the amendment. Mr. Kingsmill's remarks show that there is ground for misgiving, quite outside any control to be exercised by the harbour authorities. From the one aspect of fishery, more damage might result from the operations of the concessionaire than would be represented by the whole of the royalty and rental. Certainly there ought to be some safeguard. The question arises, will the amendment spoil the security of the promoters of the measure? That is a question for a lawyer. The Committee certainly do not desire to render the Bill valueless to the promoters. Some amendment which will leave the controlling power in the hands of the Minister is, however, absolutely necessary.

Hon. J. J. HOLMES: Any doubt in my mind as to the necessity for the amendment would have been removed by the remarks of Mr. Sommers. The point with which the Committee are at present concerned is the danger of pollution of the river. Mr. Sommers says there is no danger because the concessionaire proposes to take away all material dredged. In that case, why should the concessionaire have any objection to the amendment? The legal point raised by Mr. Cullen is clear to everyone of us—the security will not be as good under an annual lease as under a 21 years lease. But we are not concerned with the security; we are concerned with our river. I take no notice of the complaint that the amendment has been sprung on the Committee. The third reading stage has, on this occasion, been used for its specific purpose.

Hon. A. G. JENKINS: There is not the slightest doubt that the carrying of the amendment means the end of the Bill. No concessionaire will invest £70,000 subject to a twelve-months lease. If the amendment is carried, the lease will be an annual one, determinable at the will of the Minister with-

out any reason whatever, at his absolute discretion. I am not prepared to say whether the dredging will or will not pollute the river, but I am convinced as to what the effect of the amendment must be.

Hon. J. EWING: The main thing in this matter seems to be the dredging of the river. If the amendment is put in the lease will be practically valueless. I would suggest that some words be inserted in the agreement which will absolutely lay down that if any damage is done the lease will be in danger of forfeiture. I hope that this matter may be postponed until to-morrow, and that some amendment may be drafted that will meet both sides of the case.

Hon. J. F. ALLEN: What is the meaning of having the subclause in at all if it is not intended that the Minister shall have some annual control over the lease? If the Minister has no control over the lease for 21 years, why is he to be instructed to annually renew the lease?

Hon. A. G. Jenkins: In case they do not obey the regulations.

Hon. J. F. Allen: The Minister must have some say annually in renewing the lease.

Hon. C. SOMMERS: The impression seems to be abroad that this mud, which is mixed with the shell, will be detrimental to the river and that it is of no value to the concessionaire. As a matter of fact, the silt attached to the shell is an important factor in the manufacture of cement. This sludge is mixed with the shell and is of value to these people. The concessionaire would be willing to give an undertaking that everything dredged out of the river shall be consumed in the making of cement and that it will not be allowed to go back into the river.

Hon. J. J. Holmes: Would you give them a 21 years' lease if you thought their work was going to be a nuisance?

Hon. C. SOMMERS: No. I should guard against that. We have heard it stated that in the opinion of the departmental officials these operations will not be a nuisance. If the amendment is put in it will be an end to the Bill.

Hon. J. M. DREW: The more I consider the matter, the more I feel decided that the amendment which has been moved should be carried. The clause as it stands gives a statutory right to dredge the Swan river at

Melville Point for a term of 21 years. We do not know what the effect of these operations may be. Some provision should be made that the matter should come before the Minister for revision every year. I support the amendment.

Hon. H. MILLINGTON: I recognise that from our point of view this is a safe amendment but I am doubtful if the other party would be prepared to get on with the business if it is carried. We shall endanger the negotiations altogether. It is distinctly stated the amount which the concessionaire will have to spend, but if the amendment is carried he will not know from year to year that his lease will be renewed. If the regulations were made stringent he would know to what extent he was obliged to go and if he disobeyed the regulations the lease might not be renewed.

Hon. J. F. CULLEN: I think Mr. Sommers has indicated a way out of the difficulty with regard to the pollution of the river. If legal effect can be given to that suggestion I think it would meet the case. Is it necessary to put it into the Bill or can it be given as an instruction to the Minister to require this as an addition to the lease? It would be surely wrong for the Committee to purport to give a concession and to take the value out of it. Although I cannot vote for the amendment I think something of the sort suggested by Mr. Sommers should be embodied in the agreement.

Hon. J. F. ALLEN: No precautions which any engineer could take would prevent the pollution of the river during dredging operations. No assurance that the people could give that they will not pollute the river would be worth anything. There are dredges which can simply remove the shell and leave the slime behind and other noxious matter. Material cannot be removed from the bottom of a river without its being polluted. The waters at Fremantle for many years during the dredging operations at the port were anything but sweet. Nothing but the shell is of any value for the purpose for which these people require it. The slimy matter in connection with the shell is absolutely useless and must be got rid of. These people will have their dredges constructed so as only to remove the shell. The result will be that the foreshore of the river will suffer materially

from their operations. I should strongly object to granting a concession of this sort if we are going to spoil the Swan river, merely for the purpose of establishing an industry which is not of so much importance as the Committee seem to think.

Hon. C. SOMMERS: If hon. members are against the concession why do they not say so? Mr. Kingsmill can assure the Committee that in the dredging operations conducted by the Government they raise shell and mud together, and that the mud mixed among the shell is of considerable value in road making. I am assured by the concessionaires that the shell is to be raised by suction dredge which, of course, will bring mud and shell both into the dredge. The concessionaires are willing to give any guarantee that everything they dredge out of the river will go into their works, and not back into the river.

The COLONIAL SECRETARY: In view of the obvious difference of opinion among members, I feel disposed to adopt the suggestion made by Mr. Ewing and postpone the question until to-morrow. I am adverse to the suggestions made that the Government have any desire to rush this or any other legislation through. I would draw attention to the fact that the Bill has been before members for a month and it is now three weeks since the second reading was moved. It is of considerable importance to Western Australia that both these industries should be established. I hope an effort will be made to pass the two Bills.

Hon. J. E. DODD: I am not prepared to allow the Bill to go in its present form. On the other hand, I think the amendment is somewhat drastic. I agree with the suggestion that further consideration might be postponed until to-morrow. If this is done, the leader of the House will be able to tell us what will be the effect of the regulations referred to in the Bill.

[The President resumed the Chair.]

Progress reported.

BILL—ROADS ACT CONTINUATION.

All Stages.

Received from the Assembly and read a first time.

Second Reading.

The COLONIAL SECRETARY (Hon. H. P. Colebatch—East) [5.22] in moving the second reading said: There is no necessity for delay in regard to an old friend like this which is before us every year. In 1911 an amending Roads Act was passed. It was recognised to be an imperfect measure and for that reason a clause was inserted limiting its operation to a single year, the intention being to take an early opportunity of revising the measure. That remained the intention of our predecessors during the whole of the time they were in office, and it is still the intention of the present Government. I trust hon. members will excuse the present Government, who have not yet had an opportunity of getting so large and comprehensive a measure through Parliament. In the meantime, unless this small Bill is passed, the whole of our roads legislation will expire this year. I move—

That the Bill be now read a second time.

Question put and passed.

Bill read a second time.

In Committee, etcetera.

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

Read a third time and *passed*.

BILL—BETTING SUPPRESSION.

Third Reading.

The COLONIAL SECRETARY (Hon. H. P. Colebatch—East) [5.27]: I move—

That the Bill be now read a third time.

Hon. W. KINGSMILL (Metropolitan) [5.28]: I do not wish you, Sir, or hon. members to think that I am getting into the habit of speaking on the third reading, but you will understand that as Chairman of Committees I am sometimes put under a very severe restraint and must occasionally express my feelings when I may. This is one of those occasions. First of all, I should like to pay a little tribute of congratulation to our friends the bookmakers. It is a peculiar position; the Bill was brought down in the first place for the abolition of the book-maker.

Hon. A. G. JENKINS: Of street and shop betting.

Hon. W. KINGSMILL: I understand the title of the Bill is "An Act to make further provision for the suppression of betting and gambling, and for other relative purposes." If it referred merely to street betting, I do not see why my friend should have moved with so much ability the amendment which has caused practically the destruction of the Bill. The Bill was introduced to suppress and abolish the bookmaker. And the result is that when the Bill leaves this House the bookmaker will be in a better position than ever. The Bill gives him a local habitation and a name, and he will stand in a far better position in regard to the law than he did before. The most vital weapon, and the most necessary, for preventing street betting has been taken out of the Bill whilst in Committee. I should like to say a few words on the position of the Government in this matter, and to ask the Colonial Secretary what is intended. Is it the intention of the Government to go on with this Bill which has been emasculated? The Colonial Secretary is somewhat in the same position as Balaam. The hon. gentleman came to curse the bookmaker, but instead the bookmaker is blest. It is a peculiar coincidence which shows that I am not far wrong in my simile that Balaam hundreds of years ago, came to curse the children of Israel—so it is in this instance. It seems to me the Government must take one of two courses. They have been accused of being concerned solely in obtaining revenue, but they say that is not so, that the Bill is an effort to effect moral reform. I suppose they will take steps to make the bookmakers' calling a little less lucrative to the bookmakers and a little more lucrative to the State. If revenue be not their object, but moral reform, the Government then has no other course than to drop the Bill. As police reports say, "From information received," I learn that whereas the bookmaker, when this Bill was introduced, was in deadly fear lest it should pass, is now in deadly fear lest it should not pass. It is a peculiar position of affairs altogether, and I am anxious to know from the Government what are their intentions, whether they are going to reach out with both hands after revenue and thus justify the remarks of

those members who said it was revenue only the Government was after, or whether they will, as moral reformers, drop the Bill and content themselves with the legislation they now have at the disposal of the police for dealing with this evil?

