

The Minister for Education: We are not asking you to put any of them through to-night.

Mr. SANDERSON: I have known the Minister for a good many years, and whenever he brings in a Bill I view it with suspicion, whatever it may be. That is why I sit here all the time I can to watch him, to see that he does not do any more damage to this country. Here we are dealing with trustees. That should make us careful. Here we are dealing with official Trustees. That should make us doubly careful, and here we are dealing with the Minister for Justice. If after our painful experience of the past five years that does not make us careful, I do not know what will. I hope the second reading of this Bill will not be put through this evening.

The Minister for Education: Move the adjournment.

Hon. A. SANDERSON: I do not want to move the adjournment. I do not want to waste any time. We are all here to watch the Minister for Justice. If he can commend himself to the Chamber, very well. If hon. members do not want this debate adjourned, I have no desire to block public business.

The PRESIDENT: The hon. member must debate not the adjournment, but the Bill itself.

Hon. A. SANDERSON: I do not wish to debate the Bill, until we get into Committee. I hope some hon. member will move the adjournment, and that we shall have a full discussion later on.

On motion by Hon. J. Ewing, debate adjourned.

House adjourned at 8.55 p.m.

Legislative Assembly,

Tuesday, 6th September, 1921.

Question: Government Motor Cars	...	621
Bills: Messages	...	621
Fremantle Municipal Tramways and Electric Lighting Act Amendment, 3r.	...	621
Adoption of Children Act Amendment, 2r., Com. report	...	622
Land and Income Tax Assessment, 2r.	...	622
Wheat Marketing, 2r.	...	626
Grain, 2r.	...	631
Fisheries Act Amendment, 2r., Com. report	...	645

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

QUESTION—GOVERNMENT MOTOR CARS.

Mr. McCALLUM asked the Premier: 1, How many motor cars have been purchased for the use of Government officers in all departments during the past two years? 2, What was the cost of each car so purchased? 3, What is the official position held by each officer for whose use the car is mainly required? 4, Are all the cars employed in the metropolitan district housed at the Government garage attached to the Works Department? 5, What are the names of the officers controlling cars which are retained at their private residences or elsewhere than at the Government garage?

The PREMIER replied: 1, 2, and 3, Agricultural Department one, £324—dairy and pig expert; Agricultural Bank three, £210, £385, £305—field inspectors; Colonial Secretary's Department one, £550—Inspector General of the Insane; Government garage four, £543 7s. 6d., £350, £310, £350—general purposes; Lands Department three, £265, £265, £265 10s., £368 14s. 4d.—pastoral lease inspectors and district surveyors; Public Works Department ten, £575—building inspector. £615—Chief Engineer for Water Supply, £595—Principal assistant to Engineer-in-Chief, £357 10s.—Northam Water Supply Department, £350—Kalgoortie Water Supply Department, £205, £357 10s., £305, £300, £300—State Implement Works travellers; Workers' Homes Board one, £305—inspector; Police Department one, £324—police purposes generally. 4, No. 5, Agricultural Banks Inspectors E. G. Kelso, T. Hickey, J. A. B. Phillp; Inspector General for the Insane, Dr. J. T. Anderson; Lands Districts Inspectors G. P. Camm and A. W. Canning; Public Works Department, E. Tindale, P. V. O'Brien, F. E. Shaw; Tramway Department, W. H. Taylor (manager); Water Supply Department, E. B. Roark (engineer)—at private residences; Police Department, car kept at police garage; Workers' Homes Board, car kept at rear of office.

Hon. P. Collier: No wonder there is a deficit.

The PREMIER: Those officers have to do their work. All of the cars are not new ones.

BILLS (2)—MESSAGES.

Messages from the Governor received and read recommending the following Bills:—

- 1, Wheat Marketing.
- 2, Grain.

BILL—FREMANTLE MUNICIPAL TRAMWAYS AND ELECTRIC LIGHTING ACT AMENDMENT.

Read a third time and transmitted to the Legislative Council.

BILL—ADOPTION OF CHILDREN ACT AMENDMENT.

Second Reading.

The COLONIAL SECRETARY (Hon. F. T. Broun—Beverley) [4.40] in moving the second reading said: This is only a very small measure but it is a necessary one. Its object is to amend Section 10 of the Act of 1896 by omitting the words "in addition to the proper name of the child." Members will observe that Section 10 provides that the order of adoption shall confer the surname of the adopting parent on the adopted child in addition to the proper name of the child. It will be seen by the return on the Table of the House that the department of late has been making special endeavours to get as many children as possible adopted. Last year 82 were adopted as against 40 odd in the previous year. A number of parents anxious to adopt children have objected very strongly to the addition of the proper name of the child, and they are quite right in their objection. They point out that it is unnecessary. We have had parents who were anxious to adopt a child refusing because the proper name of the child had to be shown on the register. In the case of illegitimate children it naturally follows that they have a stigma cast upon them in having registered the name which they bore at the time of birth. It is entirely unnecessary to retain this provision in the Act whereby a stigma is placed upon the child adopted. One of the judges has expressed the opinion that the Act should be amended so that it should not be necessary for the surname of the child to be added when the child is adopted. This is all the Bill contains. 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—LAND AND INCOME TAX ASSESSMENT.

Second Reading.

The PREMIER (Hon. Sir James Mitchell—Northam) [4.46] in moving the second reading said: Whenever taxation is mentioned members become interested. In this case we are introducing this Bill to provide the necessary amendments in accordance with our agreement with the Commonwealth Government. Hon. members will remember that we undertook to make certain amendments to our existing legislation for the more convenient working of the joint administration. Under these amendments we are neither increasing nor decreasing taxation. It will be found that the Bill will work for the convenience of the taxpayer. The principles of

taxation are not affected by these machinery amendments. It will be found that for the most part they are unimportant.

Hon. P. Collier: The one dealing with the sale of a mine is not unimportant.

The PREMIER: I was referring to the machinery clauses of the Bill but, of course, there are some alterations to the existing law apart from the machinery clauses. For instance, we provide that a farm property must stand alone in regard to improvements. Under the present Act improvements on one farm may extend to another farm belonging to the same owner, although the distance between the properties may be perhaps seven miles. It is proposed that every parcel of land—that is to say, every farm—shall be regarded as a separate parcel of land for the purpose of taxation, so far as the improvements are concerned. Incidentally, I will have to amend the Bill because it refers to a parcel of land surrounded by a fence. That is a mistake, because in many cases there are no fences at all surrounding the farms. When in committee I will ask members to amend that particular part of the measure so as to make it apply to all land owned by one person and which may consist of adjoining blocks. A good deal has been said about land adjacent to railways being unimproved. It often happens that from a railway train a single farm appears to be unimproved, but it is frequently the case that considerable improvements have been made in another part of the same property. We provide under this Bill that a farm must be improved in accordance with the Act to secure the rebate.

Hon. T. Walker: With what Act?

The PREMIER: It must be improved for the purposes of the Assessment Act.

Mr. Latham: And each must stand alone.

