sure, and I will not delay the House very Fremantle lot 871 is held by the Fremantle Literary Institute Inc. solely for the purpose of a literary institute, and is subject to mortgages to the A.M.P. Society and the Commonwealth Bank. The institute wishes to borrow £2,000 from the W.A. Trustee Company, partly to pay off the amounts under the existing mortgages, and to apply the balance to repairs and renovations. As the trustee company, however, will not accept the mortgage subject to the trust, it is desired that a Bill be passed by Parliament to enable the mortgagee, in the event of foreclosure, to take over the land freed from the trust. Members will recall that similar legislation to this has been passed by this Parliament from time to time in respect of other institutions. Bill will give the institute power to borrow money on mortgage in accordance with its rules, subject to the consent in writing from the Governor for the following purposes:-Repayment of money previously borrowed and payment of interest thereon, and the payment of the cost of maintaining, renovating, altering, enlarging, rebuilding or re-placing of any of the buildings, and the purchase of furniture, fittings, books, etc. The Bill sets out the powers and provisions in the mortgage, including power to the mortgagee to sell or lease the mortgage lands or any part thereof in case of default. It also provides that any such purchaser or lessee shall hold the land free and absolutely discharged from any trusts. There is a further provision that the onus of ascertaining that the provisions of this Act or the rules of the institute have been complied with in regard to any mortgage over the lands shall not rest on the mortgagee. The provisions of the measure apply moneys borrowed before mencement of the measure. No borrower would lend money unless the property were free of the trust so that action could be taken in the event of forcelosure. Therefore it is necessary that the premises should be freed from the trust in the event of their having to be disposed of. I move-

That the Bill be now read a second time.

On motion by Mr. Sleeman, debate adjourned.

House adjourned at 10.17 p.m.

Legislative Council.

Wednesday, 23rd September, 1936.

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DEPUTY PRESIDENT—ELECTION OF HON, J. CORNELL.

The CLERK: It is my duty to announce that the President of the Council, Sir John Kirwan, is absent from Perth on public business, and it is therefore necessary for you to elect one of your number to fill the office, perform the duties and exercise the authority of the President during such absence.

The CHIEF SECRETARY (Hon. W. H. Kitson-West): I move-

That the Hon. J. Cornell be elected to fill the office, perform the duties, and exercise the authority of the President during the absence of Sir John Kirwan.

Question put and passed.

[The Deputy Speaker took the Chair.]

QUESTION—PASTORAL AREAS, DROUGHT.

Merino Ewes for Breeding.

Hon. E. H. ANGELO asked the Chief Secretary: In view of the serious losses of stock in the pastoral areas, caused by drought, and the consequent difficulties that will be experienced in stocking up when it breaks, will the Government consider the advisability of taking steps to discourage or even prohibit the slaughtering of merino ewes of ages suitable for breeding?

The CHIEF SECRETARY replied: The Government are particularly concerned about the inevitable dislocation which will take place in the pastoral industry consequent upon heavy losses of Merino ewes during the present unprecedented drought. The Government will do everything in their power to discourage the unnecessary slaughtering of suitable breeding stock but practical difficulties prevent prohibition.

LEAVE OF ABSENCE.

On motion by Hon. H. S. W. Parker, leave of absence for six consecutive sittings granted to the Hon. A. M. Clydesdale (Metropolitan-Suburban) on the ground of ill-health.

BILL—WOOL (DRAFT ALLOWANCE PROHIBITION).

Second Reading.

Debate resumed from the previous day.

HON. H. S. W. PARKER (Metropolitan-Suburan) [4.33]: I oppose the measure for various reasons. I should like to draw attention to the fact that, as regards wool, the buyers fix the price, not, as with so many other commodities, the sellers. Although wool is sold by auction, nevertheless the price to an extent is fixed before the auction takes place.

The Honorary Minister: 'Very often by the vendors.