Hon. J. M. DREW (Central) [5.34]: Mr. Kingsmill has cut the ground from under my feet. I intended drawing attention to the point which he has now laid before the House. Apparently the question the Government considered was the prohibition of betting in every sense and they introduced a Bill for that purpose. The object of the Bill was to abolish the bookmaker and also to abolish street and shop betting. But this Bill as amended has, as Mr. Kingsmill has stated, given the bookmaker statutory rights which he formerly did not possess. He will have the right, if the Bill passes through Parliament, of plying his calling on the racecourses. In addition to that, there is no amendment of the Police Act: the only clause of the Bill which would have had that effect has been deleted. Under the Bill as it now stands, the evil is in a worse position than before. The bookmaker, with whom I have no sympathy, to whom I am opposed, and who I consider a parasite on the country, has greater rights than he previously held. The rest of the Bill is merely a shell. I think the Government should withdraw the measure in the circumstances. If they are in favour of what has been called the restriction of betting I do not see how they can consistently accept the Bill in its present form.

Hon. J. F. CULLEN (South-East) [5.36]: One aspect of the matter has not been mentioned by Mr. Kingsmill. It is that this House has declared its intentions in this Bill that a racecourse shall not be deemed a public place, provided a race meeting is being run.

Hon. E. M. CLARKE (South-West) [5.37]: Unfortunately I was not present when this Bill was under consideration, but from my own observation and from the report, which I have read, of the committee which dealt with this question some time ago, it must be admitted that racing is no longer a sport, but a business, and I think the community has got sufficient

sense to realise that they pay too much for the fun they get out of it. This should be no half measure. If betting is an evil, as every member of this Chamber admits, then it should be abolished root and branch. I regret I shall be compelled to vote against the third reading.

Hon. J. W. KIRWAN (South) [5.38]: Mr. Kingsmill appears to have overlooked the point that the bookmaker, although betting was prohibited by the Act, has continued to ply his calling, flouting the law on the statute-book. I think the country is to be congratulated on the removal of that. In my opinion, if any law is inoperative and cannot be enforced, then it is the duty of Parliament to remove such law from the statute-book. It is extremely desirable that all our laws should be enforced. If we have any such that cannot be enforced the sooner they are wiped out the better. Mr. Kingsmill indicated that the position of the bookmaker has been improved by this Bill. But the effect of the Bill will be merely to legally recognise the bookmaker so far as the racecourses are concerned, and the passing of the Bill will not interfere with the carrying out of the law against betting everywhere else.

Hon. A. G. JENKINS (Metropolitan) [5.40]: Mr. Kingsmill is hardly accurate in stating that the bookmaker has been put on a better legal basis by this Bill than at any previous date in the history of the State. It has to be remembered that prior to 1902 betting on racecourses was perfectly legal. The Criminal Code was passed in 1902 and under its provisions a racecourse was declared to be a public place. Since 1902 there has still been betting on racecourses and so far as I am aware, no member of this House has announced his opposition. The effect of the amendment made in the Bill is merely to make betting on racecourses again lawful as it was prior to 1902. The hon. J. M. Drew it is to be remembered, was for five years in Ministerial charge of the police. All he had to do was to instruct the police that they must stop the bookmaker from betting and that was the end to the matter; but he did not issue those instructions. Immediately the present Government introduces legislation which has for its object the suppression of street and shop betting and for the enforcement of the law in that respect, they

are condemned. Judging from the expressions we have heard in this Chamber of late, we shall not be able to have a drink, we shall not be able to have a bet, and it will be possible to arrest a man without a warrant. The place will not be worth living in directly. The law has not been altered in one respect, and the present Government is certainly not to be commended for endeavouring to stop street and shop betting, because another hon. member who denounced that was in office for five years and he never attempted to introduce a Bill to suppress this form of betting. He relied upon a paltry municipal by-law, which everyone knew was ineffective, to try to control the evil.

The COLONIAL SECRETARY (Hon. H. P. Colebatch—East—in reply) [5.47]: I trust that not many hon. members will take the course which Mr. Clarke indicated it was his intention to adopt, namely, to vote against the third reading of the Bill. So far as I am concerned, and so far as the Government are concerned, I was greatly surprised and intensely disappointed at the vote in this House which contemplated legalising the bookmaker on racecourses. I had never contemplated that in this Chamber at the present time a vote of that description would be recorded, but when it was recorded the majority in favour of the bookmaker was so large that it seemed to me to be futile to ask the House to recommit the Bill for the purpose of re-considering the matter. The Bill will now go to another place, and there an attempt will be made to restore it, so far as that particular clause is concerned, to its original condition. I hope that the attempt will be successful, and if it is successful I trust that more mature reflection by hon. members of this Chamber will satisfy them that the proper course for this State to adopt at the present time is to say that the bookmaker must go.

Hon. J. M. Drew: And if it is not successful?

The COLONIAL SECRETARY: All I have to say is, intensely opposed as I am to the bookmaker, I would far prefer that he should be permitted to operate under an Act of Parliament rather than he should be allowed to carry on in defiance of an Act of Parliament, simply by the neglect to

carry out an administrative act. But so far as the Bill is concerned, I am surprised to hear Mr. Drew say it is of no value. In other parts of Australia street and shop betting have been suppressed, and in none of those States is there any more extreme legislation in that direction than is contained in the Bill before hon. members. With regard to the right to arrest without warrant, which was deleted from the Bill, that right, to the best of my knowledge, does not exist in any other part of the world. I admitted at the time that this right to arrest without warrant would probably have been a very valuable instrument in the hands of the police for the purpose of suppressing street betting, but I did not hesitate to say, accepting full responsibility for the Bill in the shape in which it came before hon. members, that the right to arrest without warrant was entirely repugnant to me, and should not be given unless very grave reasons existed for it. And in regard to street betting, had the right to arrest without warrant been given, it would probably have led to abuses perhaps as great as those we are seeking to abolish. Apart from that right, the Bill is as stringent as it could possibly be made for the purpose of suppressing street and shop betting, and if it is passed in its present form, street and shop betting will be suppressed. So far as the book-maker is concerned, I trust that when the Bill is before another place it will be restored to its original condition, and that hon. members here will have an opportunity of re-considering the vote which they cast, and which I venture to say was not only disappointing to the Government, but was intensely disappointing to the community at large.

Question put and passed.

Bill read a third time, and transmitted to the Legislative Assembly.

BILL—STAMP ACT AMENDMENT.

Third Reading.

The COLONIAL SECRETARY (Hon. H. P. Colebatch—East) [5.50]: I move—

That the Bill be now read a third time.

Hon. J. M. DREW (Central) [5.51]: May

I at this stage ask the Colonial Secretary how it is that copies of the Estimates have not been submitted to hon. members of this House? It has been the custom for years past, when the Estimates have been presented to the Legislative Assembly, for copies to be handed round to members of the Legislative Council. This is an important matter, especially just now when we have taxation measures to consider.

The COLONIAL SECRETARY: I am glad the hon. member has drawn my attention to this matter. It was purely an omission, and I will see that it is rectified.

Question put and passed.

Bill read a third time and *passed*.

BILL—NELSON RATES VALIDATION.

Read a third time and *passed*.

BILL—SPECIAL LEASE (LAKE CLIFTON).

Report of Committee adopted.

SELECT COMMITTEE WHEAT MARKETING BILL.

Consideration of Report.

Hon. J. M. DREW (Central) [5.56]: I move—

That the report of the Select Committee be adopted.

In moving this motion I venture to express the hope that the attention given to this Bill by the members of the select committee will not be measured by the brevity of the recommendations. I can assure the House that we devoted much time to the duties that were entrusted to us, and if the results are small, I think they may be taken as a tribute to the Bill which was submitted for our consideration. The majority of the members of the select committee started out with the idea that there were many defects in the Bill, but at the same time they were open to conviction, and they called all the evidence which was considered necessary in order to enable them to come to a just conclusion. We called departmental officers who were in touch with the wheat marketing scheme, and we also called a number of witnesses who were out-

side the circle of Government employment and, making all the investigations we considered essential, we arrived at the conclusion that the Bill was not capable of very much improvement. There was a singular degree of unanimity amongst members of the select committee who represented the three parties in Parliament, and I can assure the House that not on even one solitary point was there any difference of opinion. We proposed an amendment to Clause 4, which, I regret to say, through an oversight, does not appear on the Notice Paper. This amendment provides for an alteration of the personnel of the advisory committee. We have recommended that on this committee there should be a practical farmer, and also a gentleman who has a knowledge of the milling industry. The reason why we have recommended that a practical farmer should be on the advisory committee is that the agriculturists of Western Australia are very heavily interested in this scheme, and a practical farmer, a man who has had a thorough experience of everything connected with agriculture should be in a position, if he is an intelligent man, to give sound advice to the Government. When the recommendation of the select committee was read, that a gentleman with knowledge of the milling industry should be appointed a member of the advisory committee, I noticed that some members of this House gazed in astonishment. I can assure the House that the select committee do not desire the milling industry to be represented on the advisory committee. No one who is carrying on the business of a miller should be on the advisory committee. But someone now out of the milling industry, who at some period has been connected with that industry and is acquainted with all its ramifications, should, in our opinion, be so appointed. Hon. members may desire to know what actuated the select committee in coming to the conclusion that such a person should be appointed on the advisory committee. We arrived at that conclusion because we recognised, after taking a great deal of evidence, that there was necessity for the appointment on the advisory committee of someone qualified to give advice to the Government on the question of the export of flour from Western Australia. That question furnishes a most serious pro-

blem, which should be solved without undue delay. At the present time Western Australia is importing from the Eastern States offal, while we have here immense quantities of wheat. There would be no necessity whatever to import offal, if greater quantities of our wheat were gristed. In the course of the inquiry various witnesses gave evidence on this point; and one, the representative of the farmers of Western Australia, Mr. Sinclair J. McGibbon, suggested that the Government should take control of all the mills in Western Australia and convert wheat into flour in order to solve the offal problem. Mr. McGibbon said—