The PREMIER: Yes, the improvement conditions are not altered at all.

Hon. T. Walker: That is to say, the improvements under the Land Act?

The PREMIER: Yes, so far as the improvements under the conditional purchase provisions are concerned, they are set out under the Land Act, and those are the improvements for the purposes of this Assessment Bill. There are two kinds of titles, the freehold and the conditional purchase title or lease. The lease is deemed to be improved under this Assessment Bill if the improvements are in accordance with the Land Act. The value of the improvements necessary with respect to freehold land, is set out under a different method.

Hon. T. Walker: Does this Bill specify the methods of arriving at the improvements?

The PREMIER: The present Assessment Act does. We do not alter that provision at all. It would be impossible to say to a man who has taken up his conditional purchase land that he must carry out the required improvements under such circumstances. He must be allowed to have the property reviewed in accordance with the Land Act and the improvements already car-

ried out must be taken into account. This Bill will provide that a man who holds two conditional purchase blocks, which are not adjoining, must improve both.

Mr. Pickering: In that respect, this amends the existing legislation.

The PREMIER: Yes, it compels the man holding two freehold blocks not adjoining to improve both as well.

Mr. Latham: Will it not be necessary to alter the Land Act?

The PREMIER: No, this does not affect the Land Act to the slightest degree. Members will know that if land is improved, the land holder may pay half the tax he would have to do if the land were unimproved. If the man owns two blocks adjoining, on the one improved in accordance with the Assessment Act or the Land Act, he will pay the lower rate of tax, but if one of the blocks is unimproved he will have to pay the higher rate of tax.

Hon. P. Collier: As distinct from being able to group the two sets of improvements together as at present?

The PREMIER: Yes. I do not know how this particular provision crept into the original Bill for it does not make any difference whether the blocks are apart 10 miles or 20 miles, or any distance whatever, so long as they are apart.

Mr. Willcock: They do not have a common boundary fence.

The PREMIER: The land owner must improve both blocks. That is the point. It is a fair provision too.

Hon. T. Walker: It will make it easier for the tax gatherer to gather in the taxation and make it harder for the farmer to pay his debts.

The PREMIER: At any rate it is a fair proposition that the man should be required to improve both blocks.

Mr. Mann: If a man has two blocks adjoining, they are really one property.

The PREMIER: If the blocks are adjoining they will constitute one property, and the improvements may be on any part of those blocks.

Mr. Underwood: If the blocks are not adjoining, you tax them?

The PREMIER: Yes, but the improvement conditions applying to conditional purchase leases are very light.

Hon. P. Collier: They are too light.

The PREMIER: The Bill also provides that the period the absentee owner may be away from the State shall be extended from one year to two years. If the taxpayer desires to be away for that period he must apply for permission from the Taxation Commissioner. If, for instance, a man intended to go away from the State on an extended holiday he may, if he obtains the permission of the Taxation Commissioner, remain away from his property for a period of two years instead of one as under the existing legislation. That would appear to be a very reasonable provision, for we do not wish to tax

our own people who are merely temporarily away from the State.

Hon. P. Collier: There is this point, that if a man can afford to stay away on a holiday for more than a year he should be obliged to pay a little more to the State.

The PREMIER: We already have taxation from him. It is a reasonable provision and it will not interfere with the revenue. I do not know that a man should escape the penalty if he came to the State for a week or two so as to come within the period provided by the legislation.

Mr. Angelo: I can name several who do.

Mr. Pickering: In one case a man comes here in December and leaves in January and he resides on his holding during a period in each year.

The PREMIER: If they are really absentees, of course, we should tax them.

Mr. Pickering: In the case I mentioned the man resided on his block for a period in each year. You know the case too.

The PREMIER: I only know one man who has done it.

Hon. W. C. Angwin: In any case that does not provide for residence for two years. He only resides there within two months.

The PREMIER: I do not know of any single individual who makes a practice of doing this in order to escape the higher tax.

Mr. Pickering: I do.

Hon. P. Collier: This will provide some encouragement to them to do so.

The PREMIER: It would be a pretty expensive trip for anyone to take under existing conditions to pay his fare to Australia and back simply to escape from taxation here.

Mr. Pickering: Some have done it, too.

The PREMIER: It would only be a man with a very considerable income who would be able to do that.

Mr. Pickering: That is the man we want to catch.

The PREMIER: It may be reasonable to catch the man who comes here for a week or two merely to escape taxation, but I do not know that many such cases occur. This provision is merely to enable any hon. member, like the member for Claremont (Mr. J. Thomson) to take a trip round the world.

Mr. J. Thomson: You have not explained Clause 6 yet.

The PREMIER: Our own people should not be penalised if they desire to take a trip abroad. If they wish to take that trip we should enable them to do so.

Hon. P. Collier: I am going on a two years' trip at this rate.

The PREMIER: If the hon. member starts to-morrow morning I shall be obliged if he will take his followers with him. The Bill also provides that profits arising from the sale of a business as a going concern so far as such profits are derived from the sale of stock in trade, live stock, or other stock or chattels, shall be taxable as if sold in the ordinary course of business. Today a man can sell a business as a

going concern and make a considerable profit on the stock in trade and yet pay no tax on that property. The House would expect that the profits made on the sale of goods in a shop, no matter of what description, should bear some taxation. He should pay just the same as he would have to pay if he sold the articles separately in the ordinary course of his business. Portion of the profits between the first operation and final sale to the ultimate owner passes through two or three different stages and tax should be paid on the proceeds. To-day we cannot tax on the sale of a business as a going concern. If a station owner sells his property consisting in part of a pastoral lease and in part of live stock, he should pay on the profits he makes under that sale so far as the profit relates to the sheep he has. He may have 10,000 sheep on his station which he sells at 30s. after having paid 10s. for them, and at the present time he is not asked to pay any tax on the profit that he gained. It seems to me to be right that he should be asked to pay tax on the amount of that profit.

Hon. T. Walker: He may buy them to-day at 10s. a head and he may not sell them for 12 months for 30s., and in that time he has to keep them.

The PREMIER: Then he makes £1 a head.

Hon. T. Walker: There is labour and interest on capital which has to be considered.

The PREMIER: We only propose to tax the profit he makes on the sale, supposing he buys them at 10s. and sells them at 30s.

Hon. T. Walker: After deducting all expenses.

The PREMIER: Naturally.

Hon. T. Walker: Otherwise you make it intolerable.

The PREMIER: It is a very simple matter; at any rate the House will agree with me that we are entitled to impose a tax on the profit that is actually made. It has been asked, "How will you tax the man on the sheep that he breeds?"

Mr. Angelo: Whether they die or not?

Hon. T. Walker: It is bad enough as it is.

The PREMIER: We only ask for a tax on the actual profit made, and that applies also to the sale of a station or a farm. Of course I would be glad to wipe out taxation altogether, but as we are to have it we must make it fair. If a man buys a thousand sheep and sells them at a profit he must expect to pay a tax. At the present time, if he sells the sheep with the property and makes a profit, he pays no tax. That is not right.

Hon. T. Walker: That is not what I intended.

The PREMIER: We are entitled to tax the profit actually made.

Hon. T. Walker: Would not all that profit come under the heading of income?

The PREMIER: No. At the present time a man who has a station may form it into a company consisting of his own people, and sell to that company at a certain price. That would mean that he and his family would es-

cape the payment of taxation altogether as far as the stock were concerned. There is nothing to prevent him doing that.

Hon. P. Collier: And it will still be possible to do that under your amendment.

The PREMIER: No. Anyone doing that will have to pay on the profit.

Mr. A. Thomson: Suppose he shows no profit?

The PREMIER: We shall get it from the people who buy from him. We only want to tax the profit once. Suppose he has stock which cost him £5,000 and he sells it for £10,000, and suppose he puts it in at £5,000, he escapes the payment of tax on £5,000. He passes it on to the company and they sell for £10,000 and at present no one pays. Now we shall get the tax on the profit when it is made and it will be agreed that we are entitled to that.

Mr. Willcock: Any man who makes a business of selling businesses, should be taxed on the profit he makes.

The PREMIER: Not on the business, but on the stock-in-trade.

Mr. Willcock: If he gets in and out of a business and makes a profit he should pay tax.

The PREMIER: No one will object to that. I hope hon. members understand what the Bill means. It merely refers to stock-in-trade.

Mr. Willcock: Would you tax goodwill under that?

The PREMIER: Not under this amendment. We are seeking to tax stock-in-trade.

Mr. Willcock: We should tax goodwill also.

The PREMIER: If a man sells his goods bit by bit he has to pay to-day. If he makes one sale, he simply pays on the profit.

Mr. Willcock: We should put in goodwill there.

The PREMIER: This merely applies to profit that we are entitled to tax, if we are to tax profit at all.

Mr. Pickering: What about the mining clause?

The PREMIER: The hon. member must not be impatient. We exempt dependants of deceased soldiers killed in the war, or who died as the result of sickness occasioned by the war. Hon. members will agree that that is right.

Member: What about Subclause (5) of Clause 67.

The PREMIER: I am not permitted to discuss the clauses at this stage. Exemption is also provided for old age pensioners, that is to say, in respect to the pensions they are receiving. We have been asked many times to make these exemptions and we now propose to do it.

Member: They may have some other income.

Mr. Willcock: Then they will not be in receipt of a pension.

The PREMIER: If hon. members object to the proposed exemption, they can of course move to strike out the clause.

Hon. P. Collier: Let us not debate the Bill clause by clause at this stage; we can do that in Committee.

The PREMIER: We propose to amend Subsection (11) of Section 30 of the Act, which permits us to tax the sale price of a mine as income. Hon. members will know that if a prospector makes a find and he sells that find, we tax him to-day on the sale price, regarding that as income. That is to be rescinded. The prospector, and also those who bona fide work a mine and who sell that mine, will be exempt from taxation.

Hon. P. Collier: Hear, hear!

The PREMIER: I hope that is clear. If the Great Boulder Company sold the Great Boulder mine, the proceeds of that sale would not be regarded as income.

Mr. Angelo: Are you not afraid of the Federal Government increasing their tax when you remove yours.

The PREMIER: A prospector may have been at work for 10 or 20 years before finding anything of value, and if he gets, say, £5,000 for his lease, we tax him on that as income. Is that reasonable or right? Of course it is not.

Mr. Corboy: You are doing the right thing there any way.

The PREMIER: We do, however, propose to tax the profits made by speculators. On the one hand we have the prospector, and on the other hand we have the mine owner, who bona fide works his mine, and then we get the speculator. It is quite right that we should tax the speculator.

Mr. Corboy: You may treble his tax and get back what you lose by removing the other.

The PREMIER: If a man buys a mine from a prospector, pays him £5,000 for it, and then sells the property for £20,000, he will have to pay tax on that £15,000. That is fair. The speculator in such a case is not the one who has been out for 10 or 15 years looking for the mine. In that case it is profit and we propose to tax it. We strike out the provision that the owner of premises occupied by himself for business purposes shall be allowed to deduct four per cent. on the capital invested in those premises. If a man puts £10,000 into bricks and mortar for his business premises to-day, we allow him to deduct four per cent. on that £10,000. If he invested that £10,000 in some other way he would have to pay taxation on the interest so earned; whereas, if he uses it for his business premises he is allowed to make a deduction from his income.

Mr. Johnston: That applies to stations also.

The PREMIER: Yes, and to farms. If a man is fortunate enough to have money to put into his business premises he not only has the right to make a profit, but he can deduct four per cent. from the capital cost of the premises. I do not think that is reasonable. If a man has £10,000 to invest, he ought to pay on the profits from that investment. That applies to all premises,

whether a shop in Hay-street or a farm or a station.

Mr. Willecock: It does not include his private house.

The PREMIER: No, only his business premises.

Mr. Willecock: The Federal Department allows it on his private house.

The PREMIER: Under the Federal Act one has to pay on five per cent. of the capital so invested.

Hon. P. Collier: Which is robbery!

The PREMIER: That is so. We do not propose to do that. Under the Federal Act a man occupying his own house has to pay taxation on an amount equal to five per cent. of the capital value of such house. We do not do that. All that we say is that he shall not have a deduction on the value of his business premises. For the convenience of calculating deductions to be made for children, we say the Act shall apply to all children under 16 years of age at the beginning of the financial year. That is to say, a child in the seventeenth year would earn the exemption. I think that is right. The returns are not put in until after the beginning of the financial year, and so in some cases, as I say, a child will be 17 years of age and still earn an exemption.

Hon. W. C. Angwin: But one will have to pay a tax for that child then.

The Minister for Mines: You would now, but not under the Bill.

The PREMIER: I think those are all the really important provisions in the Bill. It will be seen that wherever "assessment book" is referred to in the Act, it will now read "assessment" without the "book." It will be seen, too, that we give the Minister power to adopt the assessment of the local authority. Really that makes no alteration, because we had certain powers under other sections of the Act. I have said that in the Bill all reference to "assessment books" is dropped. In future the assessment book will not be available for inspection. There is no such provision under the Federal Act. The assessment book is quite unnecessary, and is very costly to prepare. It is not desired by the officials, yet under the Act it has to be prepared and made available for inspection. Under the Bill this unnecessary expenditure will be saved.

Hon. W. C. Angwin: Will the Government be able to see the assessed values of the land?

The PREMIER: Of course so.

Hon. W. C. Angwin: They are very handy sometimes.

The PREMIER: Yes. To-day the Act provides that no appeal shall be heard unless half the tax is deposited. The Bill alters that to read, "no appeal shall be lodged unless half the tax is deposited." This is a material alteration. Under the present Assessment Act we cannot collect taxation from the executor or the administrator of the estate of a deceased person. We take power to do that in the Bill.

Hon. W. C. Angwin: They have collected it, all the same.

The PREMIER: No, they cannot.

Hon. W. C. Angwin: But they did it, and then gave it back.

The PREMIER: The amendment here gives power to collect that tax within three years after death. It is not right that when a man dies his estate for that year should not be taxed. That, really, is what it amounts to. He is entitled to the profits he made that year, yet if he died before having paid his tax it could not be recovered.

Mr. A. Thomson: Would it not become one of his debts?

The PREMIER: No, it cannot be recovered. The estate should pay the income tax that would have been paid if the person had lived. All that we ask for is power to tax the estate as if the man were living. I think I have explained all the amendments. Of course we cannot please all people, but I think we have adequately protected the prospector and the bona fide miner, and made provision that the man who does make a profit shall pay his tax on that profit. I move—

That the Bill be now read a second time.

On motion by Hon. P. Collier, debate adjourned.

BILL—WHEAT MARKETING.

Second Reading.

The MINISTER FOR AGRICULTURE (Hon. H. K. Maley—Greenough) [5.26] in moving the second reading said: This measure seeks the approval of Parliament for the control by the State Government of the wheat harvest for 1921-22. Members are all well aware that for the past six years we, in conjunction with the other States, have been in control of the wheat. I think we can claim some credit for the fact that so important a Bill should have been brought down so early in the session. As hon. members will realise, we are breaking a fair amount of new ground in regard to wheat-marketing legislation. I think it only right that the Bill should come down as early as possible, in order to allow time for a full discussion of its principles and details. I hope when in Committee to be able to supply all the information that hon. members may require. The Bill, I think, will be found to suit every section of the House. Being, with the other States, practically an integral part of the Australian Wheat Board we have been associated with them in the control of our wheat harvests for the past six years. This year, so far as we can see, the Australian Wheat Pool will practically cease. One cannot say for certain at the moment owing to the peculiar condition of things in Victoria, for instance, exactly what the position will be. I want to outline to hon. members the reasons which induced this Government to come to the decision they have arrived at in regard to maintaining a State pool for yet another year. Early in May

we took steps to ask the Governments of the other wheat producing States what attitude they intended to take up in the marketing of wheat for this coming harvest. The principal factor which determined us in arriving at a decision to have a State pool was the parlous condition of nearly every other industry in the State. Our gold-mining industry was declining, our base metal industry was absolutely stopped, the pearshell industry was in a state of collapse, the position with the North-West cattle owners, owing to the closing down of the Wyndham Meat Works, was serious, and our pastoral industry, owing to the declining price of wool and the difficulties of marketing the wool, was also serious. The Government, therefore, thought it absolutely necessary that the one particular industry of the State, which promises so much for Western Australia, should if possible be maintained, and be taken proper hold of so that the country might benefit by the fullest possible return from our coming harvest being received. The outcome of the representations which were made to the Governments of the other wheat producing States was that the Acting Premier of New South Wales convened a conference of those States at the end of June, to fit in with the meeting of the Australian Wheat Board. The Premier charged me, as representative of the Government, to attend that conference in order to endeavour to secure the maintenance of the wheat pool for another year as a matter of vital interest to Western Australia. As I was passing through Adelaide the Premier of South Australia publicly announced that the decision of his Government was that the time was ripe for de-control. On the very morning of the conference in Melbourne the Premier of Victoria announced on behalf of the Government that they had also decided for a free market for wheat for the ensuing year. As Western Australia had been associated with these Governments for a period of six years in the maintenance of a common pool for Australia, I think that in common courtesy, the Governments of those two States should at least have withheld their decision until after the conference had considered the matter from every point of view. It was only due to us that they should have done this. However, we held the conference and the Acting Premier of New South Wales presided. The Ministers controlling the wheat schemes of Victoria and South Australia attended, and endeavoured to show that the time was ripe for de-control. It was common knowledge at the time that most of the representations made to the Governments of Victoria and South Australia were engineered by the wheat acquiring firm of Messrs. Dreyfus & Co., which had been dropped from the London board of the Australian Wheat Board organisation as well as from the Advisory Wheat Board in Melbourne.

Hon. P. Collier: Are those Governments amenable to that kind of influence?

The MINISTER FOR AGRICULTURE: I presume it had the necessary effect. The Ministers of those particular States said they had been advised by the merchants and banks that there were no difficulties whatever in the way of finance, and that the private operators would be able to pay for the wheat on delivery, as well as to pay a substantial amount by way of an advance pending delivery. It was even publicly announced that the fact of bringing into Australia a firm like that of Sanday & Co., which were large wheat operators in India and Argentine, would be tantamount to bringing new capital to this country for investment. That is rather a specious argument. I do not suppose that Messrs. Sanday & Co. or any other company would bring more money into Australia for the purchase of wheat than they would take out of it as a result of their transactions.

Mr. Pickering: Not as much.

The MINISTER FOR AGRICULTURE: Probably so. During the conference the Ministers controlling the wheat schemes of Victoria and South Australia were asked if they had taken the advice of the expert advisers of the Australian Wheat Board. They stated that they had not taken their advice as advisers to the wheat board, but had simply asked their views from the point of their operating privately as wheat operators if a free market were decided upon. The representatives of Victoria and South Australia then withdrew and the delegates from Queensland and New South Wales and myself asked the advice of the advisers of the Australian Wheat Board, Messrs. Bell and Darling, as to their views upon the desirability of continuing the pool for another year. They definitely stated it would be injudicious at that time to decide that the position was ripe for de-control, because it might be found later on, in view of the instability of the shipping arrangements and of the financial market, that the continuation of the pool was absolutely necessary. I do not know what the position to-day is in Victoria. It would be unwise to estimate at present what is going to happen in that State. The Victorian Government were defeated on the issue of the continuation of the wheat pool, and appealed to the country.

Hon. P. Collier: And were defeated there.

The MINISTER FOR AGRICULTURE: I should say that the position of the Government on that issue is a precarious one.

Hon. P. Collier: They were defeated.

The MINISTER FOR AGRICULTURE: The fact remains that in Victoria at the moment, if there is to be a free market for the ensuing year, no private operator could complete his organisation or arrangements for shipping because of the state of the political parties in the House as at present constituted. The time seems to me absolutely ripe for the Commonwealth Government to determinedly intervene, and if possible bring about a further continuation of

the pool under Commonwealth control as in the past, at all events for another year.

Hon. P. Collier: They have definitely declined to do so, I think.

The MINISTER FOR AGRICULTURE: I do not know what is in to-night's paper.

Hon. P. Collier: They have already declined to do that.

Mr. Willcock: All the States have not yet joined in.

The MINISTER FOR AGRICULTURE: The position should be met by a determined announcement on the part of the Commonwealth Government that they are prepared to continue the pool for the coming year, and give every one a chance of knowing that this is going to be the last pool under Government control, so that the people may look ahead and complete their organisation for the following year. To leave a decision of such tremendous issue, as the preservation and realisation of the full return from the wheat harvest, until just prior to the time when the harvests begin to come in, is so foolish that it would quite justify the Commonwealth Government in making that announcement.

Hon. P. Collier: It is their duty to do so.

Hon. W. C. Angwin: All the States will be in soon.

Hon. P. Collier: Only South Australia is out, so far.

Hon. W. C. Angwin: There is the pressure of some of the other Nationalist members.

The MINISTER FOR AGRICULTURE: There is a very admirable organisation created for this particular purpose, and it is absolutely desirable that it should be continued.

Mr. Willcock: The Federal Government would continue it if all the States came in.

The MINISTER FOR AGRICULTURE: Yes, on that basis alone. If one State stands out, the Federal Government say they will not assist in financing or in controlling the wheat pool; neither would they assist to establish an individual pool, nor would the associated banks finance such an organisation on the same conditions. Unless all the States come in, the Commonwealth are not prepared to finance as they have done in the past.

Mr. Pickering: Is any scheme outlined upon which they would work?

Hon. W. C. Angwin: Are they charging you more this time?

The MINISTER FOR AGRICULTURE: It has been universally admitted that the pool was the salvation of the farmer.

Mr. Latham: And of the State.

The MINISTER FOR AGRICULTURE: And incidentally of the State.

Hon. P. Collier: They are, of course, synonymous terms.

The MINISTER FOR AGRICULTURE: What has helped the Government of the State must necessarily have been a benefit to every individual industry in the State. Every merchant, every financial institution, whether it be the I.A.B., the Soldier Settlement Scheme, the Agricultural Bank, all our public utilities, particularly the railways and the Harbour

Trust, has benefited by the establishment of the pool, more particularly during the last two years when we have been securing such high prices for wheat. During the past six years, during which the pool has been in operation, the railways have earned no less a sum than £1,015,280 through the carriage of wheat. The Fremantle Harbour Trust have earned through the storage of wheat the sum of £130,000.

Mr. Willecock: How much did the railways lose in carrying the wheat?

Hon. W. C. Angwin: You are wrong in your figures. They did not get that altogether for storage.

The MINISTER FOR AGRICULTURE: The wheat of the 1915-16 season, the first year of the pool, has so far realised 4s. 4½d. per bushel, the total value being £3,554,000. The total number of bushels acquired was 15,004,000. For 1916-17 the price realised was 4s. 1½d. per bushel, representing a total payment of £3,376,000, and the total number of bushels of wheat acquired was 13,823,000. The corresponding figures for 1917-18 are 4s. 9d., £2,158,000, and 7,529,000 bushels. I want hon. members to realise that the number of bushels given refers to wheat acquired by the pool, in addition to which quantity there is wheat retained for seed purposes, representing about 1½ or two million bushels. For 1918-19 the realisation to date has been 5s. 2d., representing £2,087,000, while the number of bushels acquired was 7,736,000.

Hon. W. C. Angwin: Who gets the advantage of the increase that is gained in weight?

The MINISTER FOR AGRICULTURE: The farmers, the shareholders in the pool.

Hon. W. C. Angwin: Do the shareholders get that advantage, or do the wheat acquiring agents get it?

The MINISTER FOR AGRICULTURE: The shareholders in the pool get it. For 1919-20 the realised price to date is 8s. 6d. per bushel, representing a total of £4,244,000, and the number of bushels acquired was 9,743,000, and the corresponding figures for 1920-21 are 6s. 3d. to date, £3,416,000, and 10,613,000 bushels. The total payments to shareholders in the pool during the six years of its existence amount to no less than £18,835,000, and the aggregate number of bushels acquired was 64,488,000. The figures of bushels acquired are illustrative of the trend of farming operations in Western Australia during that period. Our maximum production for one year was during the first year of the pool, some 18 million bushels. In the next year it fell to about 13 millions. The turn of the tide came in 1918-19, when the figures started to rise again.

Hon. T. Walker: Had not the weather something to do with it?

The MINISTER FOR AGRICULTURE: I have not quoted the worst year, the drought year. My opinion is that there was a perfectly natural falling off in wheat production owing to the uncertainty regarding price during the early stages of the pool.

Hon. W. C. Angwin: We had not the men to put in the crops.

The MINISTER FOR AGRICULTURE: True, and there was an inducement to turn from the laborious operations of agriculture to the more lucrative pursuit of stock raising and wool growing. A good deal of our land which should have gone under cultivation during those years was turned over to the grazing of sheep. In 1919-20 our wheat production got back to 9,700,000 bushels, and for 1920-21 the figure is 10,600,000 bushels. Bearing in mind the recent rains, we may expect to maintain the upward tendency during the present season. As regards the fixing of the price of wheat for local consumption, I admit there has been some feeling and considerable irritation. I have already stated in this Chamber that I think the more equitable course would have been to fix a price for a short period. However, I wish to explain to hon. members why it was difficult, at the moment, to decide otherwise than upon the fixing of a price for the long period, as was done. The whole question hinges on finance. The volume of the advance required by the pool was of such magnitude that the banks and other financial institutions inquired of the Australian Wheat Board and of the Commonwealth Government whether there was any definite assurance of sales ahead. At the beginning of this current year the Commonwealth Government gave the wheat producer a guarantee of 5s. per bushel. The initial payment was to be 2s. 6d. per bushel. In the previous year 5s. per bushel had been granted as an advance. During last January, however, when considering ways and means for financial assistance on the basis of a production of 140 million bushels, the Commonwealth Government arrived at the conclusion that they could not ask for an overdraft of £35,000,000, which would be the amount needed to finance an advance of 5s. per bushel. Accordingly, as hon. members know, the advance was cut down to 2s. 6d. per bushel, cut down by half. A promise was given that the other half crown would be paid within two months after the payment of the first. At the time the banks were approached in this connection, the only sale which had actually been made was that to the Egyptian Government, of 193,900 tons of wheat for delivery spreading from March to October of this year. The price secured was equal to 10s. 2d. per bushel free on board. I want hon. members to note the fact that even to-day we are, and until the end of next October shall be selling wheat, or its equivalent in flour, to the Egyptian Government on the basis of 10s. 2d. per bushel free on board. There was also a sale of 76,000 bushels to the United Kingdom at 10s. 3d. per bushel free on board. This sale was made very shortly after the sale to the Egyptian Government. The two transactions represent approximately £5,000,000, which amount the Commonwealth Government had in sight when asking the banks to advance the £17,000,000 required to pay the first 2s.

6d. to our farmers. The local consumption price was then determined on the basis of 9s. per bushel, or from 1s. to 1s. 3d. less than the actual free on board realisations from sales for export made at that time. The banks were informed that, as a further security for their advance of £17,000,000, there was the local consumption of approximately 30 million bushels. That was an assurance to the financial institutions that, with the Egyptian and United Kingdom sales, there was £18,500,000 worth of our Australian wheat sold ahead. On this basis they were prepared to finance the pools. I have previously pointed out that up to date the overseas price of our wheat has maintained itself, and is still slightly above the equivalent price fixed for local consumption. The ultimate realisation of the 1920-21 pool will return to the farmer approximately 7s. 11d. net per bushel. Allowing freight and handling charges from siding to the metropolitan area consumer more particularly, the price of wheat for local consumption works out at approximately 8s. 5d. per bushel throughout the year.

Mr. Underwood: Tell us what the public are being robbed of.

The MINISTER FOR AGRICULTURE: The public are not being robbed in any shape or form—no more than it can be argued that the public robbed the farmers in previous years of the pool.

Hon. P. Collier: The thing is a rank imposition.

The MINISTER FOR AGRICULTURE: We are seeking by this Bill authority to fix the price of wheat for local consumption on the first day of each month on the basis of the equivalent London parity for the preceding month. We are also seeking power to ensure that any variation in the price of wheat shall actually benefit either the consumer or the producer, and not the middleman.

Hon. P. Collier: It is up to this House to fix the price.

The MINISTER FOR AGRICULTURE: We want to see that the people most concerned receive the benefit of any fluctuation—that is, either the consumer or the producer, and not the miller or the baker or the retailer. Any reduction made in the price of wheat for local consumption must be capable of being passed on to flour and bread, or bran and pollard, or partly to each.

Mr. Willcock: Who will determine these questions—the Prices Regulation Commission or the Wheat Board?

The MINISTER FOR AGRICULTURE: Under this Bill the Government take power to fix the price of wheat for local consumption, and to vary it from time to time on the basis of the exportation price of the preceding month. One of the disadvantages we have suffered in connection with the Commonwealth pool has been that we have not benefited from our geographical position. Many cargoes have been sent from Western Aus-

tralian ports at a freight reduction of 5s. per ton under the rates from the Eastern States. One would naturally think that Western Australia would have received the benefit of that reduced freight, but this has been made a general reduction and the other States have shared in the benefit. Therefore we did not receive the full 5s. but only a proportion of it.

Hon. P. Collier: All the freight charges were pooled?

The MINISTER FOR AGRICULTURE: Yes.

Hon. T. Walker: All expenses as well as profits?

The MINISTER FOR AGRICULTURE: Our proportion of this freight amounted to practically only 5d. The State, however, in future should receive the full benefit of that variation in freight charges.

Hon. P. Collier: If the shipping kings will allow it.

The MINISTER FOR AGRICULTURE: We can reasonably expect to get it. We occupy a better geographical position than the Eastern States for boats coming out to Australia in ballast. We do not expect to obtain the advantage of the whole 5s., but we should receive a fair proportion of it. Members perhaps would like to know some of the details in regard to financing the pool. We approached the Commonwealth Government and were told that, unless the pool was a Commonwealth one, the Federal Government would not be prepared to assist it financially as in the past. If the Commonwealth pool organisation was broken up and we stood on our own, the Commonwealth would not finance us. The Associated Banks also adopted the same attitude. I am pleased to say that before we entered into negotiations with the Associated Banks we made inquiries through the Agent General in London and ascertained that the London County, Westminster and Parr's Bank would be willing to finance us to the extent of the amount required for making the first payment on delivery at sidings for the coming harvest in January next on the basis of 3s. a bushel.

Hon. P. Collier: In other words, you are going to the lenders of money and making it a charge against the State.

The MINISTER FOR AGRICULTURE: This will be an absolute charge against the pool and not a charge against the Consolidated Revenue of the State.

Mr. J. McCallum Smith: It is guaranteed by the Government?

Hon. P. Collier: If the wheat did not realise the amount, it would be a charge against the State.

The MINISTER FOR AGRICULTURE: Surely the hon. member does not anticipate that wheat next season will not realise 3s. per bushel?

Hon. P. Collier: But the bank will only advance against the credit of the State. If the wheat does not realise the 3s., the State will have to pay the difference.

The MINISTER FOR AGRICULTURE: We have to look the whole of the facts in the face. It is the general consensus of opinion throughout the State that we should protect our biggest asset, namely our wheat harvest, by all means in our power.

Hon. P. Collier: Are you making any guarantee?

The MINISTER FOR AGRICULTURE: No. The farmers will get what the pool realises. We are giving no guarantee to the bank at all except that we shall hand the money over and they will allow us to use their organisation to guarantee the certificates.

Hon. P. Collier: You propose to pay 3s. per bushel on delivery at sidings. That is a guarantee.

The MINISTER FOR AGRICULTURE: Yes, we are guaranteeing that much, and it is safe enough on the present outlook.

Mr. Pickering: It is anticipated that the wheat will realise 5s. per bushel.

The MINISTER FOR AGRICULTURE: I do not know whether we shall have to get more than three-quarters of a million of money for this purpose because it must be remembered that one-third of the deliveries to the various sidings will be by farmers who are under the operations of the Industries Assistance Board. We propose to pay in the middle of January. Commencing in December next a certain quantity of wheat will be shipped and sold locally, which will relieve us from borrowing to the extent which otherwise would be necessary if we had to pay straight out from the beginning of the season at 3s. a bushel on an estimated harvest of, say, ten million bushels.

Mr. Willcock: On the 1st January?

The MINISTER FOR AGRICULTURE: In the middle of January we intend to make the advance of 3s., payable on certificates for deliveries at sidings.

Hon. W. C. Angwin: You expect to sell all the stock you have on hand and a large proportion of the new harvest?

The MINISTER FOR AGRICULTURE: The balance of wheat remaining in Australia is about twenty-two and a half million bushels and wheat can be sold better to-day when it is actually afloat, than ahead. The Australian Wheat Board anticipate no difficulty in getting rid of the balance of the harvest before the commencement of the new season.

Hon. P. Collier: The whole of it?

The MINISTER FOR AGRICULTURE: Practically the whole of it. One would be injudicious to say the whole of it, but we anticipate that practically the whole of it will be out of the way before the new harvest comes in.

Mr. Willcock: At what price?

The MINISTER FOR AGRICULTURE: At a price which will complete the realisation of the proceeds of the last pool on a basis of 7s. 11d. net.

Mr. Willcock: That will be about 6s. net.

The MINISTER FOR AGRICULTURE: Under the State pool we ought to be able to do better in connection with the rates of ex-

change. The terms of Australian exchange to-day are fairly favourable and under our State pool management, we should be able to make more favourable terms than have been made by the Australian Wheat Board. We also hope to be able to get the money at a slightly reduced rate than the money obtained by the Commonwealth pool. The money advanced in connection with the Commonwealth pool has averaged 6 per cent. all through the piece, and we hope to get our financial assistance at a slightly cheaper rate. I think we are quite justified in paying 3s. per bushel in January in view of the prospects.

Hon. P. Collier: Last year the first advance made was 2s. 6d. per bushel.

The MINISTER FOR AGRICULTURE: Under our own management, and having the allocation of our own boats and doing our own chartering, our handling should be carried out more expeditiously and economically. Sometimes in connection with the Australian Wheat Board we have had a boat almost thrown at us. We have been given very short notice and have been unable to handle the wheat as economically as we would have done had we had definite knowledge of the allocation of a boat for various ports.

Hon. P. Collier: What is the difference between the siding and f.o.b. price?

The MINISTER FOR AGRICULTURE: If the hon. member looks up the speech I made on the Address-in-reply, he will find that I detailed all the costs of handling from siding to ship. The total was 7½d.

Hon. P. Collier: That means a guarantee of 3s. 7d. or 3s. 8d. a bushel this year.

The MINISTER FOR AGRICULTURE: We have a State organisation which is very creditable to us. I wish, on behalf of the Government, to thank the advisory board which have performed a lot of work for practically no remuneration. Messrs. Sutton and Field have never accepted a penny of remuneration from the scheme. Mr. Field regarded this work as something which he could do during the war period. Mr. Sutton has received nothing and Messrs. Cotton and Paynter have drawn only travelling allowances in order to attend the meetings. I must express the thanks of the Government and of the farmers to these gentlemen for the work they have done during those years for the State and for the farmer.

Hon. W. C. Angwin: We have a very good manager.

Hon. P. Collier: You ought to thank the consumers also for having so generously paid 9s. a bushel.

The MINISTER FOR AGRICULTURE: I wish the hon. member would get out of the habit of referring to that.

Hon. P. Collier: I do not propose to.

The MINISTER FOR AGRICULTURE: The general management of the Western Australian Scheme has been good. At any time when accounts were required in Melbourne in order to make the final adjustments, they were always available. It has

never been necessary to wait for any information from the Western Australian Wheat Marketing Scheme. It has been necessary to wait for other States and vexatious delays have occurred in finalising the old pools. The responsibility for this rested with some of the other States, South Australia and New South Wales.

Hon. T. Walker: Is South Australia the biggest transgressor?

The MINISTER FOR AGRICULTURE: I will not say which is the greater of the two. That is where the main trouble has rested with regard to the completion and the final adjustment of accounts so that the old pools could be wound up. Our accounts have always been ready, a fact which reflects great credit on the management of the scheme. Pending the passing of this Bill, we are in treaty with a reputable firm of agents in London with regard to the sales of our wheat and flour and we expect to have no difficulty in coming to satisfactory terms with that firm. Under the Bill we ask the authority of Parliament to once again employ the West-Australian Farmers Ltd. as acquiring agents for the Government under the scheme. The advisory board say that if the work has been well done in the past at a rate consistent with moderation and efficiency, there was no reason to advise that the agency should be changed. The management of the scheme also expressed the opinion that the work in the past has been well done. The wheat in Western Australia has been acquired as cheaply as in any of the other wheat producing States.

Hon. W. C. Angwin: As cheaply?

The MINISTER FOR AGRICULTURE: Cheaper than in the other wheat-producing States.

Sitting suspended from 6.15 to 7.30 p.m.

The MINISTER FOR AGRICULTURE: The Bill this year has to be a more comprehensive measure as the pool is practically on an entirely new basis. We have made provision in the Bill for joining in with the other States in the event of a Commonwealth pool being formed, or the necessity arising for the pool to be operated in association with another State. One of the main new provisions in the Bill is the clause fixing the price of wheat on the basis of London parity. In Committee I shall explain at greater length than at the present moment the clause dealing with that question. Power is also given to the Minister to reject certain unsuitable wheat such as smutty wheat. We intend to allow our growers to sell such wheat to whomsoever they please without restriction or hindrance. We also provide that the producer shall be able to sell bona-fide any quality of wheat to a genuine consumer. The Minister for Railways, for instance, can buy f.a.q. wheat to feed his carrier pigeons and anyone else can buy f.a.q. wheat from the producer for his own legitimate purposes to feed stock or poultry or

for any other legitimate use. The only stipulation is that the purchaser cannot replace that wheat in the pool. He must use it for his own legitimate requirements.

Mr. Johnston: What about the flour millers?

The MINISTER FOR AGRICULTURE: They cannot buy wheat except through the pool. We intend to make compulsory the use of new corn sacks. It has been found hard in the past to determine just what constitutes good enough second-hand sacks. As corn-sacks are not of the quality they formerly were, we intend to enforce the use of new cornsacks. From time to time when wheat has been stacked in second-hand bags and these bags have been placed on the outside of the stack, they have given way, and this has entailed much expense in re-forming the stack. We also provide that moneys payable to the Minister under contracts regarding the sale of wheat or products acquired by him shall be protected. We want to make it clear that the Government rank as a preferential creditor under any liquidation or bankruptcy proceedings. We also protect the Government regarding the bona fide payments to apparent holders of wheat certificates. These are the main essentials of the Bill. There seems to be a general consensus of opinion, not only in the House, but throughout the community, as to the desirability of maintaining the pool owing to the unsettled conditions of the market and the shipping difficulty generally. Local bankers have given me their personal opinion that the pool is necessary for yet another year.

Hon. P. Collier: They will not back the pool financially.

The MINISTER FOR AGRICULTURE: That is due to the position in the East.

Mr. Willcock: That is, the financial ring.

Hon. P. Collier: The banks here are mostly branches of banks in the Eastern States.

The MINISTER FOR AGRICULTURE: The local banks are subject to the view of the position held by the head offices in the Eastern States. I can with the utmost confidence submit the measure to the consideration of hon. members. I know that on some points we may differ, but in the main there is a general consensus of opinion that the pool is necessary. I leave it to members with confidence, hoping that the Government will show an equal spirit of reasonableness regarding various portions of the Bill as members are prepared to show themselves. I move—

That the Bill be now read a second time.

On motion by Hon. P. Collier debate adjourned.

BILL—GRAIN.

Second Reading.

Debate resumed from 1st September.

Hon. W. C. ANGWIN (North-East Fremantle) [7.49]: I delayed speaking to the second reading of this Bill because I thought

it would be advisable when dealing with such a measure which affects a private company, that members should have some information as to what the company intend to carry out. Up to the present we have just had the bald statement that the Bill is introduced for the purpose of the bulk handling of grain. Some of us who have taken an interest in this matter know that legislation was passed by the Federal Parliament to provide for a loan to carry out this work. We know also that since the first legislation was approved by the Federal Parliament, it has been found necessary, owing to altered conditions and, in all probability, to the fact that shareholders, or rather the farmers, did not apply for shares as rapidly as was anticipated, to introduce further legislation with a view to reducing the amount as originally asked for, from £550,000 to £440,000. This is not a party Bill, but it is one respecting which every member of the House is entitled to know what the company really intend to carry out. We are entitled to know whether it is the intention of the company to construct grain elevators only at the terminal port, whether they intend to confine their operations at the start entirely to Fremantle, or whether they will extend their operations to the other ports as provided in the Bill, or whether it is their intention to construct country elevators only and to leave the others alone. The latter phase of the question has already been under consideration. Seeing that there are several members in this Chamber who took an active interest in placing this proposition before the farmers throughout the State, and some of whom are directors of the company, I thought that some of these members who are associated with the concern would have spoken on this Bill. We could not expect to get further information from the Premier under the heading I have referred to because the Premier merely introduced it on behalf of the company. Some of the members who know the position as it applies to the company should be in a position to enlighten us. It appears, as previously, that the one desire is that members shall approve of this Bill without having any information regarding the intentions of the company. That being so, I regard it as compulsory on our part to ask that when the second reading of this Bill is passed, it shall be referred to a select committee so that it may be inquired into. It is necessary for members to have all the information possible, and also that those who have applied for shares shall have the additional information. Many of those who hold shares at the present time are ignorant regarding the intentions of the company. That being so, it will be necessary for Parliament to endeavour, as far as possible, to remove any of the doubts which shareholders may have in their minds regarding the intentions of the company and regarding any alterations that may be made in that connection. Apparently, however, we cannot get any information whatever except as regards the Bill. It is true, as the Premier

stated, that the first part of the measure is almost similar to the Bill introduced last session. That measure went through this Chamber and fortunately—I will not say unfortunately—was not considered and did not go through in another place. I say “fortunately” for two reasons. In the first place, the company found it necessary to make alterations regarding the financial position. The company found it necessary to have another Bill put through the Federal Parliament to enable that alteration to be made. In the second place, I say it is fortunate, because there has been a considerable decline in the cost of material since the last Bill was before members, and this in itself will mean a saving of several thousands of pounds to the company. I consider it would have been far better if the company had waited a little longer if they intend to carry out this work. If they did so, they would find the construction of the works would be considerably cheaper, and they would have to pay considerably less for interest, sinking fund and depreciation on the capital charges, owing to the decreased costs. There was another reason why another place did not proceed with this Bill. It was because dissatisfaction had been expressed by a number of people who had agreed to take shares in the company. In answer to a question the Minister for Education in the Legislative Council said that several of those who had applied for shares had written to him and asked him, to as far as possible, assist them in being relieved of the obligation they had entered into, first because they were not in the financial position to carry out that obligation and secondly because they were dissatisfied in regard to the action it was proposed to adopt. Further, in all probability another place declined to proceed with the Bill because it was not a Bill that any person possessing the slightest business acumen would approve of. It contained a mere bald proposal to hand over to a company the sole right to use elevators for the express purpose of the bulk handling of grain for a period of 25 years. That was all the Bill provided for. To-day there is a little improvement in that respect, but it requires someone with a legal training to find out what that improvement is. The Bill again provides for a monopoly for 25 years. I am pleased to see in to-night’s “Daily News” that there is some opposition being expressed against the Bill; the public are starting to move in opposition to it on the ground that it is against the best interest of the State to grant a monopoly to any company for a period of 25 years. This is the first time I have noticed any exception taken to the Bill in the Press. One would not object so much to that if the Bill were consistent. But the Bill is inconsistent so far as the 25 years monopoly is concerned. The Bill provides for the erection of terminal elevators at Fremantle, Bunbury, Albany, and Geraldton. The elevator at Fremantle is to be erected within a period of four years, while so far as the other ports are concerned,

the period is five years. Then the Bill goes on to say that if the company fail to carry out the provisions of the Act in any district, the rights granted to the company shall not apply to those districts in which they have failed to carry out the provisions of the Act. We all must realise that at present, and perhaps for many years to come, the Fremantle zone will be the best paying zone—that is if any zone pays at all—for the bulk handling of grain. More grain will go to Fremantle than anywhere else. The company must construct a terminal elevator—and I have a doubt about it—at Fremantle. They know very well that many years must elapse before it will pay to construct elevators at Albany, Bunbury or Geraldton. The consequence will be that they will look at it from the point of view of a paying proposition. Immediately they get the Fremantle elevator complete, they will say—"Oh, let someone else construct the elevators at the other ports," and the company will retain the ones which they have erected at Fremantle, the only ones which may pay. The other ports can whistle so far as the company are concerned.

Mr. Pickering: You do not seem to have much confidence in the company.

Hon. W. C. ANGWIN: I know something about human nature, and I do not think the members of this company are built differently from members of other companies.

Mr. Pickering: Companies have no nature.

Hon. W. C. ANGWIN: Nor have they any conscience. The position will be as I have stated it. I must give my honest opinion, and that opinion is that this Bill is a fraud. It is just as well to be straight and to say that the company have no intention at the present time of constructing elevators anywhere outside Fremantle. As a matter of fact, they have only so far made an attempt to dispose of shares in connection with the elevators for the Fremantle zone, with perhaps the exception, as the Minister for Agriculture told us 12 months ago, that the company sought assistance in the Geraldton zone for the purpose of helping them to build the elevator at Fremantle. That was the Minister's statement in this Chamber 12 months ago.

The Minister for Agriculture: I do not know whether any sales were actually made.

Hon. W. C. ANGWIN: The facts being as I have stated them; I am going to ask hon. members whether this Bill should not in the first place contain some provision in the direction of compulsion on the part of the company, that is to say, the company should be compelled to carry out the terms of the measure and erect elevators at every port within the periods specified.

The Premier: It is a co-operative affair.

Hon. W. C. ANGWIN: It becomes a monopoly. I may say that the only alteration in the Bill, as compared with the Bill submitted last year, is the fact that we allow millers in the company the right to use elevators in connection with their own mills.

The Premier: That is all right.

Hon. W. C. ANGWIN: It was not the original intention of the company to even permit millers to use elevators in connection with their own mills. The company wanted the sole right to erect elevators in connection with the bulk handling of grain.

Mr. Johnston: I will submit an amendment in this respect.

Hon. W. C. ANGWIN: I repeat that in my opinion the Bill is not an honest one, and that the company do not intend to carry out the provisions it contains. I desire to go further and to say that the company cannot carry out the undertaking with the money they have at their disposal. They could not do it even if they had double the money; they simply will not be able to provide for what is set out in the Bill. If the Bill passes the second reading, I intend to ask the House to strike out the provision which proposes to relieve the company of the responsibility of erecting elevators in the out-ports and still maintain their monopoly. Why should they have a monopoly at all? At Port Arthur in Canada there were no fewer than 16 companies operating elevators, and those companies never operated satisfactorily until the Government stepped in and took control. The farmers' party there started exactly as we are doing here and in a little while dissension took place and they could not carry on. Then there came into existence a grain growers' association, and that association went to the Governments of the various wheat growing provinces and pointed out the difficulties under which they were labouring, not only with the private companies, but also with their own co-operative companies which were composed of farmers, and they pointed out the position so clearly that the Governments of two or three of the provinces appointed commissioners for the purpose of taking control of the bulk handling of wheat, and they established in various ports of Canada terminal elevators under the control of commissioners who are responsible to those Governments. Before the elevators were erected the Government secured guarantees from farmers who wished to use them, that they would be used. That was not to say, however, that the elevators there would be a success, because the several Governments were there operating against private companies. Why should we in this State of great possibilities, which has the largest wheat-growing area in Australia, hand over to one company the sole control of handling wheat in bulk? Is it reasonable? