

Hon. W. C. ANGWIN: The Commissioner alone got £88.

The Minister for Mines: The constables are being paid better to-day than they were being paid 20 years ago.

Hon. W. C. ANGWIN: So is everybody else being paid much better to-day than 20 years ago.

The Minister for Mines: The Commissioner is not.

Hon. W. C. ANGWIN: There are too many policemen in some of our towns. Fremantle has ten too many.

The MINISTER FOR MINES: This is the first I have heard that we are paying less to our police force than is being paid in any other part of Australia. I will make inquiries and if what the hon. member has stated is true, I will make a recommendation to the Treasurer.

Hon. W. C. ANGWIN: The only way in which I can bring the matter under prominent notice is by moving for a reduction in the vote. I cannot move to increase it. Perhaps if I take the course of moving to reduce it I will concentrate some attention on the fact that the police are underpaid. I move—

That the item be reduced by £52.

Mr. PICKERING: The police have demonstrated their loyalty to the State.

Mr. O'Loughlin: So have we by remaining here until this hour.

Mr. PICKERING: I have no fault whatever to find with the police force. I certainly know however, that their salaries are not equal to those paid in the other States.

The MINISTER FOR MINES: I ask the hon. member not to press the amendment. I give him an assurance that if he will supply me with particulars I will have them checked, and if it is found that the police here receive less than is paid to the police elsewhere in Australia I will make representations to the Treasury.

Hon. W. C. Angwin: On that understanding I will withdraw the amendment.

Amendment by leave withdrawn.

Vote put and passed.

The Speaker took the Chair.

Progress reported.

House adjourned at 2-20 a.m.

Legislative Council,

Thursday, 19th November, 1919.

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

QUESTION—WHEAT SHIPMENT FROM GERALDTON.

Hon. H. CARSON (without notice) asked the Honorary Minister: 1, Is it a fact that the ship which was to load wheat at Geraldton is now not to be loaded there? 2, If so, what are the reasons for diverting her?

The HONORARY MINISTER replied: The ship has not been diverted from Geraldton, but a request has been made by the department that a guarantee shall be given that she will be loaded if sent to Geraldton.

QUESTION—TECHNICAL SCHOOL CURRICULUM.

Hon. Sir E. H. WITTENOOM asked the Minister for Education: 1, How many subjects are taught at the Technical School? 2, The names of the subjects? 3, How many students are there to each subject?

The MINISTER FOR EDUCATION replied: I am tabling extracts from the Technical School prospectus for 1919, which will give the information desired. The figures are not yet available for 1919, but those for 1918 will give a good general idea of what is being done.

BILL—TRAFFIC.

Read a third time and passed.

BILL—MINING ACT AMENDMENT.

Suspension of Standing Orders.

The MINISTER FOR EDUCATION (Hon. H. P. Colebatch—East) [4.35]: I move—

That so much of the Standing Orders be suspended for this sitting as is necessary to enable the Mining Act Amendment Bill to be passed through all its remaining stages at this sitting.

In support of this motion I do not intend to say very much at this juncture. The reasons for passing the Bill as a measure of urgency

will be clearly stated by me when moving the second reading. I merely point out that the carrying of this motion will not in any way lessen the privilege of the House to reject the Bill or amend it, or adjourn its consideration at any stage. I should not have moved this motion but that the question is one of great urgency. I shall explain the reasons for that urgency when moving the second reading.

Question put and passed.

Second Reading.

The MINISTER FOR EDUCATION (Hon. H. P. Colebatch—East) [4.37] in moving the second reading said: This is a measure of great urgency, its object being to endeavour, if possible, to preserve the life of what has been an important goldfield. Unless some action is taken, such as the Bill will permit, there is great danger of that goldfield becoming extinct. The necessity for immediate action rests on the fact that after the 16th of this month a different situation from that which at present exists will arise, and action which may be possible now will not be possible after the 16th. Most hon. members are familiar with the position that has arisen. The Westonia goldfield has been employing something like 400 men. There has been a very considerable population there, and although that population has recently declined very rapidly, because of the suspension of operations in the principal mine, there are still some 1,400 people living in the district and dependent on the remaining mines. The production from the field has been very considerable. The Edna May Central has treated 119,000 tons of ore for 49,900 ounces of gold. The Edna May Consolidated has treated 21,000 tons of ore for 8,860 ounces of gold. The Edna May Deep Levels has treated 17,810 tons for 15,940 ounces of gold. The Edna May itself has treated 191,000 tons for 171,000 ounces of gold. The Greenfinch has treated 8,000 tons for 3,000 ounces. The aggregate of the amounts paid in dividends by the mines is approximately £340,000. So the field has been an important and valuable one, and the Government feel—and in that feeling they will have the sympathy of hon. members—that if anything can be done to give it a chance of continuing to employ a large number of men and profitably produce gold, it is the duty of the Government to do it. The position is that the big mine, the Edna May, which has been responsible for the bulk of the gold production there, and has alone paid dividends to the amount of £325,000, has apparently exhausted the payable ore in its own property, and has abandoned operations and is not likely to resume. The effect of its abandoning operations will be that it will also abandon the pumping of water, and then the water will flood the other mines and compel them also to close down. The position is best disclosed by the report of the assisting State Mining Engineer, Mr. Blatchford, who was sent up to Westonia at the beginning of

the present month. I do not think I can do better than read his report which is as follows:—

Further to my report of the 4th inst. I beg to add the following information obtained during my recent visit to Westonia. The mines are much in the same condition as set out in my previous report. The Edna May is pumping only till the 16th of this month, after which the pumps will be drawn.

Until the 16th, an arrangement made in compliance with an order of the court exists between the two mines, and pumping operations will be carried on by the Edna May at the cost of other properties until the 16th. After the 16th this arrangement will cease, and what may then happen I am not in a position to say. The report continues—

The water level in this mine at present is 320ft.-315ft. from the surface, but when allowed to rise will flood first the Central and then the Consolidated, unless the Central can hold with their present pumping plant. Owing to the water being allowed to rise to slightly above the 300ft. level in Edna May the stopes started running throughout the whole mine. I visited the 300ft., 225ft., and 150ft. levels, and they have all collapsed, the hanging wall in the 150ft. crosscut having cracked back for a distance of 50ft. from the lode. I do not know whether much good can be done, but I consider the inspector of mines should be asked to report on the situation, as it has a direct bearing on the safety of the Deeps mine. The inspection must be made before the pumps are drawn on the 16th inst. When the pumps stopped in the Edna May the water rose to 303ft., the flow of water in Central increasing from 15,000 to 30,000 gallons per hour in consequence. As it was evident a water-course exists between the two mines, the manager of Centrals decided not to experiment further, and at present is keeping the pumps on Edna May in operation simply because he has paid the latter company for pumping up to the 16th inst. The position at the Central now is that the western section of the mine above the 300ft. level is closed up and flooded, and as soon as the pumps cease in Edna May the eastern section will also be sealed up. In the meantime development work is being carried on in the eastern section at the bottom (400ft.) level to try and prove the lode at that depth to ascertain whether it is of higher grade at this than at the other levels. The Consolidated mine is, according to the manager, in a very bad state, and very low in payable ore reserves. Unfortunately, he was too ill to discuss the subject at length, but as far as the water question is concerned this mine will be hopelessly flooded if

the water rises much above the 200ft. level. I had a conference with the managers (excluding Mr. Aldridge of the Consolidated who was too ill to attend) and after discussing the questions involved in a general pumping scheme, it was evident that it is impossible at present to bring about co-operation between the Edna May Deeps and the Edna May Central for such a project. The manager of the Deeps considers his mine is safe from water whatever happens, and if he is correct in this surmise he is certainly justified in the attitude he takes. On the other hand the manager of the Central is positive that he will not recommend his board to carry on the Central mine if he is forced to pump the whole of the water, which means working at a loss on their grade of ore. The manager of the Consolidated favours joint action, but from financial reasons cannot be of much assistance. I very much fear that what will really happen in the next few weeks will be a cessation of all work on the Edna May Central and Consolidated, and if so both mines will be irreparably ruined, for once the water reaches the old stopes they will collapse for a certainty. Furthermore, if such a condition is brought about I consider the Deeps mine also runs a considerable risk of being flooded from the seepage of water in the oxidised zone, and possibly trouble from collapse below. My utmost endeavours were exercised in trying to get these managers to submit a tangible scheme to which possibly some financial help might be given, if only temporarily by the department, and the hopelessness of the situation can be gauged when the manager for Deeps said "the only thing he could see for the State to do was to pump the lot." In addition to the managers, I also met the members of the roads board. The wire sent to the Minister virtually came from this body. They are, as a body, I think, sincere in their anxiety for the welfare of their town and district, and apparently were not fully apprised of the seriousness of the situation until quite recently. They pointed out that there are some 1,400 inhabitants dependent on the mine, and the disabilities these folk will suffer if work ceases was freely emphasised and is doubtless very true and to be much regretted is a collapse of the local mines eventuates. I am still of the opinion that unless the mines co-operate the case is pretty hopeless, and I consider it is for their mutual benefit and safety to do so. Furthermore, that if they did the mines would probably last for quite a considerable time, particularly Edna May Centrals and "Deeps."

That is a review of the 'situation' by the assistant State Mining Engineer. The purpose of the present Bill is to compel that co-operation which he suggests and to en-

able the Government to step in and assist. The Bill provides that—

(1.) Whenever in the opinion of the Minister there is an inflow of water to any mine from any other mine, or such an inflow is likely to happen, the Minister may, by his servants and agents, enter upon the last mentioned mine and do all things he may think fit to discharge the water therefrom. (2) The Minister may provide plant and machinery for the purpose, and may use the pumping plant and machinery on any mine entered upon as aforesaid, or may by notice to the owner compulsorily acquire such plant and machinery and thereupon the same shall become vested in the Crown: Provided that such sum shall be paid by the Minister for the rent and depreciation of any plant and machinery so used, or as the value of such plant and machinery if compulsorily acquired, as may be agreed upon between the Minister and the owner thereof, or, in default of any such agreement, as may be fixed by arbitration.

That is an entirely fair position for the Government to take up. It must be remembered that what the Government desire to protect in this instance is really their own property, the property of the State. The Government are entitled to say to the Edna May Company, which has worked out its lease and abandoned it and obtained this large quantity of gold and paid dividends to the extent of £325,000, "the protection and preservation of the adjoining mines depend on your pumping plants being kept in operation." The Government should, therefore, be entitled to step in and take that plant, and rent it at a fair rental, the basis of which is to be arrived at either by mutual agreement or by the terms set out in the Bill. From the point of view of the Edna May Company, which has abandoned its lease, I do not think it can be said that any hardship is created by the Government saying, "You must not, by abandoning your pumping operations, allow all the other mines to be ruined, and you are not entitled to say that you will sell your machinery and have it removed from the mine."

Hon. J. J. Holmes: Do the other mines pay the cost of pumping?

The MINISTER FOR EDUCATION: At present the cost of pumping is apportioned between the mines as a result of the court case. The Edna May was doing the pumping and benefiting the other mines. As a result of the proceedings in court the other mines were compelled to pay their proportion of the cost. It is because of that decision that the Edna May Company is continuing to pump up to the 16th of this month. The Bill provides that the Government may, if they consider the circumstances justify them, step in and continue to rent the Edna May pumping plant, paying to the Edna May Company what is con-

sidered to be a fair rental for the use of the plant. If they cannot arrive at a mutual agreement as to what is a fair rental, the question will have to be fixed by arbitration according to the Bill. The next subclause provides that—

All expense incurred by the Minister under this section shall be apportioned between the owners of the several mines benefited by such operations by the withdrawal or the prevention of inflow of water, in proportion to the benefits derived from such operations, and the amounts so proportioned shall be debts due from the owners of the several mines to the Crown. Such apportionment shall be made by the Minister, subject to the right of any owner to have the amounts fixed by arbitration.