(Question 117). During the last month, or six weeks, considerable shipments of bran have been imported into the State. I have not the exact tonnage, but the shipments of bran from the Eastern States to Western Australia have been considerable. This bran, the farmers' association submit, should have been milled from Western Australian wheat, seeing that we have wheat spoiling in the stacks at the present time. We cannot expect the millers here to do it, because it means that they have to put down 4s. 6d. or 5s., as the case may be, per bushel, for 50 bushels of wheat to produce half a ton of offal, for which they get £5 per ton under the price fixed by the Federal Government. Our millers will produce only so much offal as they are able to produce the equivalent of flour for. One ton of flour is produced to every half-ton of offal. The farmers, particularly of Western Australia, say, "If it is right for our wheat to be put into a pool, it is right that everybody handling that wheat, or milling it, should also be in the pool." The suggestion has been made through the public Press that the mills should be taken over by the Government, and that the millers should be paid a fair interest on their capital, or else a rate per ton for gristing. Mr. Ockerby, as the spokesman of the millers, has said that they will gladly welcome such a suggestion; but he has not suggested what is a fair interest on the millers' capital, though he has been asked to do so. Judging from reports in the Press, Mr. Ockerby and his friends are quite willing that the Government should undertake the gristing. The

mills could, under those conditions, be running 24 hours out of the 24, producing as much flour as possible and as much offal as possible, and all the offal would be consumed locally, which would represent a saving, any way, of importations from the Eastern States, and also a saving of wastage. As to the question of the disposal of the flour, it could be disposed of by export. We could not dispose of any more flour locally, because the people are eating as much bread as they are likely to eat under any conditions. The flour, if not disposed of, would keep better as flour than it does as wheat, for this reason, that old flour always has a preference of sale with the bakers.

In the opinion of the select committee, the flour problem is one which should be faced without delay by the Government; and it rests with the Government to find a way out of the difficulty. By exporting flour, shipping space would be utilised to the fullest possible extent, because a third of the wheat we send away at the present time is offal. The select committee recognise that the export of flour should be encouraged by the Government, since it would pay the State to get less for the flour but keep the bran and pollard here. It seems to me ridiculous in the extreme that, while there are enormous stacks of wheat in various parts of Western Australia, this State should be importing bran and pollard from the East. A gentleman versed in the milling industry, acquainted with all its ramifications, would be, or at any rate should be, in a position to advise the Government regarding the export of flour. Inasmuch as the select committee recommend two appointments of a specific character to the advisory committee, they have recommended that the number of members should be increased from a maximum of four to a maximum of five. There will be no obligation on the Government, if the amendment is carried, to increase the number to five if they come to the conclusion that four will suffice. The amendment is simply a substitution of the words "not exceeding five" for the words "not exceeding four." As to Clause 9, which prevents the assignment of wheat certificates, the select committee have come to the conclusion that the clause should be liberalised. The com-

mittee consider it too restrictive. Our commendation is that the banks should be exempted from the operation of the restriction.

Hon. J. F. Cullen: Not the storekeepers?

Hon. J. M. DREW: No; only the banks. The banks are financing the scheme; and I think it will be generally admitted that the banks have played a noble part ever since this war began, not only in connection with the wheat scheme, but in connection with every branch of industry and enterprise in Western Australia. I say that after having given the matter a great deal of study. In my opinion, the banks can safely be trusted with exemption from the operation of Clause 9. I think we can trust the bankers. Mr. McGibbon, who speaks with some authority, since he went to the Eastern States as the Western Australian wheat growers' representative at the farmers' conference held in Melbourne, is in favour of the total excision of Clause 9. He thinks that the farmer should be at liberty to do what he likes with his own certificates. That is the way Mr. McGibbon put it. The select committee could not agree with that suggestion. In view of the evidence we obtained, I think we had good grounds for arriving at the conclusion that, if complete freedom ruled in regard to negotiation of certificates, there would be a great deal of trafficking and much speculation, with the result that the interests of the farmer would be sacrificed. Mr. Cobham, the chairman of the associated banks, and Mr. Richmond, acting superintendent of the Union Bank, waited upon the select committee and gave evidence. They considered that Clause 9 required amendment. They stated that some of the banks were of the opinion that the clause should be entirely struck out, but that there were others who thought that, with a view to preventing trafficking, the clause should be retained with certain modifications. I will quote from Mr. Cobham's examination—

... (Question 335.) So far as the banks are concerned, we would like Clause 9 done away with altogether.

336-7. Is there any danger of trafficking in the certificates?—In this State there was no trafficking, because the whole thing was done through the banks. In the Eastern States there was trafficking, and a lot of the farmers who wanted money went

outside and sold their certificates for what represented 9d. a bushel for the surplus of their wheat. Of course they lost money.

338. Would not that occur here?—No, because last year they had to do the work through the banks. It was recognised that the banks were the best, cheapest, and most economical agents for the farmers.

339. What will be the position if this Clause is entirely removed?—It might be altered so that the Minister or the wheat board should be advised. We as bankers are anxious to work in with the Government in this scheme. We have done so all along. We are quite prepared to meet the Government in any way, and hope the Government will be prepared to meet us.

352. If this clause were removed altogether, there could be speculation in the certificates?—Yes; there might be. Some bank managers, with whom I have spoken, say that they do not want the clause at all. I said to them, "There should be something of that kind in the Bill, because the State Government have guaranteed the whole of the advances that are made by the banks in this State, in the same way as has been done by the Victorian Government for Victoria."

We also examined Mr. Sutton, the Agricultural Commissioner for the Wheat Belt, on the same clause. He was at first somewhat adverse to any amendment, but afterwards said (Question 416) that he thought the banks might be exempted. Then the chairman of the select committee put the further question—

417. So long as the banks notify the Minister?

And the reply was—

Yes. They would have to notify the Minister. There might be special cases in which the banks might use such a clause to inflict hardship on a farmer. I admit they would be isolated cases.

The select committee have recommended an amendment in the clause so as to exempt the banks, but making provision that the banks should, within seven days of the assignment, give notice of it to the Minister, so that the Minister can keep a record of the transaction. The select committee have further recommended that power be given to the Government to seize all wheat purchased since

the 30th September, 1916. Hon. members will realise that the old pool ceased on the 30th September, 1916. After the cessation of that pool, it was open to anyone to purchase wheat in Western Australia. The pool was non-existent, and everything connected with it had ceased to operate. After consulting with Government officers—of which consultations there is no record in the report of evidence—the select committee came to the conclusion that possibly some smart gentlemen stepped in after the 30th September, 1916, and purchased wheat in large quantities. The select committee are absolutely agreed that these gentlemen are not entitled to one moment's consideration. The clause we propose in this connection will be retrospective in its operation.

Sitting suspended from 6.15 to 7.30 p.m.

Hon. J. M. DREW: Before tea I said that the select committee appointed in connection with the Wheat Marketing Bill had recommended that power should be given to the Government to seize all wheat purchased since the 30th September, 1916. Hon. members will know that the old pool ceased on the 30th September, 1916, and we feared that there might be some smart gentlemen who have stepped in after the expiry of the old pool and purchased large quantities of wheat to the detriment of the new pool. We propose to submit an amendment to the Bill in order to give the Government power to seize any wheat purchased since the 30th September, 1916. There is no doubt that it is retrospective legislation, but there may be some ground of objection to it from the point of view of principle because it is so; but hon. members, I feel sure, will realise after mature consideration that these gentlemen, if they do exist, are not entitled to any consideration whatever. They were well aware, everyone in Western Australia was aware, that a new pool was to be created, and it will be recognised also that every bushel of wheat purchased in this manner will be detrimental to the pool. We do not know of any specific instance, but after consultation with officers of the Government, who were in touch with the wheat marketing scheme, we have come to the conclusion that there

is ground for the suspicion, and think it is just as well that legislative provision should be made in order to circumvent these gentlemen. We find from a perusal of the Bill that there is no provision for the cost of administration of the measure to be a charge on consolidated revenue. There is no provision even for consolidated revenue to be recouped in regard to the cost of administration. We think that this expenditure—it will amount to a considerable figure, and the Minister has power to appoint any officer he thinks fit for the purpose of administering the Act—should be borne by the scheme. Subclause 1 of Clause 6 of the Bill reads—

The Minister may appoint or employ such agents, officers, servants, and other persons as are necessary, and with the approval of the Minister of the Department concerned, make use of the services of any of the officers or employees of the Public Service.

Clause 16 reads—

All money required for carrying this Act into full execution shall, so far as the same are not provided under or pursuant to this Act, be defrayed out of moneys to be hereafter appropriated by Parliament for the purpose.

There may be some provision in the existing agreement or agreements for the pool to pay all its costs, but seeing that this is an Act of Parliament we think that there should be some provision in the measure forcing it to be done. We have also recommended that the Government should consider the question of issuing bonds to such an amount as will make up the difference between the sum which will be advanced in the first instance by the Commonwealth Government and the estimated cost of production. I admit that from the point of view of finance there may be some difficulties in the way, but at any rate something must be done and done by the Government of the State. It is impossible for the farmers to carry on under existing circumstances. The Commonwealth Government are only advancing 1s. 6d. per bushel on delivery.