Hon. H. S. W. PARKER: No, by the buyers. I am speaking of the Australian wool sales. The practice is for English, Continental and American buyers to attend sales with orders to fulfil from the mill-owners in those countries. The mill-owners give the buyers a limit, and the buyers endeavour to buy as much below that limit as they can. If the prices are run up beyond the limit, some buyers do not operate. It may be that at the next sale they will have to pay more; it depends on the general trend of the world markets and as to whether the mill-owners are prepared to pay the price that millowners in other countries are prepared to pay. That fact seems to be overlooked by the growers, namely, that the growers cannot fix the price. True, a grower may, and in fact does, very often, through his brokers, place a reserve on his wool, and if the reserve is not reached the wool is withdrawn from sale. Sometimes the grower is successful in getting a better price at a future sale; sometimes he is not. It may be that, immediately after the sale, he is able to get a better price than was bid at the sale. Still, the maximum price is fixed, not by the grower, but by the buyer.

Hon. J. J. Holmes: That is the same with all auctions.

Hon. H. S. W. PARKER: No, it is not. Consider an auction sale of furniture, where the highest bidder gets the goods. The sale of wool is so thoroughly organised that we have to take that point into consideration. The price fixed by the buyer is the price of the clean, scoured wool contents, not the price of greasy wool. The appraisers go along and appraise what the bales of wool will produce.

Hon. L. Craig: That is, all the wool.

Hon. H. S. W. PARKER: That is what I wish to point out. Let us assume that a bale of wool weighs 337 lbs. and that the price is 1s. per lb. Actually, I believe that at the last wool sales the average price was 1s. 0½d. On the present basis, for the 337 lbs. of wool, the buyer would pay for only 334 lbs. of wool. That is to say, he would pay £16 14s. for the bale, whereas the grower says, "No, you must pay £16 17s. for it." The buyer replies, "I am only prepared to pay for that bale of wool the sum of £16 14s. If you like, I will pay you for 112 lbs. of wool, instead of III lbs., to the cwt., as at present, but to do that I must deduct a certain amount per pound of wool." thing bids are the only bids accepted at a wool sale, the buyer has to knock of 14d. per lb., so that Is. per lb. wool will sell at 11%d., with the net result that %d. per lb. on 337 lbs. is equivalent to 7s. That means 7s. less, which the grower will receive, but he will be paid for 3 lbs. of wool more per bale. Therefore, the grower will lose a little over 4s on the transaction.

The Honorary Minister: You would think the buyers, in that event, would support it.

Hon. H. S. W. PARKER: It is alleged that the loss of what is called the 1 per cent.—really it is less than 1 per cent.—on the wool clip for 1935-36 meant to Australia an aggregate sum of £446,957. Can it be suggested by any member that, by virtue of passing a law such as this throughout Australia, we are going to get £447,000 more for our wool? Obviously, the buyer is not going to pay that extra £447,000 simply because we pass legislation of this description. He is still going to buy the same quantity of wool at the price he gave previously, namely, the amount less that £447,000.

Hon, E. H. H. Hall: There is no harm in trying to get it.

Hon. H. S. W. PARKER: If we can increase the Australian wool cheque by £447,000 per annum simply by a mere legislative act, why not turn round and say, as the buyers have said to the growers for many years past, "No, instead of your paying for 111 lbs. and

getting 112 lbs., we are going to make you pay for 113 lbs. and give you 112 lbs."

Hon. L. Craig: That would be silly.

Hon. H. S. W. PARKER: That would increase the wool cheque by an additional £447,000. Why not do it? It is ridiculous to suggest that by mere legislative action we can increase the wool cheque. The buyers are not going to pay more for the wool, even if we insist upon their paying for 112lb. where previously they paid for 111lb. The buyers will get even by reducing the price. I have made inquiries from both sides and, so far as I can see, this legislation does not meet the position. I may be wrong.

Hon, E. H. H. Hall: I think you are wrong.