That is the second feature of the arrangement. The first entitles the Government to come in and take the plant, and the second is that, whatever the cost of leasing is, it shall be apportioned between the different mines that benefit, and there is an equitable method laid down for arriving at the proper proportion. It is stated, as disclosed in the report that I have read, that the Edna May Deeps mine considers that they have spent a great deal of money in prospecting their mine against water, that it is entirely protected, and will get no benefit from the scheme, and that therefore it should not pay anything towards it. The clause says that they are to pay in proportion to the benefit they receive. If they can demonstrate that they are not benefiting, they will not have to pay. The opinion of the State Mining Engineer is that although the Deeps mine has spent a good deal of money in protecting itself from invasion of water in certain directions, it is not entirely protected and would not be safe if pumping on the Edna May Company was discontinued, and therefore, whilst its benefit is not so great as is the case with the other mines, still it would benefit largely and that benefit would have to be properly apportioned. The following clause refers to a different position. It appears that on more than one occasion in the history of mining in this State a similar trouble has arisen. At Black Range very much the same sort of thing happened. The big mine, because it had more capital, was able to get down quicker than the other mines were able to do, worked out all its payable ore, and then stopped. This stoppage also meant the stoppage of pumping operations, and it became impossible for the other mines adjoining to carry on. Had the State at that time been able to step in, in the way that it is proposed to do by this Bill, the field might have been given a much longer life than has been the case. Subclause 3, which I have just read, should protect the State in this way, namely, that it provides that all expenses incurred—the words are mandatory—shall be apportioned. Assuming that the Minister stepped in and took the lease, and paid rental for the machinery and

started work, the cost might be anything up to £700 per month, which is the maximum amount set down as the cost of pumping, and that sum would be apportioned between the three companies benefiting. If any one of the companies, for lack of funds, said that they could not pay this amount and would have to cease operations, they would no longer be benefiting by the expenditure, consequently the amount would have to be apportioned between the other two companies. If one of the other two companies found itself in a similar position the work would have to cease entirely, and that would be the end of it. I do not see any circumstances that are likely to arise when the State will be faced with any undue risk in this matter. All the money that has been spent out of the Mines Development Vote may be said to have had attached to it an element of risk. When we have a community of 1,400 people faced with this proposition, that either the mines must carry on or the whole place will collapse, and the mines will be irreparably ruined, which will mean that the people will have to leave the district, it is evident that something must be done for their relief. If the proposition can be worked, it is pointed out by the engineer that the field should have a considerable life before it. In the circumstances the State would be justified in making some contribution from the Mines Development vote for this purpose. The provision is that the whole of the cost is to be apportioned between the various mines obtaining the benefit. Subclause 4 says—

Any owner of a mine may, with the consent in writing of the Minister, by himself, his servants and agents, enter upon any other mine in which operations underground have been wholly or partially suspended, and with the like consent do all things that may be deemed necessary to prevent the inflow of water therefrom to his mine, and for such purpose may, with the like consent, use any pumping plant and machinery on the mine so entered upon, subject to the payment to the owner thereof of such sum for rent and depreciation as may be agreed upon, or, in default of agreement, as may be fixed by arbitration.

The necessity for this subclause has arisen under circumstances very similar to those which have occurred at Westonia. At Westonia the big mine has worked out, and is I understand prepared to surrender the lease, and in the natural course of events would sell its machinery. In the case of the Sand Queen at Comet Vale, operations underground have ceased, presumably for the reason that the payable ore has been worked out. Upon the ceasing of mining operations pumping operations also ceased. The Sand Queen, like the Edna May, was the original mine. It had plenty of money and was able to work down quickly. The ceasing of the pumping operations there has caused a flooding of the neighbouring mine, which is not so far developed. The Gladstone mine is a

promising mine which looks like having a fair chance of success. The result is that, after long and ineffectual negotiations between the two companies, the Gladstone mine has had to apply for six months' exemption, which it obtained. I is unfortunate not only for the shareholders, but for the men employed and for the district as well, that the mine should be closed down in such circumstances. So far as subclause 4 is concerned, all that the House would need to satisfy itself upon is that no injustice is contemplated towards the owner of the principal mine. It is not a case in which expenditure by the Government is contemplated. It is a case of one mining company having worked out its own property, that is in the case of the Sand Queen. There are sufficient men still employed to comply with the labour conditions in the matter of treating the sands and of surface work, which is likely to last for some considerable time. But it is equitable that the owners of a mine, which has proved a rich mine, should be able arbitrarily to dictate terms to the adjoining company? Is there anything unfair in saying that if the adjoining company can satisfy the Minister that they are entitled to this relief the Minister shall authorise them to have the pumping operations carried on and to have an equitable basis as to cost arrived at by arbitration? That is the only point the House has to decide in regard to Subclause. If the House is satisfied that the privilege that it is proposed to give to the small mine does not involve any hardship on the big mine, then it will doubtless consider that this is a fair and reasonable contention. Subclause 5 provides—

Any submission to arbitration under this Act shall be to a single arbitrator to be agreed upon, or, in default of agreement to be nominated by the warden of the goldfield in which the mines are situated.

And Subclause 6 provides that—

The arbitrator shall be a mining engineer or a mine manager of at least five years' standing.

That provision affords ample protection against anything improper being done, or anything being done by a person who does not understand the question. I trust I have made the position clear to the House. Until the 16th of the month, the pumping at Westonia will go on under the arrangement arrived at by the court. If before the 16th of the month the Government are not armed with these powers, then I do not know what may happen. It will be competent for the Edna May company to dispose of its machinery, to cease pumping, and to do whatever it pleases. There will be nothing to prevent it and it will apparently be impossible for the other three companies to come to terms. The question is, whether it is worth while to make the effort to save this community of 1,400 people. According to the State Mining Engineer there is a prospect of success. I maintain that it is worth the Government's while to take this matter in hand. After all,

the Government will be protecting what is the property of the State and will see that the mines are not wantonly sacrificed. Of course powers of this kind may be abused, but if they are properly exercised they will be proper powers for the Government to have. I move—

That the Bill be now read a second time.

Hon. H. MILLINGTON (North-East) [5.2]: I support the second reading of the Bill. I am not acquainted with the case as set out for the Westonia Goldfield, but the Minister has made the position so far as that place is concerned perfectly clear, and he has shown the necessity for dealing with the matter immediately. What interests me is the difficulty that has arisen at Comet Vale. For some time past an endeavour has been made to keep the Gladstone mine working. The position is that the Sand Queen for quite a number of years has employed between 60 and 70 men. It was a very prosperous mine for a time. The Gladstone mine has been working alongside the Sand Queen for a similar number of years and that property has employed about 30 men. Even last year the Gladstone treated 5,300 tons of stone for a return of 4,426 ounces. The difficulty that has arisen is that the Sand Queen Company have abandoned operations owing to an inflow of water. They were working at the 800ft. level when operations ceased. Since then the water has risen in the Sand Queen and it is now flowing into the Gladstone. That mine has no arrangements for pumping and they have been bailing the water merely with buckets and they find they are unable to cope with the inflow into the workings.

Hon. Sir E. H. Wittenoom: Is it running over the top?

Hon. H. MILLINGTON: No, but it is finding its way into the workings of the Gladstone through various channels, and having no pumping plant, the Gladstone people are experiencing a difficulty in continuing their operations. The proprietors of the Sand Queen have made a statement to the effect that they do not wish to continue to work their property, and they have applied for the surface rights as a tailings area. We do not know whether this is merely a subterfuge, but the fact remains they refuse to take the responsibility. At the same time, they have refused the Gladstone Company the right to secure the shaft so as to prevent the water from rising. Under the existing Act the Government have no power to step in and assist the Gladstone. The Bill before the House will give the Government the power to make the necessary arrangements to cope with the flow of water, and will allow the Gladstone company to work again. At the same time, the Sand Queen have adopted a dog in the manger policy, and by means of the Bill before the House it will be possible to do something which cannot be done as matters are at present. If the Bill is not passed, the Gladstone will have to shut down

although the owners are very anxious to continue work. Under Subclause 4 power will be given to deal with this difficulty. Comet Vale has been a flourishing out-back town. The Sand Queen and the Gladstone companies between them employed over 100 men for a number of years and many of those working people are family men and having made their home at Comet Vale, it was almost a disaster when the Sand Queen closed down. Now it means that if the Gladstone is compelled to close down, the whole town will have to go practically out of existence. The place has been depending to a great extent on these two mines. An endeavour has been made to arrive at an amicable settlement and there has actually been a law case, but owing to the attitude of the Sand Queen owners it is impossible for the Gladstone to arrive at any agreement whereby they can work their mine. Under the Bill, arrangements may be made to have access to the Sand Queen shaft. If that can be done, it will be possible to prevent the water from rising to such a level as to do much damage to the Gladstone. At the same time, any action that may be taken will certainly not do any damage to the property of the Sand Queen company because they are standing back; they have nothing to lose. It is ruinous, however, to the Gladstone company who are anxious to continue work. Even if it were only for the sake of enabling the Gladstone company to continue operations, the Bill would be justified, but the Minister has made out a strong case for the Westonia mines and it is quite safe to recommend the measure for the favourable consideration of the House. We are assured that no power exists at the present time to enable the Government to take the necessary steps. For that reason, it is important that this legislation should be passed.

Hon. Sir E. H. Wittenoom: Is pumping machinery still on the Sand Queen?

Hon. H. MILLINGTON: I do not know. I think they too baled water out with buckets. I hope under the powers set out something will be done which will enable the Gladstone mine to keep going and also that some benefit will be derived from the legislation by the Westonia field.

Hon. J. J. HOLMES (North) [5.13]: The House I am sure will forgive me for rising to discuss a Bill affecting mining. I do not propose to discuss the mining aspect of the measure at all. The point I wish to raise, and I am entirely depending upon my memory, is the result of a conversation that I had a few months ago with the owners of the Sand Queen mine, Comet Vale. They are next door neighbours of mine in Dalgety's Buildings. What I gathered from that conversation was that they had abandoned the Sand Queen because they were flooded out. If they have machinery there which is necessary for the life of the goldfield, the Government are entitled to ask for power to purchase it in order to keep the district going.

If it is proposed that the Sand Queen, which has been abandoned—

The Minister for Education: They have not abandoned it; they are keeping a sufficient number of men to man the lease.

Hon. J. J. HOLMES: In that case they are likely to derive a benefit from the pumping and, that being so, they should participate in the cost. Application was made on behalf of the Sand Queen to abandon the mine, and an application was made for the right to clear up the tailings. Surely we should be interfering with the liberty of the subject if the Crown refused them permission to treat the tailings.

The Minister for Education: There is no suggestion of that.

Hon. J. J. HOLMES: Is the Minister sure I am wrong in saying that the Sand Queen people have been refused the right to abandon the mine and deal with the tailings?

The Minister for Education: Yes.

Hon. J. J. HOLMES: Then I have nothing more to say.

Hon. J. EWING (South-West) [5.17]: I realise it is very necessary, in the interests of the preservation of mining properties, that this Bill should be passed, and I must express surprise that such a measure was not brought before the House long ago. If it had been, the measure could have received more consideration than we shall be able to give it in the time at our disposal to-day. Unless we pass the measure to-day, there is a possibility of the mines being flooded. This is the 13th of the month and, before the House meets again, the mines will be flooded, unless the Edna May people continue their operations in the belief that the House will pass the measure. I give the Bill my heartiest support, and I am sure the Government are justified in the action they are taking. At the same time, I should like to have some information regarding the remarks made by Mr. Millington, concerning the Sand Queen and Gladstone mines. There appears to be a large number of mines which have been abandoned owing to having been fully worked out. I was on the fields 20 years ago and a large number of mines which were working then are not working now, they having been abandoned. Doubtless the mines working side by side should be protected from the inflow of water from one to the other. What is the reason for the Sand Queen flooding the Gladstone mine? The Gladstone mine is apparently more or less a prospecting show.

Hon. H. Millington: Oh, no! It has been going for 10 or 15 years.

Hon. J. EWING: But the hon. member spoke of buckets for taking the water out. That would indicate a prospecting show.

Hon. H. Stewart: No, baling tanks.

Hon. J. EWING: That is a different matter. It is a wonder, though, that they have not installed pumping plant. The question is whether these mines have been properly inspected. If there is a flow of water from one mine to another,

owing to fissures in the country, such fissures must have been noted by the mining inspector. If he realised that there was a danger, it was his bounden duty to report the matter to his chief, and the chief to the Minister for Mines, to see that the Edna May or Sand Queen mines was not proceeding with its workings right up to the boundary to the danger of the adjoining property. That is the crux of the whole position. The Minister should be able to say whether this consideration has been given proper attention and whether the cause is not one of inefficient mining so far as the Edna May people are concerned. It is a very serious position because this same thing might happen all over Western Australia. If defective mining is permitted right up to the boundary line between two properties, one property might easily be the cause of the destruction of the other. If proper provision is not made for the fissures existing and proper steps are not taken to prevent one mine flooding another, it is a serious position. The Minister should be pleased to have this matter brought under his notice and he should be able to ascertain whether this trouble is due to defective mining or not. If there is a barrier between two mines and the water percolates through to such an extent as to cause one to flood the other, it is a state of things which should not occur. However, it has occurred, and the Edna May mine is flooding other mines, so that it is necessary for us to take action. The Bill is a perfectly right one and we should pass it in the interests of the mining industry.

Hon. H. STEWART (South-East) [5.21]: I would not delay the Bill for five minutes except that I may be able to say something which might furnish additional information and perhaps allay some of the anxiety in regard to the passage of this measure. I speak with a full knowledge of the Westonia field extending over some years. Before dealing with Westonia, I should like to emphasise that the Mining Act has already a provision to safeguard such mines as the Edna May and the Sand Queen. If any water has found its way, even through natural underground channels into these mines, and it can be proved to the satisfaction of the warden's court that a particular mine has done work in the way of draining the water which has benefited adjoining mines, such mine can get a verdict for repayment for any benefit conferred upon the adjoining mines.

Hon. J. Nicholson: That is the converse case.

Hon. H. STEWART: Yes. The decisions in the warden's court in favour of the Edna May against the Edna May Central and Edna May Consolidated clearly show that the Edna May company has been draining these two mines. By virtue of legislation already on the statute-book, the Edna May is entitled to be recouped. Now we have the converse case. The Edna May is ceasing operations; the mine is worked out. I can assure Mr. Ewing it is not a case of inefficient mining

or any laxity on the part of the Mines Department. It is simply a case of natural drainage in peculiar geological conditions. As I read the Bill, there will be no hardship or inequity inflicted on the company who have had a successful career and have worked out their ground. This is a field which has been one of the bright spots in Western Australia for some time. In regard to the Edna May Central, which is involved in this matter, so far from being inefficiently mined, I can say the management from all points of view has been most efficient and comparable to anything else not only in Western Australia but, I should say, anywhere else in the world. The proposal is simply that the Government should have power to utilise the plant already there, plant which has proved to be sufficient and efficient, although great demands have been made upon it, and the Government will pay such rent as will be determined. I presume, if it is a case of the company having the opportunity to sell elsewhere, it would be the bounden duty of the Government to exercise the right to purchase on the terms obtainable from the other parties. The Bill determines the position in that the Government can call upon the companies which are benefited to recoup them for the benefits conferred. The information from geological investigation—and the department have done good work—shows that there is no reason why the ore bodies on this field should not persist to great depths. They are comparable with the deposits in Alaska, which have been worked to far greater depths than have yet been reached on the Edna May field. Certainly the ore bodies being worked by the remaining companies, except the Deeps which is on the extension of the Edna May lode, are of a lower grade, but if a co-operative arrangement with regard to their drainage could be effected, there is no reason why, with efficient management, these mines should not continue to work for a considerable time and produce a considerable amount of gold, and benefit not only the shareholders but the State. To indicate the present position, the Edna May Deeps company are treating between 1,100 and 1,300 tons a month, from which they obtain between £3,000 and £4,000 worth of gold; the Central treat something over 2,000 tons a month for £5,000 worth of gold; and the Consolidated treat between 1,700 and 1,800 tons a month for a value of about £2,500. Members can see that, from the point of view of the gold yield, there is an appreciable amount at stake. The problem with which this Bill seeks to deal has been in existence for more than a couple of years on this field. We have been told by the leader of the House, and by Mr. Millington, that it is also one of vital importance in the case of the Gladsome mine at Comet Vale, and at any time similar cases may occur in other parts of the State. I regard this Bill as a useful addition to the existing Act. It will be useful to have in the Act these provisions in order to meet difficult drainage cases, which may from time to time occur on a mining field.

The difficulty in dealing with these matters when mines are in the developmental stage, is to determine what is the flow of natural drainage, and what the amount of benefit conferred. To determine these matters correctly in a court of law is extremely difficult, and people are very chary of going to court unless they feel that they have a case which can be made plain to the lay mind. Recently there was a case in the warden's court between the Edna May Company and the Edna May Central Company, in which the court awarded damages and made an order instructing the Edna May Central Company to pay a certain sum of money monthly to the Edna May Company. Thereupon both these companies sued the Edna May Consolidated Company, the result of the action being that the court determined that a sum of £4,747 should be paid by the Edna May Consolidated Company to the Edna May Company as representing the share of drainage charges up to the 1st April, and also £100 monthly thereafter. Under a settlement made with the Edna May Central Company, the Edna May Consolidated Company had to pay £400 and also £50 per month. These facts show the inter-dependence there has been among these companies. The report by the assistant State Mining Engineer, which was read by the leader of the House, indicates to my mind very clearly what the position is. These companies have been unable to arrive at an equitable agreement amongst themselves. One man puts up the contention that he has absolutely protected his mine. Whether he is correct in that would very soon be made apparent if pumping were stopped altogether in the Edna May Mine. Without wishing to put forward in any way an opinion on that position, I think it must be generally admitted that it is very doubtful whether the contention of the manager of the Edna May Deeps Company would be borne out. Certainly to my mind there is urgent need to pass this legislation to-day. I may point out that the mines are subjected to an unusually heavy flow of water, which is due to a flat granitic dyke that occurs between the 250ft. and 275ft. levels, and runs right through the country like a horizontal sill, but undulatory, running through the various leases. Its extensions towards the various points of the compass are not in any way known. When the Edna May Company went through this sill they got a large quantity of water, which they held in the shaft; but when they drove along their 300ft. level and rose through it, they had an immense inrush, which at the time drowned the pumps. It rose to the exceptional quantity—not exceeded anywhere in Australia at the present time, I think—of 60,000 gallons per hour. That quantity has now been reduced to about 40,000 gallons per hour on account of the drainage of the country. There seems no likelihood of a reduction below that quantity; and, according to their last half-yearly report, it cost the Edna May Company alone £3,500 merely for drainage. These facts show that the circumstances are abso-

lutely exceptional. The water being held up by this horizontal sill is carried along and drained to just such a place as where there is an opening, and that opening occurs in the Edna May Company's mine. Other openings which are put through in a vertical or inclined direction going down from the surface between the 250 and 300 foot levels invariably tap heavy supplies of water. With these remarks I have much pleasure in supporting the second reading.

Hon. J. CUNNINGHAM (North-East) [5.37]: I am pleased that the Minister for Mines has thought fit to introduce this Bill. If such provision as is made in this Bill is not enacted, the inevitable result must be that one mining centre of the North Coolgardie Goldfield will very shortly go out of existence as a gold producer. A few months ago the Sand Queen mine at Comet Vale struck water at the 800ft. level, or perhaps I should say an extra inflow of water. Thereupon mining operations were suspended in order that pumping and hauling might be proceeded with. The result of the inflow at the Sand Queen mine was that the Gladstone mine, which is worked to a depth of 400 feet, became involved in the water difficulty. The Sand Queen mine is down to a depth of 800 feet as against the Gladstone mine's 400 feet; and it will be seen that after the Sand Queen workings became filled to the 400ft. level the water was bound to travel along that level to the Gladstone mine adjoining. As has already been pointed out, the Gladstone was greatly inconvenienced by this inflow of water. Following on that, the Sand Queen company made application before the warden's court at Menzies to surrender the underground portion of their lease. At the same time they applied for a tailings lease, comprising the whole of the surface area of the Sand Queen mine. To my way of thinking, their application was an impossible one to grant. They were asking for something that could not be granted—the surrender of the whole of the underground workings while they retained the whole of the surface area for the purpose of treating tailings. There is no doubt, at least in my mind, that the application to surrender the underground workings was made for the purpose of escaping responsibility for the cost of hauling the water. The warden refused the application for the surrender of the underground portion of the mine. So far as I know the mining laws of this State, no provision is made for such a thing as a tailings lease. I understand there is provision for a tailings area, which comprises about five acres. I am inclined to believe that a tailings area, or two tailings areas, would have been sufficient for the treatment of the sands on the Sand Queen gold mine. However, from the fact that the whole of the surface of the Sand Queen mine was applied for as a tailings area, it is obvious that the intention was to block any other people from coming in with a view to working the mine. It is also clearly evident that there was no desire to surrender the

underground portion of the mine, although application was made in that direction. I think the whole matter can be summed up as an attempt on the part of the Sand Queen company to escape their portion of the cost of haulage of the water overflowing from their mine into the Gladstone mine. Now let me explain how the mining industry at Comet Vale will be affected unless steps are taken under such a measure as this. The Gladstone people, not being in a position at present to cope with the inflow of water, and not being altogether clear as to how they stand with regard to recovering the damages to which they are entitled from the Sand Queen company, have seen fit to make application for exemption. Under our mining laws they are entitled to exemption, seeing that they have worked their property for a period covering several years. The result of the exemption being granted will be that the 25 men employed on the Gladstone mine, and, I may mention, rearing families in the district, will be compelled to leave. And not only that, but the whole of the people in the district, including the business section, men who have put their money into land and stores for trading purposes, will be seriously affected. Therefore I welcome the introduction of this Bill, as I could and can see no possible hope for the Comet Vale mining industry and the people connected with it unless the powers contained in this Bill are conferred upon the Minister to enable him to protect the mines. Mr. Millington and the member for the district and myself approached the Minister only a couple of weeks ago, and I am glad that he has taken the matter up, the result being the introduction of this Bill. I feel confident that the second reading will be passed and that the Bill will become an Act, as the necessity for this legislation is realised to the full.

Hon. J. MILLS (Central) [5.44]: I do not wish to impede the passage of the Bill in any way, but I would like to know from the leader of the House whether the measure contains any provision for payments to the Government in respect of services they will render the mines, and whether, like wages, such payments will be a first charge upon gold produced? Or are these debts to the Government to represent a mere L.O.U., while shareholders derive fine profits, the State eventually proving the same good old milch cow?

Hon. J. W. HICKEY (Central) [5.45]: I have not any personal knowledge of the two cases mentioned here to-day, that is the Edna May and the Sand Queen, but I welcome the Bill as containing provisions which, I think, should be included in all mining Acts. Although having no personal knowledge of these particular localities I have knowledge of other localities where something of the kind has been very necessary. On many occasions the waterflow in one mine has overcome an adjoining mine to the detriment of the industry generally, and it has always appeared to me that we

should have some legislation of this description to solve the problem. I can see difficulties, but then almost every measure introduced operates harshly on someone. It is provided that the arbitrator shall be a mining engineer or a manager of five years' standing. That is a very good provision, one which I think could be followed with considerable advantage in other directions, notably in the Arbitration Court. It is only right that the arbitrator should be a man of experience, with a knowledge of the industry, and a fair all round general knowledge. The case at Black Range referred to by the Minister is a case in point. Had the Bill been in operation on that occasion we should have had a flourishing field at Black Range to-day. I know an instance of one mine practically living on the back of another mine which happened to be the deeper. It is not necessary to have fissures through the mines, or connections, for one mine to flood another. At Westonia it is almost the same line of lode, and naturally the same water channel, and in consequence the water will flow from the Edna May into the other mines. It is only reasonable to suppose that the mine which ceases operations, if it be the deepest, will soon flood the others. If I thought the Bill was going to work an injustice I would hesitate before voting for it, but I cannot see that it will operate harshly, because those concerned will only pay pro rata for the benefit they receive under the Bill. As a practical mining man of experience in connection with this subject, I welcome the Bill.