The Colonial Secretary: There is nothing fixed yet.

Hon. J. M. DREW: It is reported at any rate. I hope it will be more. It is said that

the Commonwealth Government intend to advance only 1s. 6d. per bushel on delivery, and later on, after some of the wheat has been sold, 1s. That is no good to the farmer. Anyone who has had any experience whatever in connection with agricultural pursuits will recognise that what I say is absolutely correct. The farmer, unless some additional relief is extended to him, will be strangled. It seems to us that the production of wheat in Western Australia should be regarded as a national responsibility and that the whole community should take some risk in this direction. The farmer should not be expected to take all the risk, and he is not in a position to take the whole of the risk. Even if he is willing to take the risk, he is unable to do so. In our opinion these bonds, if after mature consideration it is deemed advisable to issue them, should be redeemable at least 12 months after date. By that time we may reasonably anticipate that the whole of the wheat will be sold and that the Government will have the money with which to meet the bills. The bonds, we consider, should represent a State advance of 1s. 6d. per bushel. That would make it 3s. per bushel, taking into consideration the 1s. 6d. per bushel which the Commonwealth Government propose to advance. It is considered that there will be something like 12 million bushels of wheat for export this coming season. The issue of bonds based on that production will represent an amount of £900,000. It must be remembered that the Government would be able to collect a second dividend of 1s. which has been promised by the Commonwealth Government. That would reduce the liability of the State to £300,000. The risk which the State of Western Australia would be taking would, therefore, be no more than £300,000. After the wheat was sold, if the amount netted was in excess of 3s. per bushel, Western Australia would be free from all liability. We realise that the Commonwealth Government should do this. They should finance the scheme, but failing action on the part of the Federal Ministry, we are of opinion that the State Government should take action because the prosperity of Western Australia is very seriously concerned. There are many other actions in connection with the wheat mar-

keting scheme which we would like to investigate thoroughly, but it would take a considerable time, and we also came to the conclusion that the great majority of these matters were outside the scope of our duties. Personally, I think this pool has come to stay, but of course it depends on the administration. In order to insure its perpetuation it is necessary that all those who are engaged with it, the Government and the pool, should afford the fullest possible information to the farmers in regard to the expenditure connected with the scheme. There should be statements furnished setting out any details such as would be presented, say, to the shareholders of a public company—details as to the cost of the different services rendered under the scheme under certain specified heads. If those responsible do that I am sure they will instil confidence in those who are most intimately concerned in the matter. If there is secrecy and if there is simply an audit by the Auditor General, and nothing further, and unless the fullest light is thrown upon all these transactions and every information is given to the farmer, I feel certain that there will be a great deal of suspicion and the result will be very unsatisfactory. The question of giving farmers power to appoint an outside auditor to investigate these accounts was very seriously considered, but it seemed to us that we would not be justified in making a report in that direction with the limited information at our disposal. It is a question which the Government should take up, and endeavour to provide some machinery by which the farmers would be able to appoint some outside auditor to go into these accounts, not invariably from the standpoint of the Auditor General, who simply looks into the matter with a view of finding out whether there is a voucher for a certain payment, but with a view to discovering whether or not charges have been made which are excessive or unreasonable. Although we were not required to do so, we deemed it advisable to pay a visit to Fremantle to examine the wheat stacks there, in order to be able to inform members as to the condition of those stacks. We went down there last week and examined those stacks from end to end. From what I had heard,

I approached the performance of that duty with a certain amount of tremor. I am glad to be able to state, however, that not only myself, but every other member of the committee, was agreeably surprised with the results of what we saw. There was no evidence whatever of any deterioration of the wheat, or weevils. The wheat was in excellent condition to all appearances so far as our investigations went. We examined the first stack which had been put up and it seemed to be in as good a condition as it must have been on the first day it was placed there. We thought it advisable to mention this in order to give confidence to the farmers of Western Australia.

Hon. C. F. BAXTER. (East) [7.44]: As the member who is mainly responsible for the appointment of this select committee I must say I think it has justified itself in the important recommendations which are before the House. The committee have gained valuable information in showing how the scheme is working, and how in certain directions different departments are profiting at the expense of the scheme. A new agreement has been drafted and that draft as the select committee saw it, is very satisfactory, and wipes out any objections which we may have had to the old agreement. I feel sure the new agreement will be satisfactory to all concerned. In respect to the position of the agents, and in regard to the bonds, everything has been made secure in the new agreement, and good sound arrangements are being made with the agents. The bonds are up for both the old and the new pool. Outside of that we learn that the assessment for damages has been set down at three per cent. The secretary of the wheat marketing committee, in his evidence, put that position very clearly, and showed that the agent will have to pay all damage up to three per cent. Over that it will be borne by the scheme. Asked as what he estimated the loss, Mr. Hall replied three per cent., thus showing clearly that a definite understanding had been arrived at, and the difficulties in that respect wiped out. The first recommendation made is that the members of the committee should be increased from four to five. It is contended

that there are very real difficulties in regard to the export of flour, and the claim has been made that a representative of the millers should have a seat on the board. Such a representative should be an acquisition in assisting to increase the oversea exports of flour, thereby providing an increased quantity of offal for the State, the want of which will be again felt this year if steps are not taken to provide it. It is proposed that there should be a new subclause to stand as Subclause 4 of Clause 11. This refers to the wheat that may have been purchased since the 30th September, when the old agreement expired. It is understood by those in authority that speculators have been operating, and that a certain amount of wheat has changed hands. This is neither desirable nor just. The subclause will put it into the power of the Minister to seize all wheat and so put all vendors on an equal footing. In regard to the disposal of wheat from the 30th September until the time the Bill becomes law, it means that some vendors are getting increased prices which would not be available if the scheme were not operating, and are thereby gaining an advantage over other vendors. A most important matter brought before us was that of the various departmental charges. It was clearly shown that several departments have been taking advantage of the scheme and making an undue profit by it. Take the Railway Department: The vendors of the wheat would have no objection to the ordinary charges made by the Railway Department in respect of storage in normal times, although those charges are fairly high; but when the charges go on for the lengthy time over which they have extended and the vendor cannot dispose of his wheat, it is seen that the imports are both unreasonable and unjust. During the past 10 months the storage charges levied by the Railway Department have amounted to £2,000. It is a very large sum, particularly when it is remembered that the department is gaining so much revenue through the production of wheat. The value of the land set aside for storage purposes does not exceed £1,000, so we have been paying 100 per cent. on that for the rent of the land for ten months. At Quairading alone during the past eight months the

storage charges represent £109, or an equivalent of £3 8s. per week. Seeing that Quairading is the station which I use, I have a fair idea of the value of the land there, and I can honestly say that I would not give £5 for the land represented in the storage accommodation. Yet the Commissioner of Railways has been charging £3 8s. per week for it. These charges might be equitable enough under ordinary circumstances, but certainly not in existing conditions. Hon. members should understand that we had to hurry our work through in order to get the Bill on the statute-book, for it is of far too much importance to admit of delay. The only evidence we could get in regard to what the other States are doing in the matter of storage was that of Mr. Sutton, who confidently declared that the storage charges here were much greater than those in South Australia. This serves to show how unfair it is that the Railways should demand these high charges. In respect to the wheat stacking on the sites, it should be understood that their distance from the railway line adds considerably to the cost of handling. A few years ago we were allowed to stack within eight feet of the line, which enabled us to use chutes for loading on to the trucks. Mr. Lord, the Chief Traffic Manager, in his evidence, said that at one time the stacks were ten feet from the centre of the track, or eight feet from the outside rail, and five feet from the wagon, but that, in order to enable vehicles to drive along between the stack and the wagon, the sites had been removed to 20 feet from the line. In reply to a question, he said it was necessary to allow teams to drive between the railway line and the stacks, that without that frontage the teams could not be got in quickly enough. To my thinking it is about the poorest excuse any departmental officer could put forward in support of a case like this. At ordinary sidings there is seldom any loading done beyond the ramp, and this year in particular when the scheme requires the whole of the wheat to go into the stacks it could scarcely happen that a team would be required to drive along between the stack and the truck. The charges imposed by the Fremantle Harbour Trust are even more glaring than those

of the Railway Department. From Mr. Oliphant we learnt that the capital cost of wheat handling plant at Fremantle was £72,000, interest and sinking fund on which represented £9,640. Then we had the evidence of Mr. Glyde, who said that the total amount paid to the Fremantle Harbour Trust in storage charges to the 30th September was £10,738, which showed approximately £1,200 profit. In answer to a question, he said that was for storage purely, which of course suggests that there are other charges at Fremantle. The witness went on to say that from the 1st July to the 30th November, a further special flat rate of £500 per month had been imposed. In reply to a question as to whether the storage included wharfage, the witness said that no wharfage was charged on wheat for export. Asked if the flat rate showed a profit Mr. Glyde said "Yes, it has given us more than our annual cost, or from £1,000 to £1,200 more up to that time." This shows clearly that the Fremantle Harbour Trust is profiting by the scheme, a position which, unfortunately, cannot be avoided. That was in reply to a question as to how the harbour work was carried on heretofore. As hon. members know, a change has been effected and I maintain that the work could have been done on the same lines this year and not take advantage of the unfortunate position for the purpose of making a profit for the harbour authorities. I cannot leave this question—

The PRESIDENT: Is the hon. member seconding the motion.

Hon. C. F. Baxter: Yes.

The PRESIDENT: It is not usual. I should like to express my opinion once more as to procedure, that it is regular for the Chairman to give the report of a select committee, and to end up his introductory speech by moving that the consideration of the report be taken on the Committee stage of the Bill. That is the usual thing, and I still have hopes that the Hon. J. M. Drew will withdraw the motion which he has put, that the report be adopted, because if that be carried we will have to go over the whole of the ground in Council. I hope he will modify his motion, and then the hon. member (Hon. C. F. Baxter) can second that.

Hon. J. M. DREW: I recognise, Mr. President, what is the usual procedure, and I would impress upon hon. members that it is imperative this Bill should go through as quickly as possible. Consequently, I will move, with the permission of the House, in lieu of the motion I have submitted—

That the report of the select committee be taken into consideration on the Committee stage of the Bill.

The PRESIDENT: I will accept that; I could not put the other. Now, perhaps the Hon. C. F. Baxter will second that.

Hon. C. F. Baxter: Do I understand that I must not speak to the motion?

The PRESIDENT: The motion is that the report of the select committee be taken into consideration on the Committee stage of the Bill. We cannot have a discussion on it now, and then go over the whole of the ground again at the Committee stage. Does the hon. member second the motion?

Hon. C. F. Baxter: Yes.

Question put and passed.

BILL—WHEAT MARKETING.

In Committee.

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

Hon. A. SANDERSON: I would ask what opportunity members will have for discussing the Bill. May the report of the select committee be discussed now?

The CHAIRMAN: The motion carried by the House was that the report of the select committee should be taken into consideration at the Committee stage of the Bill. That has been done on the ruling of the hon. the President. Hon. members may desire to discuss the subject matter of that report, and an opportunity for doing so will occur on the third reading.

Hon. A. SANDERSON: Several hon. members refrained from speaking on the second reading of this Bill in order that they might have an opportunity first of perusing the report of the select committee. Apparently the Committee is to be prevented from discussing this report in Committee, but the Chairman has pointed out that an opportunity will be given to members on the third reading.

Clauses 1, 2, 3 agreed to.

Clause 4—Power to appoint advisory committee:

Hon. J. M. DREW: I move an amendment—

That in line two the word "four" be struck out and "five" inserted in lieu.

Amendment passed.

Hon. J. M. DREW: I move a further amendment—

That after the word "persons" the following be inserted:—"one of whom has had practical experience in wheat growing, and one who has had a knowledge of the milling industry."

Amendment passed; the clause as amended agreed to.

Clause 5—Power to join in scheme for marketing of the wheat harvest:

Hon. J. E. DODD: The proposal amounts practically to granting power to the Government to take control. It is really providing for the entry of the Government into another socialistic enterprise. The farmer will be assured a price for his wheat, the poultry farmer will also get feed for his poultry. Another effect will be that the importation of eggs will be stopped to some extent. Then, too, we shall be able to find work for the returned soldiers. I hope the Government will try to include in their policy the suggestions of Mr. McGibbon in regard to the taking over of the flour mills.

The CHAIRMAN: Is the hon. member about to move an amendment, because if he is not his remarks are out of order.

Hon. J. E. DODD: Cannot I speak on the clause?

The CHAIRMAN: I cannot see the connection between the hon. member's remarks and the clause.

The COLONIAL SECRETARY: The attempt to hang an argument in favour of State socialism on the exigencies of the present circumstances is so obviously unfair that I do not propose to reply to it.

Hon. A. SANDERSON: I propose to move in the direction of striking out Clause 6, and I frankly confess that discussion on this Bill has been burked.

The CHAIRMAN: The hon. member must not use language of that sort.

Hon. A. SANDERSON: I withdraw. The debate on the Bill has rendered it impossible

for one like myself to discuss the question in all its branches, and it was with a view of not worrying members and of saving time that I purposely refrained from speaking on the second reading of the Bill, thinking that we would have an opportunity of debating the report of the select committee. I have never seen a Bill of this importance treated in the way that this measure has been treated. I promise hon. members that I shall have a good deal to say when the third reading stage is reached. We are discussing the question that the Government may buy or sell or arrange for the purchase of wheat, and do all acts necessary. If that is not State socialism, I do not know what is. If this is a war measure it should be in the hands of the Federal Government. We know well it is not. It is a farmers' measure, and Mr. Dodd was quite right in pointing out that as far as State socialism is concerned this is the most socialistic measure which has ever been brought before us. I intend to vote against the clause.

Clause put and passed.

Clause 7—Certain agency agreements confirmed:

The COLONIAL SECRETARY: I move an amendment—

That the proviso be struck out.

I take this action with extreme regret, but I am bound to take this course as the result of the finding of a select committee appointed by another place to inquire into this matter. Hon. members will notice that the intention of the proviso is to interpret certain agreements. The facts of the case are as follows:—It was announced by the Prime Minister that it was the intention of the different Governments to acquire the whole of the wheat. Millers and other agents were expressly asked not to purchase. In this State most of the millers and agents observed that request, others did not, so that when the time came for the establishment of the pool it was found that certain millers had purchased a quantity of wheat from farmers at a price approximating to about 4s. a bushel. It was considered desirable that the whole of this wheat should be transferred to the pool. The matter was gone into in conference between the Minister and the millers, some of whom had purchased wheat and some of whom had not. The

millers who had purchased wheat represented, and I have no doubt accurately, that they had made flour commitments covering a large portion of this wheat and that it would be unfair to deprive them of the advantages of the bargain they had made.

Hon. R. J. Lynn: They accepted the full liability.

The COLONIAL SECRETARY: But the point raised was that it would be unfair to force them to surrender their wheat to the pool for which they had paid the farmer 4s. and take the 3s. advance and stand the risk of whether they got any more or not. After a long conference it was agreed between the Minister and the millers who had purchased and the millers who had not, that in respect of these purchases the millers should be practically guaranteed 5s. 3d. per bushel for that wheat. It was represented at the time that the quantity of wheat purchased was about 150,000 bags and an understanding was arrived at that the millers should at once furnish the Minister with an exact statement of the quantity of wheat they had purchased. This statement was not furnished for some months afterwards, and when it was furnished it appeared that the quantity was not 150,000 bags, but something like 340,000 bags of wheat. This set up the position that these purchasing millers had a most unfair advantage over their competitors in the trade inasmuch as they were to all intents and purposes guaranteed a profit assuming that their average price of purchase was 4s. They were guaranteed a profit of 1s. 3d. a bushel whether the pool realised 4s. or not. Had they been compelled to pay 5s. 3d. a bushel for this wheat they would have been perfectly safeguarded, because prices were fixed for their flour on the understanding that the wheat had cost them 5s. 3d.. But they were placed in the position of milling wheat which really cost them 4s. a bushel and selling the flour they produced at a price fixed on the understanding that the wheat had cost them 5s. 3d. That is how the thing actually worked out. When attention was drawn to the matter publicly by the present Minister for Industries (Mr. Mitchell) one of the purchasing millers, Mr. Ockerby, wrote a letter to the Press in which for some reason or other he associated my name with the

statements published by Mr. Mitchell, and he suggested that I had discovered a mare's nest. Whilst I repudiate any credit for having made that discovery, I think hon. members will realise that Mr. Ockerby's understanding of a mare's nest is not quite what most of us have been accustomed to understand as the meaning of a mare's nest. In this mare's nest there were 200,000 bags of wheat, 600,000 bushels of wheat, on which these purchasing millers were being guaranteed an unfair profit, amounting to probably £20,000 or £30,000. The position is set out in a report of the select committee of the Legislative Assembly on the wheat marketing scheme. I obtained this afternoon as many copies of this report as I could, and circulated them amongst members. The reason why I have moved the striking out of the proviso is that the report shows that although it was clearly the intention of the agreement that it should be confined to approximately 150,000 bags—the quantity of wheat which the millers had purchased and made flour commitments for—the agreement itself specifies nothing of the kind. The select committee, after exhaustively considering the matter, are of opinion that it would be improper for Parliament to pass legislation giving an interpretation to an agreement entered into between a Minister of the Crown and some other persons. The select committee are of opinion that the interpretation of the agreement should be left to the legal tribunals. If hon. members who have a copy of this report will turn to paragraph 12, the last paragraph, they will see the recommendation I refer to—

In view of all these circumstances, the Committee is not prepared to recommend that Parliament should, by express legislation, take away from the contract millers any legal right of appeal to a court of law or to arbitration under Clause 23 of the agreement, because—(a) The agreement was deliberately signed by all parties—those indirectly interested as well as those directly concerned. (b) Outside parties, such as financial institutions, may have become involved in the matter in the ordinary course of business, accepting the agreement at its face value. It therefore recommends that the proviso in Clause 7 of the Bill be deleted.

Again, paragraphs 10 and 11 of the select committee's report state—

10. Notwithstanding the Minister's letter of 1st December, 1915, it was fully three weeks before the actual document of agreement (as per Second Schedule) was finalised, and during that period negotiations with millers were being continuously carried on by officials of the scheme. If the lists of wheat contracts that the millers on the 29th November promised had not been delayed for three months, the Minister would have been in a position before the signing of the agreement to have provided that the adjustments on contract wheat should be limited either to the 150,000 bags or/and to so much as was required for flour contracts for actual commitments for oversea shipment. It may appear strange that the non-contract millers whose business was likely to be prejudicially affected by the clause as it stands in the agreement should have signed the agreement in its present form. This however, is explainable by the fact that they naturally assumed that the list of contracts promised to be at once supplied to the Minister had in fact been sent in and that the Department was satisfied that the quantities of contract wheat involved did not exceed the amount of 150,000 bags mentioned at the final conference with the Minister. When the Minister realised that the quantity involved was over 340,000 bags, he told the millers concerned how he had been misled, and urged them to agree to the interpretation of the clause according to the original intention. It is true that, having failed in this, and in his endeavours to make any reasonable terms of settlement, he finally advised them (on the 21st April) that the second paragraph of Clause 14 must be interpreted and applied according to the original intention.