Hon. H. S. W. PARKER: Well, believing it is wrong, I cannot allow the Bill to pass and let it be said in future years, "Why did you not point out those facts?" So far as I can see, we are not going to score by this proposal; we are going to lose. Let me reduce the point to an absurdity by giving a striking example. At the present time the buyer pays for 111lb. of wool and receives 112lb. Still taking the price of wool at 1s. per lb., suppose the buyers paid for 1lb. of wool and insisted upon getting 99lb. thrown That is merely an exaggeration of the same principle. Is it suggested that in those circumstances the buyers would still pay 1s. per lb. for wool? I say that in those conditions they would pay £5 for the 1lb. of wool. The existing allowance is a custom of the industry. It may seem to be a foolish or absurd custom, but it is not the only foolish or absurd custom in regard to wool. people outside a particular calling recognise many customs which are regarded as foolish, but which have come to us probably from antiquity. But it is highly dangerous to interfere with trade relations between parties, especially when the trading is international. I for one have always strongly objected to Governments interfering, by legislation, to alter the ordinary course of trading between citizens and between different nations. leads to considerable confusion.

Hon. L. Craig: This is the request of the Woolgrowers' Conference.

Hon. H. S. W. PARKER: I know that, and I also know that prominent woolgrowers do not agree with the suggestion. I have no objection whatever to the conference holding its views. They may be right, but I think not, and I am merely giving my rea-

sons for holding that opinion. A further thing we have not heard anything about is that under present conditions wool weighed into the sellers' stores, and is then delivered, in London, to mills; that at the mills it is weighed, and that the mills allow up to 10lb, short weight per bale, making no claim. For 10lb, and over a claim is made. It may be said, no doubt, that all wool increases in weight from the time it leaves Australian shores to the time it is opened in the mills in England, on the Continent, and so forth. I am informed, however, that that it is not so. As regards the South-West of this State, where shearing is sometimes done in a damp atmosphere, where the wool is brought along, the weight does sometimes depreciate upon delivery into the mills in Bradford, if it happens that the wool has passed through warm, dry weather. Anyhow, if it does not happen, why have that regulation? We must assume that it does sometimes happen. Obviously, if we are going to start interfering with the customs of the trade, the buyer is also going to chip in and have his say; and this would be one instance. There is also this point of view, that Western Australian wool is sold in Western Australia on the draft basis, and upon delivery is sold on the draft basis. this law is brought into force here, we shall have one law for selling Western Australian wool within the State, and law for selling Western Australian wool in That will lead to England. a certain amount of confusion. There is. objection main to interfering with course οf trade. that the passing of this legislation will give a strong lever to certain people who desire to control marketing generally. Here is the first step towards control of marketing. feel quite sure there is not a woolgrower who desires that the marketing of his wool should be in the hands of the Government. Yet woolgrowers come along to ask Parliament to take the first step in that direction. I have always opposed Government control of export products for the world market. I think the world's market should be left, and the custom should be left. There are many trade customs which are apparently absurd. The first I ever heard of, so far as I remember, is the baker's dozen. The baker's dozen -and the Honorary Minister may appreciate this—was always 13 buns for the 12. No one has ever suggested that the buyer of buns should not get one extra thrown in. I

am going to assume that the custom still exists in the wholesale trade.

Members: No.

Hon. H. S. W. PARKER: It has gone? Hon. L. Craig: It has gone, like this ought to go.

Hon. H. S. W. PARKER: But it did not go at the request of the buyer. It went because the seller would not do it. Here, however, we are asked to do it by legislation, and not by ordinary bargaining or ordinary process of marketing. We are asked to do it by some forced way. Now, as regards a hogshead of beer, which is 254 gallons, owing to the fact that in former times the beer was brought to England and was highly fortified with hops it was decided by the Customs that instead of charging duty on the 254 gallons, it should be charged on only 252, two gallons being thrown in-presumably because one would get only 252 gallons of drinkable beer out of the hogshead. That custom still exists, and to-day the excise duty on a hogshead of beer is charged on 252 gallons, and not on 254. There also the buyer gets two gallons thrown in. Perhaps it can be explained at a later time why the woolgrowers who were so keen to have everything explicit and plain, and objected to the draft of 1 lb. in 112, yet continued to permit the freight on wool to be as follows:per lb. of wool, 11/8d., plus 5 per cent., minus 10 per cent. What does that mean? Let hon, members try to work it out and see how much freight it actually is. However, that is the custom.

Hon. 1., Craig: A custom that was forced on the woolgrowers.

Hon. H. S. W. PARKER: So is the other thing forced on the growers. Let us take a simple matter. I am not sure that the State Sawmills do not adopt this procedure. Go and buy a lot of timber and certain other commodities, and the merchant will say, "I will give you 20 per cent. discount, less 7½ per cent., less 2½ per cent."

Hon. J. J. Holmes: On timber?

Hon. H. S. W. PARKER: I may be wrong as regards timber, but I believe that on timber prices there is less 20 per cent., less 7½ per cent., less 2½ per cent.

Several interjections.

Hon. E. H. H. Hall: That is only business.

Hon. H. S. W. PARKER: Mr. Wood, speaking last night, agreed that if this legislation does pass we shall not get any more money, because the woolbuyer will meet it in

some other way. The question has several times been asked, why do the buyers object to this legislation? In 1866 woolgrowers who were visiting England formed a committee with a view to having the draft abolished, without result. The draft had been going on for many years before then. In 1900 the Sydney selling brokers made another effort, without result. In 1903-1904 selling brokers in Australia and New Zealand, together with the Associated Banks, made a further effort in the same direction, and were then told by the Colonial Buyers' Association that the idea could not be entertained for a moment. In 1908 the Sydney Chamber of Commerce took up the matter with the London Chamber of Commerce, who approached trade organisations in France, Germany, Belgium, and the United States of America, and failed to secure any alteration. In 1909 the Interstate Conference of Selling Brokers again approached users of wool for the abolition of the draft, with the result that 630 baying concerns in Great Britain, in America, and on the Continent absolutely pledged themselves to buy no wool without the draft allowance. Since that time the matter has been brought up on various occasions by Woolgrowers' Councils, and on every occasion the trade organisations have unanimously opposed the abolition because, in their opinion, it was not in the best interests of the trade to do away with it. I am informed that reason they do not alteration is that through years of training and experience the experts who appraise wool appraise it on the basis that when they pay for 111 lbs. they get 112 lbs., and that all their figures and calculations and everything else are based on that. As I have said, they are based on the clean scoured wool content. Consequently, if the allowance were abolished, all the training of the expert buyers would be upset. I think it will come home to hon, members that if by law we suddenly said that all dealings in wool, whether as regards weight or measurement or money, should be converted to the metric system, there would be all sorts of confusion in the mind of everyone concerned. proposal seems to me closely analogous to that. The buyers, we are told, buy for the Continent, Japan, and America. If those countries send their experts out here and those experts have suddenly to adopt a different standard, confusion will result; and they object to confusion. They know

exactly where they stand now. If we are going to make them pay the extra 3s. on a bale of wool over many thousands of bales of wool, to the extent of £447,000 annually, they will have to adjust their bids. They can adjust their bids only by farthings. Hence I fear it may be we shall not get the full value of our wool as the result. It is an extremely difficult matter, and in my mind not a correct matter, to interfere by legislation with the customs of any trade. It was said in another place that the allowance in Africa was 12 lbs. per bale. But they do not get it for this reason in Africa. They get it because the African pack is a 10½ lbs. pack, which is a smaller pack than ours, and contains a lesser quantity of wool. Therefore, in Africa they take the 101/2lbs. pack plus 21/2lbs., making 13lbs. 2½lbs, represents the quantity less that is contained in the pack. Here we have, in addition to the 11h. in 112lbs., the tare; and the tare is averaged up by arrangement between buyers and sellers. I believe that the tare is 11lbs., that it has been agreed at that figure. If we are going to interfere with customs of trade, we shall have all sorts of troubles and difficulties. We shall have to weigh every bale, and every pack, and so forth. For the reasons I have given I feel bound to vote against the measure.

HON. W. J. MANN (South-West) [4.59]: I approach this measure with a certain amount of diffidence, being neither a grower nor a buyer of wool. I have listened with much interest to Mr. Parker, and I read with equal interest a statement made by the president of the Wool Buyers' Association in yesterday's newspaper. So far as I am able to judge, the real reason, whatever it may be, for opposition to the Bill has not yet been disclosed. I do not take much notice of the argument that there should be no interference with long-established customs. There have been customs that are analogous to this one and from time to time they have been reviewed. Many years ago it was the custom in the paper world to have 480 sheets to a ream of paper and 25 years ago all sorts of reasons were offered as to why the number of sheets should not be changed; but eventually reams of 500 sheets were introduced which proved much handier for everybody, and to the profit of the man who was buying the paper or selling the paper, for the

simple reason that if he wanted 1,000r sheets he simply took two reams. Previously it had been necessary to take two reams and 40 sheets from a third ream. with a consequent wastage of paper from an open ream left lying about. The desire for reams of 500 sheets has become fairly general now, although occasionally some manufacturers insist upon a 480 sheet ream. Another illustration of the successful review of an old custom is to be found in the manufacture of fancy cards. Formerly people would not buy a pack branded cards" "50 unless it contained Again, manufacturers came along and offered packs of 50 only and the printers purchased them. That became the custom in the end and it has worked out quite satisfactorily. Nobody ever complains.

Hon. G. W. Miles: There was no compulsory legislation.

Hon, W. J. MANN: No. As far as I can gather, for many years the producers of wool have been objecting to this draft allowance, but the powers that be, those that control the price from the other side of the world, have opposed its abolition. Now there is a combined effort to secure its abolition by legislation, and since ordinary persuasion has failed I cannot see anything wrong with this method. The woolbuyer is not going to lose very much. The price of wool is not a fixed commodity, but fluctuates. Rumours of war, or a drought soon affect the price. Nobody can deny that the price is fixed by the principle of supply and demand. Whether it be the figure that was current in Sydney last month or the figure that is current this month, it is purely a matter of supply and demand. 1 cannot see any reason to oppose the Bill and intend to support it unless some better reason for opposing it can be given than has been offered to-day.

HON. V. HAMERSLEY (East) [5.5]: I am inclined to support the remarks made by Mr. Parker. As usual, the poor old primary producer is the chopping block. For many years objections to this charge have been made in vain by small growers, in particular, as well as many large growers. But the introduction of this measure constitutes a direct interference with the system that has grown up over centuries and it will be a very hard matter to break it down: for

when you start out on an effort of this kind you can expect to find a few bricks thrown at you. I believe that what will be gained in the removal of this draft allowance will be lost by the introduction of some other scheme on the part of the buyers of our wool as a result of which they will probably take 1s. 6d. where they have been taking only 6d. It reminds me of the other measure recently passed by the Federal House by which a charge is to be made upon all woolgrowers of 6d, a bale for advertising the wares of the grower. That appears to me one of the most ridiculous propositions that has ever been made. The original intention of the Woolgrowers' Council was that a charge of 1s. a bale should be placed on the whole output of Australia, but it was whittled down by the Government on the ground that if such a large sum were asked, the purpose of the measure would be defeated, the attention of the woolgrowers being drawn to the fact of the enormous cost that would be in-Though the amount was whittled down to 6d. a bale, I am satisfied that it will speedily grow to 2s. 6d. The moment a right is taken away, some means of replacing it seems to be devised. There will be a number of new officers engaged in connection with this measure to carry out the advertising, and they will require higher and higher fees. I think the wool trade itself—all those who are dealing with the wool after it has been produced-are making such a handsome profit from the handling of our wool that they should be able to bear the whole expense of advertising the wares in which they are dealing and that the charge should not be made upon the woolgrower. So it is in this case. We may take away this draft allowance, but we will find the buyers will hit back and will get much more in the end than they are getting at present from that allowance. We will get it in the neck whether we pass the measure or not, and I am not at all concerned whether it goes through or is defeated. It is another effort on the part of the grower to secure fair treatment, but it will be defeated in the end, and we shall have to take the consequences. I am ready to abide by the decision of the House, but I support Mr. Parker in his effort to try to keep our people from interfering with a trade arrangement that not only applies in Australia, but also in South America, South Africa, and, in fact, all over the globe. This matter also reminds me of something which cost the Australian wheatgrowers an enormous sum of money many years ago. I refer to the occasion when we interfered with the size of the wheat sack. The growers were forced by Federal legislation to adopt a three-bushel bag instead of the original fourbushel bag which had been in use for centuries. What was the result? We were not able to purchase the three-bushel sacks for anything like as low a price as that for which we had been securing the four-bushel bag. It cost the grower an enormous amount of The trade said, "If you will have something different from the rest of world you will have to pay for it," and we have had to pay for it very regularly ever since that measure was passed. We shall be no better off when we pass this legislation.

HON. J. J. HOLMES (North-East) [511]: In this matter I prefer to take the opinion of the Woolgrowers' Council, who represent the wool growers of Australia, than that of Mr. Parker. I am reminded of the old saying that if the body be sick you send for the physician, but that if the heart be sick, you send for the woman. In this case the physician is the Wool Growers' Council, and I intend to take the advice of that body because its members know more about it than Mr. Parker. What has been going on appears to have been the custom, according to Mr. Parker, since 1866.

Hon. L. Craig: It has been going on for a hundred years.

Hon. H. S. W. Parker: I said since 1860, when you were about ten years of age.

Hon. J. J. HOLMES: That there is cause for complaint is shown by the growers themselves who have resented the deduction, and have asked that it be abolished. I do not know that the growers will get much out of the abolition of the draft allowance. That is my personal opinion, but all the same, I am prepared to follow those who know much more about the matter. Mr. Parker did not explain why, if you sold a hundredweight of butter, and you were paid for 111 instead of 112 lbs., you should not enter a protest.

Hon, H. S. W. Parker: Don't you get any discount?

Hon. J. J. HOLMES: Discount does not come into it at all. Why wool should be singled out is difficult for me to understand because the evidence is that it is the one product that increases in weight in the course of transport, and therefore is the

one product from which no deduction should be made. Mr. Parker referred to the freight question of 11/sd. I have been following this, though not as long perhaps as Mr. Parker; but since the passing of the Navigation Act we know that the Australian steamship owners and the seamen started out to bleed the public in this way. The men went to the court and got a 5 per cent. increase in their wages. shipping companies then advanced the fares 10 per cent. In calculating the fares they calculated the original wages, not plus 5 per cent., but plus 10 per cent. So I imagine that the oversea shippers found the opportunity convenient and added a 5 per cent. increase to the 11/2d. But when competition came in, as it did come in to a greater extent, they were generous enough to take off the 10 per cent., and this custom, originating in Australia, has grown up as the result of an Arbitration Court award. I do not know that the grower would get much out of this to commence with. I hope we are here to grow wool for ever. Whilst the buyer may resent this for the first year or two, I think he will soon forget about the one lb. in every hundredweight, and that we shall quickly get back to normal. Apparently Mr. Parker has studied this question, because he tells us that men have been trained to value wool on the basis of a deduction of one lb. per hundredweight. One would imagine that all these men would have been trained in the one school, but he tells us that in South Africa there is a different deduction per hundredweight from what the deduction is in Australia.

Hon. H. S. W. Parker: You misunderstood me. I did not say that.

Hon. J. J. HOLMES: Apparently it means that there is one school for the training of people to buy Australian wool, and another school for the training of those who buy South African wool.

Hon. H. S. W. Parker: I did not say that.

Hon. J. J. HOLMES: However, this is not a legal question, but a business one. It is a wool question understood by the Woolgrowers' Association of Australia. The woolgrowers have asked for this measure, and, so far as I am concerned, they can have it.

On motion by Hon. H. V. Piesse, debate adjourned.

BILL—TENANTS, PURCHASERS AND MORTGAGORS' RELIEF ACT AMENDMENT.

Received from the Assembly, and read a first time.

ADJOURNMENT-SPECIAL.

THE CHIEF SECRETARY (Hon. W. H. Kitson—West) [5.18]: I move—

That the House at its rising adjourn until Tuesday next.

Question put and passed.

House adjourned at 5.19 p.m.

Legislative Assembly,

Wednesday, 23rd September, 1936.

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

QUESTION—POLICE, GOOD CONDUCT BADGES.

Mr. WARNER asked the Minister for Police:—1, Is he aware that as a result of the abolition of Police Regulation 44, which provided for the wearing of a good conduct badge, considerable dissatisfaction and dis-