THE MINISTER FOR EDUCATION (Hon. H. P. Colebatch—East—in reply) [5.49]: I think I can satisfactorily answer the few points raised by hon. members. As a matter of fact they have been already answered by other speakers, men of practical knowledge. The point raised by Mr. Ewing I feel sure has been answered by Mr. Stewart. The position is not that any trouble has arisen through faulty methods. As long as the big mine was at work it had to keep down the water for its own sake. The difficulty has arisen through the cessation of operations. The point raised by Mr. Holmes has been answered by Mr. Cunningham. The position was that the Sand Queen applied for the surrender of the lease as a gold mining lease, but wished to hold the whole of the surface. The refusal was, not by the Government but by the warden, who said it would mean cutting off access to the mine itself. Still, no obstacle has been thrown in the way of the company treating their tailings. Several interviews have taken place between the Minister and representatives of the two companies, but, unfortunately, they have not been able to come to an understanding. On the Sand Queen they have no pumps, but they have winding machinery which can be used for the purpose of hauling water. The point raised by Mr. Mills is answered by

that provision in the Bill which prescribes that the amount so apportioned shall be a debt due to the Crown. The Crown, of course, will have the right to enforce payment. Even if it should happen that one of the mines was unable to pay its proportion of the expenditure for a month, it would be a perfectly legitimate use of the Mines Development Vote. And, as I pointed out, this will only be done if it is demonstrated that it pays to do it. It will not be carried on permanently, except on a business basis. The only other point is that raised by Mr. Ewing. I regret the necessity for asking the House to pass the legislation quickly, but I should like to inform members generally how the position has arisen. Only a few days ago it was thought that by negotiations between the different companies an arrangement would be arrived at by which they could carry on. On the 3rd inst., this telegram was received from the citizens of Weston—

Edna May closed down and are withdrawing pumps as negotiations have fallen through with the Central, the latter discharging hands end of present week. Situation most critical. If something not done immediately possibility all mines being flooded. Will you send responsible officer at once investigate situation avoid calamity Weston.

On the following day a minute was put up by the Assistant State Mining Engineer, setting out the position. On the next succeeding day he went to Weston. On the 7th inst. he put up that detailed minute which I have read. Over the week end the matter was discussed with the Crown Law authorities and the Bill drafted, and on Tuesday it was considered by Cabinet. Yesterday it passed all its stages in the Assembly and to-day it is here. So it may be safely contended that from the moment the Government found the thing could not be done by negotiation, without Government action, no time has been wasted. I hope hon. members will accept that as a reason for treating this as an emergency Bill.

Question put and passed.

Bill read a second time.

In Committee.

Hon. J. F. Allen in the Chair; the Minister for Education in charge of the Bill.

Clause 1—agreed to.

Clause 2—Insertion of section in Part VII.

Hon. J. EWING: I am very well satisfied with the explanation of the Minister, but I have not yet had it made clear how this water gets into the mine. Mr. Stewart has made an explanation, but I cannot follow him right through. There must be fissures in the country, and the mines must have been neglected, or the water would not get through. Apparently the water is getting

through the ore bodies. It seems to me it represents a great danger to mining, and I think there should be some stronger measure to prevent a possibility of the water getting through.

Hon. J. CUNNINGHAM: How could the mines be ventilated?

Hon. J. EWING: That can be looked to at a later stage. If the mines are permitted to be connected it means a great danger. I am satisfied with the action of the Government but I wish to again stress the point that this matter of the water getting from one to another mine is very serious.

Hon. J. CUNNINGHAM: The mines at Comet Vale are connected by a drive. That connection has been made for the purpose of ventilation. Mr. Ewing is under the impression that it is a dangerous procedure. But it is done in the interests of the health of the men in the mine. It may be done by artificial means, by the installation of a plant for the purpose of pushing air down the mine, but the cheaper and most beneficial way of ventilating the mine is to set up a natural flow of air.

Hon. H. STEWART: On the second reading I pointed out that the water was held up by a flat granite dyke that runs through the country. There is no unsealed connection below the 225ft. level between the Edna May mine and the adjoining mines. There is a connection between the Edna May Central and the Edna May at the 225ft. level. If the water rises to the 300ft. level in the Edna May it finds its way to the 300ft. level of the Edna May Central. By reason of the action which takes place, the water rises to the 200ft. level of the Edna May Consolidated. There are natural fissures in the rock in which irregular ore bodies occur and owing to these irregular ore bodies the water percolates through the natural channels, and these channels evidently offer a means of communication for water between the different mining leases.

Clause put and passed.

Title—agreed to.

Bill reported without amendment and the report adopted.

Read a third time and passed.

BILL—POSTPONED DEBTS.

Received from the Assembly and read first time.

BILL—PERTH MINT ACT AMENDMENT.

Second Reading.

The MINISTER FOR EDUCATION (Hon. H. P. Colebatch—East) [6.2] in moving the second reading said: The purpose of the Bill is to increase by £2,500 the annuity that is paid to the Perth Mint. This institution was established by

the Imperial Government in 1897 at the request of the then Government of the State. It is controlled and managed by the Imperial Government on behalf of the State. The arrangement that was entered into prior to the establishment of the mint was that the State should provide an annuity sufficient to cover operating expenses. It was further provided that the gross earnings of the mint, together with any surplus resulting from the operating expenses being less than the amount of the annuity provided, should be returned to the State. Each year has resulted in a substantial contribution being made by the mint to the revenue of the State. The profit last year, that is to say the gross revenue plus the surplus represented by the working expenses falling below the annuity, was £9,000. When the mint was first established in 1897 the annuity paid by the State to cover expenses was fixed at £10,000. As the business increased in volume and the quantity of work grew greater year by year this annuity gradually rose until in 1905 the last increase of £2,500 was made, bringing the total annuity for the year up to £22,500. The present Bill provides for a further increase of £2,500 which will bring the annuity up to £25,000. Up to and including last year the annuity of £22,500 proved sufficient to cover the administrative expenses, but the expenses have been rising year by year owing chiefly to the rise in the cost of materials during the last year or two. The annuity has been only just sufficient to cover the expenditure, and the present increase is being made at the request of the Imperial Government in accordance with the original arrangement under which the mint was established. The State gave an assurance at the outset that any additional amount that was required would be provided. During the war period there has been no alteration in the scale of salaries and wages, but increases are now regarded as inevitable. This is not a matter for the State Government to decide, but the Imperial Government have decided it and are providing for increases which will necessitate an increased expenditure. Inclusive of these increases, the estimated expenditure for the current financial year is £23,210, so that it will be well below the annuity now suggested. The average profit of the mint for the past three years after paying all expenses, that is the amount handed back to the Government in excess of their contribution, is £8,936. It is not expected that any further increases in the annuity will be required for several years to come. It is necessary, however, that there should be a small margin over the actual estimated expenditure—the balance as explained is returned to the State—to cover the contingent expenses such as retiring and compassionate allowances, which are regulated under the Imperial Superannuation Act of 1909. As occasion arises these charges have to be met. Whenever the annuity is in excess of the amount actually required, the balance is returned to the State together

with the gross earnings of the mint for that period. I move—

That the Bill be now read a second time.

Question put and passed.

Bill read a second time.

In Committee.

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

BILL—INEBRIATES ACT AMENDMENT.

Second Reading.

The MINISTER FOR EDUCATION (Hon. H. P. Colebatch—East) [6.12] in moving the second reading said: Hon. members are doubtless familiar with the provisions of the Inebriates Act passed in 1912. That Act, however, applied only to Government institutions. It was impossible under the existing legislation to apply the provisions of the Act except where the Government were prepared to establish institutions for this purpose. The object of the present Bill is to enable approved institutions for the reception, control, and treatment of inebriates, to be established under the principal Act by any person or body of persons, but subject to inspection by the Inspector General. Provision is made that no person shall be appointed, or continue to be the manager, or to have the chief control of any such institution unless with the approval of the Inspector General. The proclamation whereby any building or place is declared by the Governor to be an approved institution will be revocable. The chief object in passing the Bill is to enable the Government to make use of that very excellent institution, the Salvation Army. In the matter of dealing with inebriates it is open to argument that it would be a good thing if the Government were prepared to establish State institutions for doing this work. I am not for a moment going to dispute that. The fact remains that the Government have not done it, and it cannot be done without a large expenditure of money. At present, and for many years past, the Salvation Army has been doing excellent work in this direction, but without the passing of the Bill the provisions of the Inebriates Act of 1912 could not be applied to an institution of that kind. The real object of the Bill, although no special institution is mentioned, is to enable the Salvation Army institution to be brought under the Inebriates Act in the way I have indicated. I think the measure is one of which hon. members will approve. I move—

That the Bill be now read a second time.

Question put and passed.

Bill read a second time.

In Committee.

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

Sitting suspended from 6.15 to 7.30 p.m.

BILL—LICENSING ACT CONTINUANCE.

Second Reading.

The MINISTER FOR EDUCATION (Hon. H. P. Colebatch—East) [7.30] in moving the second reading said: The object of this Bill is to continue in force the Licensing Act Amendment Act 1914. That measure was passed in the early days of the war for the purpose of giving the Government power to close hotels in any part of the district whenever it was thought necessary. The power has not been frequently used, but there have been occasions when the possession of the power has been of material advantage to the Government. Personally, I think this ought to be a permanent feature of our Licensing Act and that the Government should at all times have the power, in cases of emergency, to close hotels. The object of the Bill, however, is merely to continue the Act until the end of next year. I move—

That the Bill be now read a second time.

Question put and passed.

Bill read a second time.

In Committee.

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

BILL—PRICES REGULATION.

Second Reading.

Debate resumed from the 11th November.

Hon. J. J. HOLMES (North) [7.35]: I desire at the outset to say that it is my intention to oppose the second reading of the Bill, and before I sit down I hope to give ample reasons for having arrived at that decision. I am sorry that there are not more members of the Country party present to-night, because it is my intention to appeal to them to support me in opposing the second reading of the Bill. The introduction of the Bill has had one good effect. It has provided food for thought and room for wide discussion. It also affords the opportunity to point out the fallacy of some of the legislation introduced by this and the previous Government and the effect of the operation of that legislation. In order to show what I am aiming at, I need only refer to the debate which has taken place within the last few days in connection with the Wheat Marketing Bill, and to the desire on the part of the majority of members of this

House to see that the producers of the State get the last fraction due to those engaged in the production of wheat. If it is the policy of this country that the wheat producers shall get the last penny for the wheat they produce, surely those engaged in any other industry, primary or secondary, are entitled to claim that they also should receive the last penny for everything they produce. The object of the Bill is to prevent that. I am sorry that my friend Dr. Saw is not present, because his attitude is somewhat peculiar. He informed me that he was going bald-headed for the Bill. What Dr. Saw said on the Wheat Marketing Bill was that the wheat was owned by the farmer. The farmer wanted the pool and the farmer was entitled to get all he could for his wheat. But on the motion which was before the House yesterday, in connection with the disposal of inferior wheat, he expressed the opinion that it was a scandal that the pool should charge the pig and poultry men in the metropolitan area the price that they did charge for inferior wheat. It is difficult to understand the hon. member in an attitude like that. When the Bill was before the House he claimed that the farmer was entitled to the last fraction. The farmer wants the pool and Dr. Saw claimed that he should have it and get all he could for the wheat. But when his constituents in the metropolitan area squealed the hon. member thought it was an iniquitous thing that those people should have to pay as they did for their wheat. He should know we cannot have dear wheat and cheap fowl feed. My attitude on the Wheat Bill was quite consistent. I opposed State guarantee for the pool without the consent of Parliament, but when it came to the point that the House decided by a big majority that the present system should continue, and there was an attempt to rob the pool of what the House considered to be its just rights, I refused to be a party to that. The wheat is the security, and once begin to interfere with wheat security, or any other security, we do not know where we shall end. My friend Dr. Saw objects to price-fixing, but the profession to which he belongs, I think all will agree, is a close corporation and, like the merchants and storekeepers, most of them have to satisfy their clients. If a person goes to a doctor and says he feels out of sorts, perhaps because he has been eating or drinking too much, and not taking enough exercise, if the doctor told him to take exercise and leave medicine alone, the patient would think little of the advice. The doctor has to provide what the public desire.

Hon. J. Nicholson: I am sorry the doctor is not here.

Hon. J. J. HOLMES: It is not my fault that he is not here. However, if he is interested in the remarks I am making, he can read them in "Hansard." I may cite my own case. Some time back I had occasion to consult a physician and he told me that I had a floating kidney and he would per-

form a slight operation at a cost of 50 guineas, and I would be all right. I went to New Zealand, however, and while there consulted a medical man who was brought out by the New Zealand Government to cure people, and he said that I had a strained muscle and recommended electric battery treatment. I followed that advice and recovered. That looks very much like an instance of what might have been profiteering. Take the merchants as another instance. They have to provide what the public want. The trouble is that the public are too ambitious and some of them have too much money to spend. If a lady buys a pair of silk stockings for 6s. 11d.—

Hon. J. P. Allen: 16s. 11d.

Hon. J. J. HOLMES: Well, say, 16s. 11d., and she takes them home and shows them to her lady friend next door, that lady friend must go one better. She will proceed to the shop and ask for a pair of stockings. She is shown those that are worth 16s. 11d. but she asks for something a better quality or she must go elsewhere. The storekeeper opens another parcel of stockings of exactly the same quality, and he asks 18s. 11d. for these. The lady willingly gives that sum for them, and she goes away quite satisfied, and the storekeeper makes his profit and satisfies his customer. The leader of the House dealt the other day with the question of wool, and he spoke of the advantage the wool pool had been to the State, and members of this House are suggesting a wool tax. I dealt with this question also the other day, but I would like now to incidentally mention that one cannot pool wool and fix a fair price for it, and allow the Imperial Government to take the wool and charge an enormous price for it, and pay increased cost for manufacturing at the other end of the world, and expect to get cheap clothing in Perth. That is what the Bill aims at, but all will admit that it is impossible. What I mentioned yesterday in regard to wool is also worth repeating. There are one and a half million bales of wool in Australia which have been bought by the Imperial Government for something like between 30 and 40 millions sterling. Now, the Imperial Government have to ship and realise upon that before the next season's clip can be dealt with. Hon. members will see that they should pause before imposing a wool tax. There seems to be an opinion abroad that we have only to ruin every industry in the State and in that way make the State prosperous. It is beyond my comprehension, but on reading speeches which have been made we are forced to arrive at that conclusion. What is the Australian policy? It is to ensure to the producer the last penny and the last fraction for everything produced. It has been stated by the Prime Minister and the Federal Government that they are out to see that the rabbit catcher gets the full value for the last hair on the last rabbit. If this is to be so, coupled with the fact that we have to pay for all the strikes that are taking place, and to pay the high wages and

the cost of the absurd conditions that are being imposed, how in the name of common sense can we have cheap living or cheap anything? Sir Edward Wittenoom said that he would support the Bill if he could find any profiteers. I can find profiteers, but not in the quarter expected; in fact, in the very opposite quarter. The greatest profiteer I can find in this country—and the country present is full of them—is the workman who stands up and deliberately declares he is going to get every penny he can extract from the employer legally or illegally and do as little as he can in return for it. If a merchant or storekeeper made a statement like that, he would probably be put against a wall and shot. But the great working elector of this State publicly declares he is going to have every penny he can get for his labour by any means whatever, and is going to give the least possible return for it. I charge men of that description with being the greatest profiteers in the country. Another profiteer is the member of Parliament who argues and beseeches people to return him to Parliament at a salary of £30 a year and, when he gets there, starts out to secure £500. I look upon him as a profiteer and nothing else. If he is not satisfied with the £300 a year, there is the alternative; he can go back whence he came. Judging by the number of candidates for recent vacancies, there will be a rush for the positions at £300 a year. The other profiteers are the Government of this State. I shall quote figures, before I sit down, which will probably astonish the House as to what the Government are doing in connection with the trading concerns. It may be construed to be legitimate business, but are the Government to be allowed to do this kind of thing and the general merchant to be prohibited from doing the same thing? This Bill, among other things, aims at compelling the merchant or manufacturer to sell his goods at the prices fixed. If the merchant is compelled to sell his goods at the prices fixed, to be logical we must compel the labourer to sell his labour at the price fixed. I shall never agree to either of these proposals. I do not agree with the idea of compelling a man to sell his goods at less than the price he fixes. If the public do not want his goods, they need not buy them. Neither will I be a party to compelling a working man to sell his labour, because that would amount to slavery. We fix the minimum price at which a man shall work, but we do not compel him to work. The Government allow him to prevent the other fellow from working, which is absolutely wrong. The Arbitration Court says that if a man works, he shall not work for less than a certain rate of wages, but we do not compel him to work for that rate; we leave him a free agent. My contention is that the manufacturer should be put in the same position. The Bill attempts to prevent people from fixing minimum prices at which goods shall be sold. This is an injustice, surely. The manufacturer puts a decent line on the market. He works out his figures and con-

cludes that he cannot sell the article for less than a certain price, and if he cannot get that price he does not want to sell the article or even manufacture it. We propose to prevent him from taking up that attitude, but I do not think the Government realise the true position. The manufacturer of proprietary articles, unless he protects himself in this way, will find his goods starved off the market. Say a merchant puts up tea and fixes a fair retail price, and the public want the article. A retail merchant might put up a similar line in opposition and tell his salesman to push his own article. He cuts the price of the other manufacturer's article than on the market and loses on the good article, which the public want, to such an extent that the other traders will not stock it, as there is no profit on it.

Hon. R. J. LYNN: He wants to kill it.

Hon. J. J. HOLMES: Yes. He is losing money by the transaction. His object is to get the article off the market in order to get his own on the market, and so he cuts the price. Others will not handle the tea because they will not have it said that a certain storekeeper is selling it at 1s. 3d. a pound when 1s. 6d. is the legitimate price. This is the sort of thing we are asked to encourage to give the public cheap food. I listened with great attention to the speech of the leader of the House. On more than one occasion I have credited the Minister with the ability to make black look white and white black. Whether this Bill is black or white and whether that was the disadvantage he was labouring under, I do not know, but I have never heard the leader of the House to such disadvantage when he introduced this Bill. I am certain his heart was not in it, because, to use a biblical quotation, we are told that "out of the abundance of the heart the mouth speaks." In the hon. member's remarks there was no evidence of abundance of heart. I am certain that the Bill is likely to do considerable harm, and that no good can result from it. I should like to draw attention to some remarks made by the hon. Mr. Pantou. Mr. Pantou is a direct representative of Labour, and is the latest acquisition to this House. He said, "My chief reason for asserting that this Bill will not be effective is that Western Australia is almost entirely dependent upon outside sources for its commodities. The measure therefore will give no power to control prices." Then he finished his speech by saying "I am satisfied if the Bill is passed that, after 12 months' operation, the public will be so disgusted that they will resort to co-operation." This is Mr. Pantou's opinion of the Bill. We shall hear presently what the leader of the House has to say about it. The Minister said the Bill was introduced, amongst other things, to satisfy the ungrounded suspicion on the part of the public. I ask members are we to introduce Bills and appoint Commissioners and give them power to appoint assessors and create

another department—I think we have already created two new departments this week—in the words of the leader of the House, to satisfy the ungrounded suspicion on the part of the public? If I can get any support, there will be no price-fixing and no commission. The Minister referred to what had happened in England and compared it with Western Australia. Surely he does not think he is a schoolmaster and is talking to a lot of schoolboys. Fancy comparing Western Australia, which manufactures practically nothing, with England, the great manufacturing centre of the globe. And he followed it up by telling us that under price-fixing in England, the prices of goods have come down 25 per cent. He overlooks the fact that England was engaged for four or five years in the manufacture of goods for destruction and not to meet the requirements of the people. Now the war is over and business is returning to ordinary channels, prices have come down again. But fancy comparing England and other great manufacturing countries with Western Australia, that manufactures practically nothing, and depends on overseas for 75 per cent. of our requirements! We have evidence that primary producers in England during the war and since have received the greatest encouragement down almost to the last penny and the last fraction to go on producing.

Hon. H. Stewart: Sir Edward Wittenoom did not hold that with regard to pastoralists.

Hon. J. J. HOLMES: I am not bound by Sir Edward Wittenoom's opinions. I am not a member of the Country party even. I can do and say and think as I like. It is unfortunate that the hon. member is in a somewhat difficult position, but that is his misfortune.

Hon. H. Stewart: It is not a misfortune.

Hon. J. J. HOLMES: It is not a position I should like to be in. All the commodities of which we in Australia have fixed the prices—wheat, flour, bread, and sugar—things with which we have been tampering by legislation during the last five years, are dearer now than ever before, and are likely to be dearer still while they are bolstered up in the manner they are. The Bill aims at achieving something which the leader of the House and the Honorary Minister contended was impossible in connection with the handling of the inferior wheat. I insisted on them taking up this attitude; perhaps I had some ulterior object in view. They claimed, as I claimed, that it was impossible for the Government to get hold of this inferior wheat, classify it, and fix the price of it. They had the advisory board to help them, and with the assistance of the board they said it was impossible. Under the Bill the Government are to have the assistance of commissioners to fix the prices of all commodities; but if it is impossible for the Government to fix the price of inferior wheat with the assistance of the advisory board, it.

will be impossible for the Government to fix prices for all commodities with the assistance of the commissioners. Here is another point: The commissioners can recommend to the Government only what the prices shall be. What knowledge of trade in general have the present Ministers? I do not know that any of them could analyse a merchant's stock and say what any portion of it should be valued at. I had 10 years in a general retail business before ever I took up the meat business, concerning which we hear so much in this House. I have sold everything from split sheoak shingles to silk stockings, and I would not attempt to undertake what the Government propose to do under this Bill. I will tell them some of the troubles they will encounter when they come to deal with the meat question, to say nothing of general commodities. Still, there is nothing that some people will not attempt. In connection with the question of price-fixing I may say, in an Irishman's phrase, that the Government "do not know enough of the subject to know that they do not know anything." Legislation of this kind might have been justified in war time; but how in the name of common sense can it be suggested that this legislation is still necessary when we know that the solution of the trouble is that trade shall be allowed to resume its normal channels at the earliest possible moment? If this were a manufacturing community, I could understand the Government's attitude; but the Lefroy Government, of which the leader of this House and Mr. Baxter were members, started out to encourage primary industries. Mr. Robinson, when Minister for Industries, filled the columns of the Press with new enterprises that were to be established. Under this Bill, however, the Price Fixing Commission are to fix prices for the Western Australian manufacturer and limit his profit. On the other hand, the manufacturer in the Eastern States can send his goods here, and fix his own prices before sending the goods. The industries concerning which we have read so many newspaper reports will, if they have been established, be destroyed by this Bill. The Price Fixing Commission, without having all the facts before them, will attempt to deal with those industries; but the Eastern manufacturer will fix his own prices, and on those prices the merchant here will have to buy. In introducing the Bill the leader of the House claimed that in connection with wheat there had been accomplished what he had thought impossible: the Government had fixed a minimum price. But how did they fix it? By restraint of trade. We had evidence of that yesterday. The present Bill aims at preventing restraint of trade. How Ministers can take up such an attitude is beyond my comprehension. Unfortunately, the leader of the House is ruled by a majority elsewhere. This Bill is certainly not what we would have expected from a gentleman occupying his position in the State. The