11. The Committee thinks that it is highly desirable that the present Minister should, before agreeing to any adjustments, be absolutely satisfied as to the *bona fides* of the wheat contracts stated to have been made by the millers prior to the 1st December, 1915, and particularly the large quantity obtained by Ockerby & Co. from the Farmers' Mercantile Union, and

referred to in the evidence of Mr. Lehmann and other witnesses.

There is no doubt that Mr. Johnson, the Minister at the time, was misled and most unfairly treated by the contract millers. I need hardly assure hon. members that the Government will take the advice of the select committee, and that the millers referred to will not secure protection for one bushel that they cannot prove to have been purchased within the time specified. It is with deep regret that I move the excision of the proviso, because I am satisfied that Mr. Johnson was misled by the purchasing millers, and that in consequence the purchasing millers are getting an unfair advantage at the expense of the pool and of the farmers of this State.

Hon. A. SANDERSON: I support the amendment; but I am sure there must be a number of people in this country who will be greatly surprised when they read the report of the Minister's speech on this occasion. I wish to make another complaint about the manner in which business is conducted here. Here is a report of a select committee on this very important clause, and it is only owing to the timeliness and courtesy of Mr. Greig that I have a copy of the report at all.

The CHAIRMAN: The hon. member will recollect that the report is not a document of this House at all. There is no reason why the hon. member should be supplied with a copy.

Hon. A. SANDERSON: The point at issue is that this clause is one on which we have had representations from very influential people. Not to be supplied with a report of this kind, whether it is necessary or not, reflects very little credit on the conduct of business in this Chamber.

The CHAIRMAN: The hon. gentleman must not reflect on the conduct of business in this Chamber.

Hon. A. SANDERSON: I am much surprised to hear that. I have been doing very little else the whole session. Really, I do not know how to conduct myself in Committee. I shall have to reserve my comments for the third reading stage.

Hon. J. F. CULLEN: While supporting the amendment, I wish to emphasise the fact

that the complaint is not against all the millers of this State.

Hon. C. F. BAXTER: Only four.

Hon. J. F. CULLEN: The great body of the millers have acted whole-heartedly with the Government and the pool. It is only fair that that statement should go forth to the public. I am not suggesting for a moment that the Colonial Secretary's speech would convey any other impression, but there is a risk that those who do not know the position might blame millers who are not culpable. I feel greatly indebted to both select committees who have dealt with the subject of this Bill. The work of both committees has been excellent. I recognise the recommendation on which the Colonial Secretary has framed his amendment as being based on a proper appreciation of the legal situation. Indeed, I am very doubtful whether that proviso, if retained, would have any legal effect at all. It would not be possible by legislation to take away any rights which may have accrued to the few millers who have not acted with fairness. The select committee recognise the legal position in declining to put into an Act of Parliament what would purport to take away the claims of the few millers affected. I support the amendment.

Hon. J. EWING: I understand that the proviso which the amendment seeks to delete protects the Government in this deal. But we know nothing about the matter. I have not seen the report of the select committee of another place.

The CHAIRMAN: Documents in connection with this House are distributed to hon. members. The report in question is not a document in connection with this House, and therefore there is no obligation on the officers of this House to see that the document is distributed.

Hon. J. EWING: It is very difficult to arrive at a conclusion as to the rights and wrongs of the matter without having the document referred to. Mr. Dodd's remarks as to the socialistic aspect of the matter seem to me to apply. Flour millers apparently are out to rob the people. This is really a war measure, and if unfair advantage is to be taken of it I should be much inclined to ask the Government to consider

seriously the taking over of the flour mills of this State.

Hon. H. MILLINGTON: It is a dangerous precedent to attempt to interpret by an Act of Parliament an agreement arrived at previously. It is proposed to do something similar in this Act by annulling the contracts entered into since September last. This does not seem right.

Hon. A. SANDERSON: This report is not circulated amongst hon. members because it has not emanated from this House. Some hon. members have copies of the report but I was unable to get one.

The Colonial Secretary: Whom did you ask?

Hon. A. SANDERSON: I asked the messenger. Why did not we have these put on the Table?

The CHAIRMAN: Reports are here by the courtesy of the leader of the House, who obtained as many as possible and distributed them as fairly as he could amongst members.

The COLONIAL SECRETARY: There was no obligation upon me to bring this report down. I got as many copies as I could and immediately before the commencement of proceedings I myself left a copy on each set of benches and drew the attention of hon. members thereto. I only got some eight copies of the report.

Hon. A. SANDERSON: So far as the leader of the House is concerned his duty is to place these papers on the Table—

The CHAIRMAN: It is a matter of courtesy.

Hon. A. SANDERSON: It is not a matter of discourtesy. It is simply another illustration of the haste in getting through the work when hon. members have not had an opportunity of considering the papers. I made no reflection on the leader of the House, but it is impossible for us to consider the Bill satisfactorily unless these papers are set before us. By the open confession of the leader of the House these papers were not on our Table. We are discussing this question and coming to a decision upon it without having an opportunity of seeing either the evidence or the report of the select committee which sat for the purpose of dealing with Clause 7 of the Bill and Paragraph 14 of the schedule.

Hon. J. M. DREW: I cannot see what objection there can be to the motion of the Colonial Secretary. I could quite understand any opposition to the proviso on the part of those who were not acquainted with the circumstances. The Government have given an undertaking that they would abide by the decision of the select committee and they must do so. If the proviso is removed the different millers will have to seek redress in the courts and justice will be done.

Hon. C. SOMMERS: I regret the necessity for striking out the proviso. I think the Government have been tricked by the millers and I would like to see the position reversed. These men have not been loyal to the undertaking given to the millers as a body, and I would like to vote for the retention of the proviso. A deliberate attempt has been made to rob the Government and the community at large. We should teach these people that they cannot do this sort of thing with impunity. Before we can come to a decision it is necessary to know the result of the finding of the select committee appointed by another place. That being the case, it was the duty of the Government to see that sufficient copies were printed and circulated in this Chamber as a matter of courtesy.

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

Clause 8—agreed to.

Clause 9—Contracts not assignable:

Hon. J. M. DREW: I move an amendment—

That at the beginning of Subclause 1 the words "subject as hereinafter provided" be inserted.

The COLONIAL SECRETARY: This is the only feature of the select committee's report with which I do not entirely agree. The Government should be very grateful to the committee for the work they have done. I am also pleased to see their corroboration of what I said on the second reading in regard to the condition of the wheat stacked at Fremantle. The proposal of the hon. member would have the effect of giving financial institutions an unfair advantage as compared with the general trading community. There is quite a number of farmers who do not deal with the banks at all but deal direct with the traders. If the com-

mittee had had further evidence from the commercial side, I think certain things would have been pointed out to them which would have caused them to have come to a slightly different decision. If the amendment is carried, it will mean that the farmer can negotiate his certificates at the bank only, and that the merchant will be at the mercy of the banking institutions to an extent which I do not think would be desirable. If we destroy the credit of merchants and the ability of the merchants to give credit to the farmer, the last state of the farmer will be worse than the first. I do not suggest that the clause is perfect, and notwithstanding any little danger there may be through speculation in certificates, it would be wise for the Committee, I think, to delete the first subclause altogether, and leave it open to farmers to deal with their certificates as they see fit. These certificates are the property of the farmer. I do not think, although I am quite sure that the clause and the suggested amendment are purely designed to help the farmer, that we shall be helping him by tying his hands in this direction. I assure Mr. Drew that there is very little danger of the preliminary advances being limited to so small an amount as he thinks. I believe that in the course of a day or two an announcement will be made to show that the position is more satisfactory than has been suggested in some unofficial Press telegrams. There are commercial houses which are now carrying the load of the farmers to an amount of a quarter of a million of money. I ask the Committee to consider the general question, and if I am in order would move that Subclause 1 be struck out. That will leave the farmer at liberty to do what he pleases with his certificates.

The CHAIRMAN: I do not think the hon. member is in order. I think the obvious way to deal with the matter is this: Mr. Drew has proposed an amendment which, by virtue of his position as chairman of the select committee, must have priority. If the amendment is carried it will be open for the Colonial Secretary to move that the subclause be struck out, in which case Mr. Drew's amendment will be non-operative. If, on the other hand, Mr. Drew's amend-

ment be defeated, it will still be open for the Colonial Secretary to move his amendment.

Hon. A. SANDERSON: May I ask Mr. Drew if he would indicate what his objection is to striking out the proviso?

Hon. J. M. DREW: Undoubtedly the clause ties the hands of the farmer, and our desire was to remove some of the restrictions. Mr. Sutton, chairman of the wheat marketing scheme, was in the first place strongly opposed to any amendment of the clause. Ultimately he decided that there was no reasonable objection to allowing exemption to the banks. It was pointed out that if we permitted certificates to be negotiable, speculators would come into existence and buy the certificates at an unduly low price. The whole basis of the scheme is the protection of the farmer. It has been said that the certificate is his own. But that is contrary to the whole principle of the scheme. A farmer must not do what he likes with his own. The pool is there to protect him. Suppose the clause goes out, as the Colonial Secretary desires, then hundreds of speculators will arise and take a hand in the game. The gentleman who represented the farmers at the conference in Melbourne favoured the idea that the certificates should be negotiable. But against that there was Mr. Sutton's opinion and the opinion of the chairman of the Associated Banks. In Victoria, where there is no restriction at all, we are told the certificates have been sacrificed. The banks are at the back of the scheme. They have financed it, and I think we should trust them. It was explained to us by the chairman of the Associated Banks that the getting of the consent of the Minister involves delay. I hope the amendment will be carried. I could not possibly support the removal of the clause.

Hon. C. SOMMERS: I hope the proviso will be carried. It was pointed out in evidence that the banks handle about nine-tenths of the business in connection with the certificates, and therefore, so far as they are concerned, the consent of the Minister will be purely formal. The banks are not speculators in the certificates. All that they do is to advance against them. In the other States, where there are no restrictions, a

host of dealers sprung up and purchased certificates outright from the farmers. It was because of this that we decided the farmer should get the consent of the Minister before handing over his certificate to the merchants. It would be better to accept the proviso recommended by the select committee.

Hon. J. F. CULLEN: I do not think it would be wise to accept the Colonial Secretary's proposal to strike out the first sub-clause, because undoubtedly an immense amount of trafficking would ensue, to the prejudice of the farmer. The question at issue really concerns the farmer's equity in the certificate. For one claim by the bank against a farmer there are two or three commercial claims, and the question the Committee has to face is, would it be right to give this advantage to the banks as against the storekeepers? After all, the best course would be to leave the clause as it stands.

Hon. J. W. KIRWAN: I sincerely trust the Colonial Secretary will adhere to the Bill as it is. This particular clause is essential to prevent speculation in these certificates. It is very easy for the Minister to give the necessary consent. I cannot vote for the proviso, which merely is to give the banks preference. Why should we give preference to any class of the community, more especially when each particular case can be dealt with on its merits?

Hon. J. J. HOLMES: I hope the Colonial Secretary will adhere to the clause as it stands. I am opposed to giving banks or any other institutions preferential treatment, which is really what it amounts to. The merchants are to a great extent supporting the farmers: yet it is proposed to give the banks priority over the merchants. The only reason preferred is that the banks have stood behind the pool. It is true that they have, but it has been good business for them. But how did they do it? By taking the wheat in the pool as a security, and they also had an additional security from the Commonwealth, that if there was any shortage in the realisation of the wheat in the pool, such shortage would be made up. That is a security the banks had all along.

Hon. J. M. DREW: The difference between the bank and the ordinary person who might deal in these certificates is that

the ordinary person would purchase them as a speculation and the banks would not. I was satisfied on the point during the examination of witnesses, from the answers given to questions 349, 350, and 351. The difference between the bank and an ordinary speculator is that the bank eventually gives the farmer, less of course interest, the full face value of the certificate.

Hon. C. F. BAXTER: I am in favour of knocking out the clause altogether. The merchant is already sufficiently protected.

Hon. J. A. GREIG: Originally I was of the opinion that we should allow the farmer to handle his certificate as he chose, but after hearing the evidence of the various witnesses, and believing that eventually we shall have to rely on the banks to finance this scheme, I came to the conclusion that the best thing to do would be to make the suggested amendment to this clause. No hardship will be done. The holder of a certificate can go to the bank and get an advance, and similarly he can get accommodation from the grocer or the storekeeper; but, of course, the bank is secured first. It has to be remembered that, unless the farmer gets sufficient money with which to pay the expense of last year's crop, he will be unable to put in a crop for the next year. The result of that would be that the banks would lose probably as much as it would cost them to finance the scheme. The banks have been carrying an enormous number of farmers, and they realise that they have taken the farmer so far now that they must carry him through or it will be a losing proposition to them. If the Federal Government cannot give us the necessary financial assistance then we must ask the State Government to come to our assistance. The banks could advance on the bonds up to a certain amount and the Government could redeem those bonds, the Commonwealth eventually paying them 20s. in the pound for them.

Hon. V. HAMERSLEY: I fail to see that the committee obtained evidence from storekeepers or other financial institutions than the banks, with the result that the banks managed to get their position clearly placed before the committee. There are other financial houses than banks, who were not represented before the committee and

who have quite as much interest in this question as the banks. Some of them are involved to the extent of £100,000 and there are also to be considered the storekeepers in the various districts who have been keeping the farmers going for the last 12 months or two years. It seems to me unreasonable that we should give the banks security over the heads of those other people, that the banks should have an extra lien or security. The storekeeper has not a chance when the banks hold a man's security. If a bank holds as security a man's property and his implements, what chance has the storekeeper of getting his money? Supposing a storekeeper is owed £200, what chance has he of collecting his money as against the bank? I think it unfair that the bank should be singled out in this way to have the sole right of negotiating wheat certificates.

Hon. R. J. LYNN: I move—

That the Committee do now divide.

Motion negatived.

Hon. A. SANDERSON: I cannot pretend to have looked through the whole of the evidence which was taken by the select committee, but from what I can see they did not get any evidence from those institutions to which Mr. Hamersley has referred, evidence which would have thrown a different light on the subject.

Hon. C. F. BAXTER: We already had enough knowledge on that question.

Hon. A. SANDERSON: Yet we are told that the select committee changed their opinion because of the evidence taken. I have gone through the evidence of Mr. Johnson, and I do not think that would have the effect of changing anyone's view. Then we come to the evidence of an accountant, but he has nothing to do with the big houses Mr. Hamersley referred to. Then what evidence had Mr. McGibbon to give as to the position of these important houses? Another thing I would like to know is whether this is a Government measure, because the Colonial Secretary seems to have delegated his authority to the ex-leader of the House. The secretary of the State wheat marketing scheme was called to give evidence. What did he know or care about these houses which should be protected? The way we are attempting to deal with this important,

difficult, and perplexing wheat scheme amounts to a positive scandal. Why did the members of the select committee change their opinions on such an important matter? They told us it was because of the evidence, but what evidence did they get? What is the value of the opinion of the secretary of the wheat marketing scheme as to how far the interests of these houses may be protected by this clause? Mr. Taylor, who gave evidence, did not describe himself as representing one of the big houses which, after all is said and done, are the backbone of the wheat growing industry. Then the bankers gave evidence, and they were expected to put the position of the banks before the select committee. It shows the weight that their evidence carried when they were able to change the views of the members of the select committee.

Hon. C. F. Baxter: There was very little evidence from the bankers in regard to this matter.

Hon. A. SANDERSON: Yet it carried so much weight that the members of the select committee changes their opinion.

Hon. C. F. Baxter: No.

Hon. A. SANDERSON: We can see clearly how the members of the select committee were induced to alter their views by the bankers. Mr. Lord, the Chief Traffic Manager; Mr. Glyde, the Accountant of the Fremantle Harbour Trust; and Mr. Morrison, the flour mill manager, are well qualified to give evidence on the subject. Are the members of this Committee going to permit the select committee—two of whom went to the Committee altogether opposed to the clause, but on account of certain evidence changed their opinion—to foist this clause upon the Chamber?

Hon. J. E. DODD: It seems to me that the select committee, in endeavouring to prevent speculation in the certificates, have perhaps gone further than is politic in giving a practical monopoly to the banks. Would it not be wise to provide that the certificates may be assigned to other institutions approved by the Minister?

Hon. J. W. KIRWAN: It seems plain that Mr. Sanderson has not read the evidence carefully.

Hon. A. Sanderson: I have not had time.

Hon. J. W. KIRWAN: Otherwise the hon. gentleman would have found in it something to support his contention. I can only come to the conclusion that the members of the Committee who changed their opinions were influenced purely by the evidence of the bankers. When I asked the question, whether other evidence than the bankers' had been obtained in favour of the amendment, I was told, "Yes; Mr. Sutton's." But I can find nothing in that gentleman's evidence to support that view. He did express a very qualified approval of this proposal, but later he expressed very grave doubt, saying "I should like time for consideration before answering the question." I suggest hon. members refer to questions 416 to 419 on the point. Did the members of the select committee recall Mr. Sutton and ask him whether he had given the matter further consideration? They certainly had no right to quote Mr. Sutton as a man approving wholly of their proposal. Apart from Mr. Hall, who has been suggested, the bankers are the only witnesses in favour of this proposal; and they are interested parties.

The COLONIAL SECRETARY: I have not had time to read the whole of the evidence, nor do I think it necessary to do so. I am quite prepared to accept the assurance of the chairman of the committee or of Mr. Baxter. The witnesses who appeared on behalf of the associated banks, however, did not ask for any special preference. Mr. Sutton's opinion has been quoted; and, again, I am sure members of the select committee have stated the position fairly as they understood it. The present opinion of Mr. Sutton is that, while he considers it would be inadvisable to allow free trafficking in the securities, he prefers that course to the one now proposed—that of special preference to bankers. Mr. McGibbon, who favours the course I now suggest, said that the farmers should be free to negotiate the certificates; and he had just come from a farmers' conference in Melbourne, which he had attended as representative of the Western Australian farmers. Not only was no exception taken at that conference to the practice of negotiating these securities, but surprise was expressed by Mr. Hagelthorne that in Western Australia we were seeking to limit the power of the farmers in this res-

pect. In the circumstances, Mr. McGibbon spoke with a good deal of authority. I freely admit there is room for wide difference of opinion on the point whether the subclause should be retained, but I think the farmer will be the first to suffer if we create a position which prejudices trade.

Hon. H. MILLINGTON: I agree that the powers contained in Clause 9 are necessary. It would lead to no end of trouble if free trafficking were allowed in the certificates; the security would speedily depreciate. I cannot, however, support a proposal to give the banking institutions preferential treatment. If we did give that preference, we should find great difficulty in explaining why we gave, in an Act of Parliament, preference to certain institutions. I will support the clause, and I consider that the onus of proving the necessity for preferential treatment rests on the select committee and those who support them. No satisfactory case for preferential treatment of the banks has been made out.

Hon. J. M. DREW: I do not wish it to get abroad, from the remarks of the Colonial Secretary, that free trafficking in the certificates has done no harm in Victoria. The evidence of the chairman of the associated banks here was that the trafficking had led to gambling. He stated in evidence that last season the whole thing was done through the banks here, but that in the Eastern States many farmers had sold their surplus certificates at prices equal to 9d. per bushel. We do not wish to see that done in Western Australia.

Amendment put and negatived.

The COLONIAL SECRETARY: In order to test the feeling of the Committee I move an amendment—

That Subclause 1 be struck out.

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

Ayes	..	..	..	..	7
Noes	..	..	..	..	17

Majority against .. 10

AYES.

Hon. E. M. Clarke	Hon. E. Rosa
Hon. H. P. Colebatch	Hon. A. Sanderson
Hon. V. Hamersley	Hon. J. J. Holmes
Hon. G. W. Miles	(Teller.)

NOES.

Hon. J. P. Allen	Hon. J. W. Hickey
Hon. C. F. Baxter	Hon. A. G. Jenkins
Hon. H. Carson	Hon. J. W. Kirwan
Hon. J. Cunningham	Hon. R. J. Lynn
Hon. J. E. Dodd	Hon. C. McKenzie
Hon. J. M. Drew	Hon. H. Millington
Hon. J. Duffell	Hon. C. Sommers
Hon. J. Ewing	Hon. J. F. Cullen
Hon. J. A. Greig	(Teller.)

Amendment thus negatived.

Clause put and passed.

Clause 10—agreed to.

Clause 11—Contracts for sale of wheat and flour:

Hon. J. M. DREW: I move an amendment—

That the following be inserted to stand as Subclause 4:—"The Minister may cause to be seized and compulsorily acquired upon the terms and conditions on which wheat may be purchased under this Act, any wheat acquired by any person after the 30th day of September, 1916."

The late pool ceased on the 30th September, 1916, and since then it is possible that there may have been transactions in wheat. There may have been some smart gentleman moving around and making agreements for the purchase of large supplies of wheat. Every one knew there was to be a new pool and consequently any one who has done this should not be entitled to any consideration. Any detriment to the pool is a detriment to the Commonwealth.

The COLONIAL SECRETARY: I am quite in accord with the amendment.

Hon. H. MILLINGTON: I see a danger in the proposal. We have brought considerable trouble upon ourselves in trying to annul old sales in connection with the millers and the same conditions will arise if this amendment is put into effect. Various small sales have taken place of late and if the Government are going to interfere with them they are going to bring trouble upon themselves. So far as the sales which have taken place in the Perth markets are concerned, I understand that some of the wheat has got into the hands of a certain milling firm. As regards the wheat which has been sold on the goldfields for poultry farms, etc., I think these have been legitimate sales and cannot be said to have interfered with the pool. These, therefore should not be affected. I

should like an assurance from the Colonial Secretary that they will not be touched.

THE COLONIAL SECRETARY: I have no hesitation in giving the assurance asked for by the hon. member. The clause is not intended to deal with small sales of this kind. In the Press recently it was stated that the farmers would receive only 1s. 6d. a bushel advance. There can be little doubt that the publication has had the tendency to scare farmers, and possibly after the Bill is carried and the announcement of what the actual arrangement that has been arrived at is made, it will be found that some one who knew that there was no reason for alarm bought large quantities of the farmers' wheat which they may have sold at this moment of scare. It is entirely proper that the Minister should have power to cancel any such arrangements.

Hon. J. F. CULLEN: There is nothing in the present law to prevent the acquiring of wheat by private buyers, nor is there anything in the Bill to prevent private buyers from acquiring wheat for export. I would draw attention to the fact that the Bill has numberless loopholes. If the amendment is intended to prevent such transactions as the Colonial Secretary has referred to, we require to go back beyond the 30th September. There is no prohibition in the present law against buying wheat. Men could have bought in August and September the coming season's wheat for export. The Bill does not purport to prevent buying for export.

Hon. A. SANDERSON: We are indebted to the hon. member for pointing that out. It is another indication that we should not waltz through a Bill without consideration. Surely members will appreciate the importance of acting slowly in a measure like this. Will the Minister say what power the Government have over contracts whether made here, or in Victoria, or in New South Wales? If I make a contract in Perth and another in Melbourne, is it that the Government can stop me in regard to the Perth contract but not in respect to the Melbourne transaction? If it is determined to put the Bill through in its present form it will reflect very little credit on Western Australia. It might be all right in a Betting Bill, but this is not the way to deal with a Bill of this

importance. It is obvious that the Committee has not the time to go into the Bill, and therefore the responsibility will be thrown largely on the Government. The provision is "That the Minister shall have power to seize any wheat purchased or acquired since the 30th September." For what purpose? The Federal Government can seize wheat under its War Precautions Act, but what is the object of putting it into the Bill? Apparently we are to pass a clause like this and hope for the best.

Hon. C. F. BAXTER: The proposed sub-clause is to do away with any transaction that has occurred since the 30th September. Some have already taken place. Speculators are awaiting opportunities to purchase and certain farmers are ready to take advantage of the pool to get a price which they could not otherwise hope for. In the Victorian Act there is an even more drastic provision than the one proposed here.

Hon. A. SANDERSON: We struck out the proviso from Clause 7 especially on account of contracts. Now the Committee is asked to sanction the very thing which a select committee of another place decided to throw out. Suppose certain transactions have taken place since September; we are asked to go back and annul those transactions. It is incredible to think that the Committee should be asked to consider the cancellation of contracts already made.

Hon. J. J. Holmes: Do you think the Minister should have the power to seize wheat?

Hon. A. SANDERSON: The seizing of wheat seems to me to be on all fours with the cancelling of a contract. This House, or Committee rather, in its old age, on the verge of its abolition, as Mr. Cornell would say, proposes to pass a clause like this and go back and cancel contracts.

Hon. V. HAMERSLEY: The Committee apparently had in mind the fact that something like 40 trucks of wheat had been sold in the Perth railway yards, and that a further consignment was on its way to Midland Junction to be sold under the hammer.

Hon. J. M. Drew: The Committee had not in mind any idea of 20 or 30 trucks at all.

THE COLONIAL SECRETARY: I have already given the Committee the assurance that this clause will not be used in the way

Legislative Assembly,

Wednesday, 29th November, 1916.

suggested. The Government appreciate the position and desire to protect the people in the pool. If the Minister interferes at all it will be only for the purpose of protecting those in the pool.

Hon. J. EWING: If a contract had been made at 2s. 6d. and the pool fixed the price at 4s., who is to get the difference? The farmer will be the sufferer. I do not see the necessity for having in the Bill a clause which will prevent people doing something which is legitimate business.

Amendment passed: the clause as amended agreed to.

Clauses 12 to 15—agreed to.

Clause 16—Balance of money required to be subsequently appropriated by Parliament for the purpose;

Hon. J. M. DREW: I move an amendment—

That the following proviso be added to the clause:—"Provided that all expenditure in the administration of this Act shall be a charge upon the proceeds of the marketed wheat."

Amendment passed: the clause as amended agreed to.

Clauses 17, 18—agreed to.

Schedule—agreed to.

Bill reported with amendments, and a Message accordingly forwarded to the Assembly requesting them to make the amendments, leave being given to sit again on receipt of a Message from the Assembly.

House adjourned at 10.39 p.m.

	PAGE
Papers presented	1273
Questions: Repurchased estates, Bowes and Oakabella	1273
Wheat Harvest, Advance to farmers	1274
Coal Strike and Food Supplies	1274
Enemy subjects in Government Employ...	1274
Kimberley Cattle, Government Purchase	1275
Brunswick State Farm	1275
Daylight Saving	1275
Water Supply Department, storm water	1275
Perth Tramways, Hay-street West Service	1275
Select Committee Wheat Marketing Bill, Report presented	1275
Bills: Enemy Disability, 1st	1276
Roads Act Continuation, all stages	1276
Loan, £1,537,000, Message, 1st, 2nd	1276
Nelson Rates Validation, returned	1317
Stamp Act Amendment, returned	1317
Roads Act Continuation, returned	1317
Betting Suppression, 1st	1317
Wheat Marketing, returned	1317
Loan Estimates, 1916-17, introduced	1279
Annual Estimates, 1916-17, Votes and items discussed	1283
Adjournment, Special	1317

The SPEAKER took the Chair at 3.0 p.m., and read prayers.

PAPERS PRESENTED.

By the Minister for Works: Perth City Council, by-law relating to sign-boards.

By the Honorary Minister: 1, Cunderdin Local Board of Health, amended by-laws; 2, Fremantle Harbour Trust, amended regulations.

QUESTION — REPURCHASED ESTATES, BOWES AND OAKABELLA.

Mr. CUNNINGHAM, without notice, asked the Minister for Lands: 1, What was the average price per acre paid by the Government for the Bowes and Oakabella estates, respectively? 2, What is the total area of each estate? 3, What was the cost of subdivision, and of the making available of these lands for settlement? 4, What was the average price per acre chargeable to selectors when the lands were thrown open for selection? 5, What area of each estate has been reserved for public purposes?

The MINISTER FOR LANDS replied: 1, Bowes £1 8s. 5½d., Oakabella 9s. 9¼d. In regard to the Oakabella estate, I should