measure proposes to provide cheap goods for the consumer. The policy of the country, so far as I understand, both from the State and Federal standpoint, is to secure the highest possible price for the producer. How in the name of common sense can we have the highest possible price for the producer and at the same time cheap goods for the consumer? We have heard a good deal on the subject of meat in this House, and for the nine hundred and ninety ninth time I should like to say that it is about 15 years since I finished with the retailing of meat. When the Minister for Labour of that day, Mr. Holman, wrote me a letter asking why I had sacked a butcher boy—this at a time when I was employing 39 managers with a head office in Perth and another at Kalgoorlie—I thought it was up to me to get out of the business; and I might say that those that followed me came to the same conclusion. In fact, the company that bought me out, lock, stock and barrel, offered to sell the business back to me within three months after taking possession. In order that the leader of the House, when he replies, may tell me whether the Government operations in meat represent legitimate trading or profiteering, I will refer to the manner in which the meat business at Wyndham has been handled. The Government have been buying 600 lb. bullocks at Wyndham at 22s. 6d. per 100 lbs. or £6 15s. per head. The value of the hide is £3 5s. In a perfectly legitimate way the Government have sold hides by auction at Fremantle at £3 15s. These hides were brought to Fremantle by State steamers. I will allow 10s. for freight on the hide, and for selling commission, etc. The hides, I say, realised £3 15s. However, I put the value of the hide at £3 5s. Next I take the value of the "fifth quarter," which consists of the tallow, dripping, tail, head, feet, tongue, tripe, and so forth. That fifth quarter is worth £2 5s. Thus the Government get a bullock for £6 15s., and, without taking into consideration the value of the meat, they obtain a fifth quarter worth, with the hide, £5 10s. That gives them 600 lbs. of beef for £1 5s., or at ½d. per pound. The Honorary Minister can note down as many figures as he pleases, but I know exactly where I am. The Government get 600 pounds of beef at ½d. per pound. To this cost must be added the cost of slaughtering and treatment. I do not know how best to arrive at that cost, except in this way: Assume that the freezing works cost £750,000, and assume that six per cent. interest and sinking fund is required on that amount. Then we must allow a charge of £2 per head of the total number of bullocks treated, in order to meet interest and sinking fund.

The Minister for Education: How many bullocks per year are you reckoning on?

Hon. J. J. HOLMES: About 22,000. That charge, if enforced, will annihilate our Kimberley cattle industry. But, still, there is the position. I take the cost of treating these bullocks at 1½d. per pound. That is £3 15s.

for every bullock slaughtered, frozen, and put into the freezing chamber. This charge brings the cost to £7, comprising cost of meat £1 5s., interest on works £2, and slaughtering £3 15s. I understand that the world's parity for this meat at Wyndham is at least 5d. per pound. In that case the Government will sell 600 lbs. of beef that cost them £7 for £12 10s. That is £5 10s. for slaughtering and freezing, and £7 10s. if we include interest charges on the cost of the works. On the other hand, the man who has nursed and reared the bullock for four years, and has taken the risk of loss by tick and natural causes, and has paid Government land rents, wages, and other expenses for four years, gets £6 15s. Coming now to the canning process, I find a position which is alarming from my point of view. The Government buy the bullock for £6 15s., and they sell the hide for £3 5s. and the offal for £2 5s., and utilize the carcase for canning. The figures I propose to quote, I am sure about, with the exception of the value of the meat extract, as I have not had any practical experience in that line. However, those who do know have assured me, within the last 48 hours, that 10 lbs. of beef extract is obtained from each carcase of beef that is boiled down for canning purposes, and that the beef extract is worth 6s. per pound. We now have £3 5s. for the hide, £2 5s. for the offal, and £3 for the beef extract, or a total of £8 10s., so far, for what has cost the Government £6 15s. They make a profit of £1 15s. on the fifth quarter, less, of course, the expense of handling. And they have the products of 600 pounds of beef ready for canning.

Hon. H. CARSON: Does the bullock remain at 600 pounds all along?

Hon. J. J. HOLMES: I said the products of a 600lb. bullock. And what do we find? We find the Government offering the Fremantle merchants 25 case lots tinned meat in one-pound tins at 15s. 6d. per dozen, or at 1s. 3½d. per pound. In view of that fact, I say it is monstrous, it is a piece of sheer impertinence, for the Government to introduce such a measure as this. Profiteering is no name for their own conduct.

Hon. J. NICHOLSON: Does not the Bill reach the Government?

Hon. J. J. HOLMES: No, the King can do no wrong. A consignment of dripping came to Fremantle from the Government freezing works at Wyndham, and the broker offered it at about 150 per cent. more than ever I sold dripping at when I was in the trade. The attitude of the Government was, "Unless you give so much for it, we will export it." They were prepared to send the dripping out of the State, so that it might be consumed by the Eastern States at a time when our own people could not get butter and wanted dripping to take its place. And this is the conduct of a Government who have the audacity to introduce into this Chamber a Bill to fix prices. Now we come to the question of fertilisers. Companies in Fremantle have, I believe, been

charging from £13 to £15 per ton for fertiliser, and the Commonwealth Price-fixing Commissioner, when he was in existence, requested them not to increase the price as the Federal authorities did not want food production to be interfered with or retarded. I am not sure of these figures as I am of the others, but I have been told that the Government of this State have been selling their fertiliser at £20 per ton while private people, at the Commonwealth Commissioner's request, have kept their price down to £15. It seems to me that what we want is a Bill to restrict our Government's profiteering, and not a measure to prevent profiteering by private traders. In connection with cheap food for the public and the Wyndham Freezing Works, let me mention the wages paid to the men employed at the works. They are monstrous wages, and such as would kill any industry. I understand the employees of the works had their fares paid to Wyndham and back again, and that their wages started when the men left Fremantle and continued until they got back there. Some of the slaughtermen, it is stated, earned as much as £14 per week. How is it possible to pay a slaughterman £14 per week, and provide him with electric fans and baths and the most up-to-date accommodation and still supply meat cheaply? The effect will be to kill the industry or starve the public. Some of the men who pioneered the North 35 years ago had not more than £50 to start with. They pooled that with half-a-dozen others, and their wages amounted to perhaps £1 per month each. The men to-day earn £14 a week—more than the pioneers earned in a year. Some of the boys who went up for a few months to do odd jobs about the freezing work have come back with cheques in the vicinity of £200 and have gone East to spend it. Yet we talk of providing the public with cheap meat! The Government so anxious about the public receiving cheap food have before them a letter which I wrote dealing with the whole of the meat question. I wrote to the Premier, to the leader of this House, to the Attorney General and to the Minister for Works. That was two months ago. Not one of them have replied. With the permission of the House I will read what is practically the same letter. Presumably the Government know more about the business than I do. However, I have already stated they do not know enough to know that they do not know anything about matters of this kind. There are other matters on which, of course, they could buy and sell me. I was tempted to say, "as, for instance, matters such as hood-winking the public," but perhaps that would be unparliamentary.

The PRESIDENT: Absolutely.

Hon. J. J. HOLMES: My letter reads as follows—

The question of the control of the Fremantle Freezing Works, involving as it does, the much larger matter of the returns which our primary producers will re-

ceive for their flocks and herds is to me a matter of such moment, that I address myself to it again in the hope that it may not be too late to awaken the people and the Government of the State to the danger of the present situation. At the outset I concede that the majority of the original shareholders have acquired shares with the one and only desire of establishing freezing works at Fremantle, which as well as being profitable, may be of benefit to the community. The fact, however, remains, that shareholders come and go, shares can and will be bought, sold and transferred. This concession goes on for 99 years. The far-reaching effect of the concession granted to the above company by the Lefroy Government, and the manner in which the concession is likely to affect the primary producers of this State for the next 99 years is my excuse for addressing you on this subject. As to my qualifications to deal with a business of this description, I would point out that when the Lefroy Government requested the Pastoralists' Association, to appoint two representatives to confer with the Government and evolve a feasible, equitable and workable scheme, the Pastoralists' Association selected the late Mr. J. O. Giles and myself as their representatives. The scheme put forward by the Committee, which consisted of the Hon. R. T. Robinson, Hon. James Gardiner, Mr. Cotton, Mr. Giles and myself, provided that the proposed company should treat live stock on owner's account, and only buy live stock when necessary to carry on the works. The concession granted by the Lefroy Government is the exact opposite, namely, the company is to buy and only treat on owner's account when the works are not otherwise engaged. The company referred to have secured a lease from the Crown of what is acknowledged to be of the best and practically the only suitable site at or near our principal port of export for a period extending over 99 years and the Government have also agreed to advance to the company a considerable amount of money at 5½ per cent. The company having acquired these exceptionally favourable terms and conditions, the point to be considered is, what is the company going to do in return for this concession? The answer is that the company will be in a position to buy the meat products of this State at their own price. As evidence of the strength of the position now held by the promoters of this company, I would point out that they have issued a circular to prospective shareholders in which the following paragraph appears:—"That preference either in the purchase of stock or treatment on owner's account be given to the shareholders." From this it will be seen that those who are fortunate enough to be in the position to secure shares in the company (whose business is

to be conducted on Crown lands and 50 per cent. of the capital provided by the Government) are to receive preferential treatment on the question of price to be paid for live stock, or if the company condescend to treat on owner's account they undertake to give shareholders preferential treatment. We are all agreed that the solution of the agricultural problem in our agricultural areas which extend over that vast area between Geraldton and Albany is "mixed farming, wheat and sheep." We know the difficulty that thousands of deserving farmers are faced with, and the Government recognising this are arranging to provide these deserving people with sheep for breeding purposes, but, the Government as mortgagees and the farmers as mortgagors will find when the progeny of these sheep reach the Fremantle Freezing Works (not 99 years hence but, say, three years hence), that the company which comes into existence on Government lands and Government money, will be in a position to offer these deserving people any price the company choose and, as the controlling buyers, compel acceptance for purchase of sheep and lambs or, if the company condescends to treat on owner's account, the company may charge a higher rate for treatment to non-shareholders than the price to be charged to the fortunate and wealthy shareholders who hold scrip in the concern. The answer will be that some other company can start in opposition and regulate prices. To this I reply that if a company or firm, with a capital of say, five, 10, 15 or 20 thousand pounds should be profiteering or acting unreasonably there is a fair number of business people similarly situated, from a financial standpoint who would go into competition and regulate prices. But the amount of money embarked in this company will not be less than a quarter of a million in the course of a year or so, and it is a very difficult matter to secure a quarter of a million to fight a quarter of a million. The general result is for two parties controlling capital of such magnitude to combine, make a common capital and continue the fleecing policy. It is objectionable that absolute economic control of vital commodities should be possible to a company which purchases its land and provides the whole of the capital necessary to conduct the business, but what shall be said of a company brought into existence on Crown land with 50 per cent. of Government money, which is given a charter that enables it to do so? Apart from the question of sheep producers in the South, there is the question of the development of our great Northern sheep and cattle producing areas. In normal seasons, sheep are travelled south in tens of thousands, and in normal shipping times thousands of sheep are brought south by steamers. With the increase of our flocks, this means a growing surplus

for export, and when the works are established and the requirements of the local markets are met, producers whether of the south or the north will have to deal with the company as the only buyer, for the reason that the company has only to declare that the works are otherwise engaged and thus prohibit competition in the question of purchase, and those who desire to arrange for treatment on owner's account will be debarred by the knowledge that the company may refuse to treat. The same remarks apply to cattle produced in West Kimberley. East Kimberley has its own freezing works, and Queensland buyers will assist in establishing equitable prices for cattle produced in that area. West Kimberley, whose port of shipment is Derby, if given shipping facilities, can, during the winter months, supply the southern markets with cattle and provide considerable surplus for export, and with the development which must take place in that rich cattle-producing territory, there will be an abundance of beef for export. These cattle will, for many years to come, be brought to Fremantle by steamer. The cattle required for local consumption will be sold to those engaged in the wholesale and retail butchering business, and the cattle to be slaughtered for reserve supplies or export will have to be handled at the Fremantle Freezing Works, and it will be noted that it will only be when the local supply of beef exceeds the local demand that freezing will be embarked upon, and then the company will have the people who have assisted in the development of Kimberley and those of our returned soldiers and others who will now or hereafter start producing cattle in that area (or any other area) entirely in their own hands as they will merely have to declare that the works are otherwise engaged and the company becomes the only buyer of the exportable surplus. On the question of carrying live stock by steamer, I would point out that cattle carried on a well-ventilated steamer on a voyage of, say, four days, from Derby to Fremantle, during which period they are fed and watered, are not likely to suffer or deteriorate to anything like the extent cattle suffer or deteriorate in railway trucks here or elsewhere for say a period of two days, during which time, they are without feed or water and are pushed, pulled and bumped in a manner which even in the best regulated railway services is unavoidable. It will thus be seen that Fremantle is the key to the position, and the concession granted must ultimately become a menace to the producers of the State. The last, but not least reason for asserting the menace of the concession is the fact that large overseas meat companies are using every endeavour to obtain control of Australian and New Zealand meat supplies. The original proposal agreed to by the original committee referred to herein, con-

tained such stringent conditions that it would be absolutely impossible for any freezing company, meat company or any other company to control at our principal port of export. But under the present concession any shareholder is entitled to hold 5,000 shares and in a company with a share list of 150,000 shares, it will be quite an easy matter for from 15 to 20 people to acquire sufficient shares to control the policy of the company, sell the shares to an overseas company and put the foreign holders of our meat works in a position to penalise our producers for the next 99 years. These are a few of the far-reaching possibilities that producers can reasonably expect as the result of losing control of their exportable meat products. It follows that a company which is placed in a position to control our exportable meat products will also be in a position to play an important part in the price to be paid to the producers for local consumption, and also to be in a position to play an important part in the price at which the public of this State obtain their supplies of meat.

As a representative of the North Province, one who has spent the best part of his life in the meat trade, I say that common courtesy should have demanded that a Government so anxious to provide the public with cheap meat should acknowledge my communication. They have not done so. In my experience I have seen three boats arrive at Fremantle with 2,000 bullocks. I have seen the buyer sit on the fence and say, "I do not want them." He would not buy them until he had got them at his own price. I have had cattle in the yard for sale and have had to take anything that was offered. That is a condition of affairs which will occur again as soon as the supply exceeds the demand. When that position does occur we shall have a company in charge holding the key to the position, established on Crown lands and 50 per cent. of the money provided by the Government, and a monopoly established by a Government who are so anxious to provide the people of the State with cheap food. With regard to the question of profiteering, the Minister said, as an excuse for the highest of manufactured goods, that he had not lost sight of the industrial changes in the world and that the industrial conditions were responsible for a great deal of the increased prices. He made no reference whatever to the fact that those engaged in the industrial trades of the country were not only demanding a reward for their services contrary to the laws of the country, but in many instances were refusing to work or to allow other people to do so. These people are not being condemned by the Government, and are not even being made to carry out the laws of the country. This is the Government who ask for power to deal with the labour profiteer, but fail to do so. They want now to deal with the manufacturing profiteer, and they want legislation which, in my opinion, cannot and will not be put into

operation. It will mean a new department and the expenditure of money. There is no doubt that there can be no alteration in the cost of living until, as in the days gone by, the workmen in the country give a fair return for their wages and until they go back to the old order of things and work in an honest and sustained way and are satisfied with a fair thing instead of striking every day in the week for impossible terms and conditions. To-day we find that workmen loaf on their jobs and are responsible for strikes. These are the people who are putting up the cost of production to the community and their fellow workmen. Capital is not employed for health's sake, but in order to make a profit out of it. If labour steals all the profit, there may not be any capital with which to find employment for labour. The leader of the House referred to the value of the sovereign against that of the note issue. He said that we must go on producing sovereigns. I would point out that we are not at the present time producing gold with which to make sovereigns. There is a strike on the gold-fields to-day, and there is no attempt to get the gold with which to make sovereigns. The strike is illegal, but there is no action on the part of the Government to compel these men to work or to allow other people to do so. I would not be a party to compelling them to work, but should be a party to compelling them to make room for someone else who will. With regard to the question of profiteering on the part of the Government, I would point out that the State steamship "Kangaroo," instead of providing foodstuffs for the State and taking away our products during the five years of the war, as she should have done, seeing that she was the only free boat south of the line, has been profiteering in other parts of the world under the instructions of the Government which bring in a Bill to this House for the prevention of profiteering. The Federal authorities also require to deal with profiteers. There is some justification for the Federal authorities dealing with the matter, because they can deal with the whole of Australia in a like manner. Many goods are manufactured in the Eastern States which are not manufactured here. The leader of the Federal Government, Mr. Hughes, announces that he must have power to deal with profiteers on behalf of the Commonwealth. In the next breath, however, he says that he has bought a fleet of steamers, paid for them out of profits, and that he has half a million to spare. That is bringing the politics of the country into ridicule. As a result of the award of the Federal Arbitration Court, the freights and fares between Eastern and Western Australia have been put up 10 per cent. That will, of course, be passed on to the public. How can all these charges be imposed, first an increase in wages, then an increase in freights, and yet cheap food be supplied to the people? The only way to get cheap food in the State

is for the State to produce and the men employed to give value for the wages paid. Any man who is employed in any capacity at all must give a fair return for his labour. When he does that, we will get back to the period of cheaper economic conditions. One of the worst features of the Bill is that it proposes to provide a new department. There are three Commissioners with any amount of authority to spend money. I think they have power to add to their staff as they please, but all they can do is to report to the Government. The Government have to decide whether a price is reasonable or not. Perhaps the leader of the House will explain how the Government are going to decide what is a fair price for all the articles of every-day consumption that are sold in the State. Can we wonder that the expenditure is continuing to exceed the revenue to a greater extent every month, and every year, greater than in the past? We have another flourish of trumpets in to-day's paper to the effect that there is tremendous economy in the adjustment of departments. In company with this adjustment of departments we now find a new department being added, and the result will be that the increased revenue will be out-balanced by the increased expenditure. Parliament is in a measure responsible. The Government and Parliament have paralysed the affairs of the country. Having paralysed the Government concerns of the country, the Government now propose to paralyse the trade of the country with this laudable object of establishing a prosperous community. This Bill proposes to vest in the Government authority, which both the leader of the House and the Honorary Minister stated it was not possible to have in connection with one item in particular, that is wheat. Yet they introduce a Bill to authorise the Government to deal with everything, be it split shea-oak shingles or a pair of silk stockings.

Hon. J. Nicholson: It is to deal with foodstuffs.

Hon. J. J. HOLMES: And necessary commodities. A split shingle was a necessity not long ago when galvanised iron was not obtainable, and silk stockings are a necessity now. The worst feature of all is that the leader of the House says the Bill is introduced to satisfy a groundless suspicion on the part of the public.

The Minister for Education: I did not say anything of the kind. I said that it was one of the purposes it would serve; not that it was introduced for that purpose.

Hon. J. J. HOLMES: It means the same thing, but it is put in a different way. I am not going to be a party to supporting Bills of this kind and incurring additional expenditure in order to satisfy an unjustifiable suspicion. For that and other reasons I have given I propose to vote against the Bill and ask hon. members to do likewise.

Hon. A. J. H. SAW (Metropolitan-Suburban) [8.40]: As I indicated when speaking on the Address-in-reply, I welcome this Bill which the Government then showed that they were going to introduce. I certainly intend to support it. It will be remembered that at the beginning of the war there was a somewhat similar measure to this introduced, and for a period it was the law of the land. Soon after I entered this Chamber this House, in its wisdom, or, as I thought then, in its unwisdom, refused to renew that measure. I might say that one of the reasons which members in this House put forward in advocating the non-renewal of the measure was that they said that the shipping then was free and that the German fleet was no longer a menace to trade. I took upon myself at that time, in September, 1915, to combat that view. At that time the portion of the German fleet which was on the high seas had been demolished and the submarine menace had somewhat toned down. In reply to hon. members I used these words—

The German fleet, although cooped up, may still be a menace (to our trade). We do not know what changes may take place in the range and in the power of German submarines (before the war is over). The menace which existed 12 months ago, although it cannot be so pressing, to my mind still exists.

These views met with considerable derision in the House, and I was somewhat scoffed at for entertaining them. Unfortunately, the views I then expressed came true, with the consequence that we nearly lost the war through interference with our trade. It is true that we are no longer at war and so, perhaps, the reasons which could be urged in support of a measure of this kind do not exist to the same extent. I would point out to hon. members that some of the causes which were operating then still continue to exist. There is still a shortage of shipping and there is still a shortage of commodities. These two factors are undoubtedly playing into the hands of the profiteer. Various hon. members insinuated that the profiteer does not exist. Sir Edward Wittenoom wanted to know what a profiteer was. When I heard him make that remark I was reminded of something I heard in England when I was a student. At that time Judge Hawkins occupied the bench and was trying some case in which the name of Connie Gilchrist—who was a well-known actress on the London stage—was introduced. The judge innocently said, "Who is Connie Gilchrist?" And Sir Edward Wittenoom says, "Who is this profiteer whom we hear so much about?" If he wants a definition of a profiteer, that which I will give him is this: a profiteer is a man who seizes on the necessities of his fellow citizens to create undue profits. I do not know whether he would be content with that definition, but I think it is a fair one. He and other members argue that the profiteer does not exist in this State. I admit that the opportunities of the profiteer in this State are limited, but he exists. He exists in other

countries, and is here as well. I would like to refer to the report of the Interstate Commission on the prices of clothing. They mention the fact that the Australian Woollen Mills' profit rose from 13 per cent. in 1914 to 31 per cent. in 1915-17, and the Commission naively say it may be contended that the profits were not in excess of what might be expected under the circumstances, conditions over which they had no control having placed the mills in a most advantageous position. The commissioners are unconsciously humorists, and when I read that I was reminded of the retort Olive made when he was accused of having accepted various lures of rupees from an Indian nabob and he said, "When I reflect on the opportunities I have had I am amazed at my moderation." That is what the commissioners say of the Australian Woollen Mills. No doubt a great deal of profiteering takes place before commodities reach our shores, and I would like to refer to a little paragraph which appeared in yesterday's paper with reference to J. & P. Coates, Ltd. This paragraph stated that the year's profit of Coates' Ltd.—Coates' make cotton—was £3,809,000, and after the payment of the excess profits' tax the holders of ordinary shares received a dividend of 40 per cent., while £2,299,000 was carried forward, making the reserve fund 11 millions sterling. The paragraph adds that it is understood the ordinary shareholders are also receiving 100 per cent. share bonus, and that each £1 share is worth £10. The price of a reel of cotton which in England before the war was 2½d., is now 7½d. in England, and I asked my wife, who knows more about these things than I do, what the price of a reel of cotton was in Perth. She informed me that it was 10½d.

Hon. J. J. Holmes: Will this Bill prevent that?

Hon. A. J. H. SAW: To a certain extent. Mr. Holmes and others seem to think that the same human nature does not prevail within these shores as it prevails elsewhere. It does. The only thing is that the opportunity here is limited. The same greedy mind that likes to fleece its fellows exists here as much as it does anywhere else. The profiteer undoubtedly hits harder the man whose wages are fixed, and I would point out to hon. members that the wages of many tradesmen and Government employees have not been increased for many years. Only two days ago I met a man who is in the Government service and who is a hard working and honest man with a wife and seven or eight children. He told me that 12 years ago his wages were 15s. a day, and he is still in receipt of the same amount. That is the class of man who particularly requires protection. I would like to draw attention to figures appearing in Knibbs' latest quarterly returns. These figures disclose the information that it is necessary to have 38s. 3d. to-day to buy food that would have cost £1 in 1911. I would point this out to Mr. Holmes and Sir

Edward Wittenoom, that whereas in July-September, 1918, 29s. 5d. would purchase commodities which in 1911 would have been secured for £1, it now requires in Perth 38s. 3d. to effect the same result, or a percentage increase since July-September, 1918, of 30. I regret to say that that percentage increase is greater than in any other State of Australia. When I spoke here in September, 1915, I was regarded as a mournful Cassandra. I regret to say that I still have to undertake the same rôle. A great majority of the people of this State are dissatisfied with the position which exists to-day. They believe, rightly or wrongly, that there is profiteering abroad to a certain extent, and they intend to check it, and, although I do not believe that profiteering is as rampant here as it is in other places, because the opportunities do not exist, I believe it does exist to a certain extent. I want to fulfil my rôle of the mournful Cassandra by warning members that if they do not carry out their part by doing what they can to forward this measure, and as far as possible check the evil which is rampant, they will live to rue it. Like the Minister for Education, I believe that to a large extent a measure of this kind will do good by the publicity and fear of the odium which will ensue. The mere knowledge that a man's profits will be disclosed will undoubtedly do a great deal to diminish that which is a grievance. I hope the House will agree to the second reading and pass the measure with such amendments as may be considered necessary.

Hon. J. NICHOLSON (Metropolitan) [8.55]: I have listened with great interest to the addresses which have been delivered at length by Mr. Holmes and Dr. Saw. One is struck by the very interesting contrast between the two. On the one hand we have Mr. Holmes denouncing the Bill from his standpoint, and on the other we have Dr. Saw supporting it. It was announced in the Governor's Speech that it was the intention of the Government to introduce a measure which was designed to provide some protection against high prices, and if possible to bring about the reduced cost of foodstuffs. I expressed my views on the Address-in-reply, and stated that it was my intention to give earnest consideration and support to any measure which would be brought in with such an object in view. Everyone feels how serious the increased cost of living is. It is a subject which has stirred every nation to practically its foundations, and it has been a question which has been a most absorbing one, not only in this country, but in every part of the world. The question as to whether a man is a profiteer or not is one which is naturally bound up in a Bill such as the one we have before us. It is my intention, as I have stated, to support the measure, but whilst I say that, I do not express the view that the Bill will realise all that is expected of it. I think it will fall

very far short. I do not think it will attain the purposes which we earnestly wish. So far as the commissioners who will be appointed under this Bill are concerned, I fear that our State, owing to its isolation and other circumstances, such as our dependence on imported goods, will have very little control indeed in connection with the fixing of the original prices in regard to those articles which are necessary commodities. There are very few commodities indeed of which we are the producers. We can count articles of which we are the producers on the fingers of one hand, but notwithstanding that deficiency there is no reason why something should not be done to, if possible, provide some remedy to cheapen the cost of necessary commodities. For that reason I propose to give my hearty support to the Bill. Mr. Holmes dealt with this question, and laid before us so explicitly his views, that I was somewhat interested in the argument that he put forward with regard to the position of the workman selling his labour, and who is provided for by the Arbitration Court which fixes the minimum rate of pay, whereas in this Bill he pointed out that a maximum selling price would be fixed. I venture to think that that is hardly a fair comparison. There is no doubt, as Mr. Holmes said, that the cost of production, which includes the cost of wages and other things, affects the cost of living. If high wages are paid undoubtedly the consumer, whether a workman or other man, has in common with others to pay the higher rate due to the various conditions which prevail. The comparison between the workman who has a minimum rate of wage fixed and the cost of food for which maximum prices will be fixed under this Bill, is not a fair one. It is essential that a minimum rate of wages should be fixed for the protection of the workman, but if such a Bill as this were not introduced and a minimum rate were fixed, the very thing Mr. Holmes stressed would not be obtained. Instead of the consumer receiving the goods at a fair rate, having regard to the cost of manufacture, etc., he would be paying a considerably higher rate. The two cases are not on a par and therefore do not offer a fair comparison. During the absence of Dr. Saw, Mr. Holmes made reference to a high medical charge which he had had to pay. There is no provision under this Bill to meet such a case. The case of the medical man comes within the same category as the case of the workman, and neither affords a parallel to the purposes of this Bill. The very argument he adduced in connection with the medical man is one which I hope will appeal to him and secure his support for the Bill he denounced so roundly. He states that the medical man charges a very high fee in certain instances. If he considers the medical man guilty of undue profiteering there might be room for him to support this Bill, and in place of denouncing it to move to amend it so that a medical man or legal man who charges extortionate fees may be checked.

Hon. J. J. Holmes: Does the medical man or legal man come within the scope of the Bill?

Hon. J. NICHOLSON: No, he does not.

Hon. J. J. Holmes: Then why argue it from that standpoint?

Hon. J. NICHOLSON: I am merely arguing it to get the hon. member's support for the Bill. The hon. member might move an amendment to bring such cases within the scope of the measure.

Hon. H. Millington: Would you support such an amendment?

Hon. J. NICHOLSON: I do not say that I would or that I would not. I am making a suggestion because of the argument put forward in order to get the hon. member's support for the Bill. I have a cutting headed "Cornering of food," a statement made by Mr. Hoover of America, as follows—

Mr. Hoover speaking on the high cost of living, stated it was largely due to intense speculation in food. Dealers in America and elsewhere were cornering food supplies in order to make large profits owing to the anticipated demands from Germany, Austria-Hungary and other European powers. Large stocks have accumulated in European ports and there is now a danger of their spoiling owing to the inability of potential purchasers to obtain credit.

One might read a great many pieces of equally interesting information, but that I think very clearly puts the position and shows how, in a large measure, the high prices of food have been attained. If we were a manufacturing or a greater industrial centre than we are, we could do much more with a Bill of this nature than it is possible for us to hope to attain. Still, we can at least try to do something, and the Bill will do that limited something which may be beneficial in proving a certain check, although we foresee there is a risk that it may also have the effect of preventing the importation of articles which are probably necessary for the ordinary comfort of life. This however is a difficulty we shall have to bear; we must endeavour to meet such difficulties as they arise.

On motion by Hon. H. Millington, debate adjourned.

BILL—VERMIN ACT AMENDMENT.

In Committee.

Hon. J. F. Allen in the Chair; the Honorary Minister in charge of the Bill.

Clauses 1 to 5—agreed to.

Clause 6—Amendment of Section 94:

The HONORARY MINISTER: I move an amendment—

That the following words be added at the end of the clause, "and is further amended by adding after the word 'destroy' in the second line, the word 'all.'"

When the Bill left this Chamber last session the word "all" was included. It has

been difficult to get effective work under this section. It was pointed out that if the owner destroyed a few rabbits, that would be sufficient to comply with the law. We want the power to keep the vermin down.

Hon. J. Ewing: The amendment does not seem clear. Does it refer to the section of the principal Act?

The HONORARY MINISTER: Yes.

Hon. J. J. Holmes: Is there a definition of vermin in the principal Act?

The HONORARY MINISTER: Yes.

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

Clause 7—agreed to.

New clause:

The HONORARY MINISTER: I move—

That the following be added to stand as Clause 7—"Section 104 of the principal Act is hereby amended by the excision of the words 'the Chief Inspector shall, if so required in writing by the owner of any fence,' and the substitution of the words 'the owner of any fence may by writing under his hand require the Chief Inspector or the board of any district in which the fence is situated to inspect the fence or cause it to be inspected, and the Chief Inspector or board shall.'"

The principal Act provides that the Chief Inspector shall inspect fences. A large number of boards who have been operating under the Act for the past 12 months have strongly urged that they should have the same power as the Chief Inspector to inspect fences and grant certificates. I agree with that view. The carrying of the amendment will put responsibility on the vermin boards.

Hon. J. EWING: The Honorary Minister should inform the Committee whether the boards are worthy of being trusted with this important work. I quite understand that it is impracticable for the Chief Inspector to inspect all the fences.

The HONORARY MINISTER: I regret that Mr. Ewing was not present at the second reading, when I fully explained the position. During last summer a large number of the boards did splendid service under the new Act, as also did many landholders. Unfortunately, when the rabbits had been got down to small numbers, the boards and landholders relaxed their efforts and the rabbits once more gained ground. In the coming year, however, I believe the question will be grappled with more seriously than ever in the past. The department are now putting our rabbit legislation into concrete form for the information of the boards. I have every confidence in the boards.

Hon. J. J. HOLMES: The Honorary Minister's remarks referred to the extermination of rabbits, and this clause deals with fences. The difficulty as regards the boards is that they are out for revenue all the time. A landholder who has a fence certified by the Chief Inspector to be rabbit proof is exempt from rating for vermin de-

struction, but the landholder is liable for the eradication of rabbits. Under the Act the power is reserved to the Chief Inspector to certify regarding fences. Under this amendment all a vermin board would have to do would be to declare a fence not rabbit proof, when the land would immediately become chargeable with the rate. I do not know whether there is any appeal in such a case. The matter is a very serious one.

Hon. J. EWING: That is why I asked the question.

Hon. J. J. HOLMES: Would the decision of the board be final, or would there be a right of appeal?

The HONORARY MINISTER: The amendment is clear enough. The owner may at his discretion approach either the board or the Chief Inspector for a certificate. He can approach the Chief Inspector after he has approached the board.

Hon. J. NICHOLSON: I have compared the amendment with the section in the Act, and I can see that the point raised by Mr. Holmes is of considerable importance. However, I should like to hear some further debate on the subject.

Hon. H. STEWART: I also have compared the amendment with the original section. I cannot see that there is any difficulty. It simply makes provision that either the board or the chief inspector may say whether a certain fence, not in accordance with the schedule is still, to all intents and purposes, a vermin-proof fence. The board is not likely to give an opinion prejudicial to the owner. It is simply an enabling provision affording opportunity for avoiding inconvenience and expense.

Hon. J. J. HOLMES: I do not object to the local authority having power to inspect a fence and report upon it, but I do object to the possibility of the local authority, anxious to obtain rates, certifying that the fence is not rabbit-proof, and as a result rendering the owner liable. I think the responsibility should be on the chief inspector. It is a dangerous weapon to put in the hands of the local authority. If the Minister presses his amendment I will vote against it.

The HONORARY MINISTER: It is optional with the owner whether the board or the chief inspector inspects the fence. I do not think there will be any difficulty about it.

Hon. J. J. HOLMES: I know what is going on in connection with the fences. If the board condemns his fence, has the owner still the right of appeal to the chief inspector?

The HONORARY MINISTER: I see there might be a difficulty there. If the owner appeals to the board, I do not see how he can appeal to the chief inspector.

Hon. J. J. HOLMES: Probably the board will not wait to be appealed to, but will condemn the fence in order to extract rates from the owner. He should have the right of appeal to the chief inspector.

Hon. H. STEWART: If the board did condemn the fence and the owner had not asked for an opinion under the clause, he would be entitled to appeal to the chief inspector. Even if he had asked the board, this clause does not specifically prevent him from then applying to the chief inspector.

Hon. A. J. H. SAW: Mr. Holmes wants it both ways. He wants to be able to appeal to the board and then appeal to the chief inspector.

Hon. J. J. HOLMES: I am merely aiming at protecting the land owner who does not know the law and who starts out by dealing with the local authority. Will he then have any right of appeal to the chief inspector?

The HONORARY MINISTER: There is no direction here. The direction simply is that either the chief inspector or the board may be appealed to. I do not want to mislead hon. members. As there seems to be some doubt about the point, I will agree to report progress.

[The President resumed the Chair.]

Progress reported.

House adjourned at 9.42 p.m.

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

QUESTION—STATE HOTEL, DWELLINGUP, ADDITION.

Hon. W. C. ANGWIN (for Mr. O'Loughlin) asked the Colonial Secretary: 1, Is he aware that owing to the recent fire at Dwellingup State Hotel the manager and staff have to put up with impossible conditions? 2, Will the proposed additions be carried out by contract or day work, and when? 3, Will he see that greater speed is exercised in carrying out this work?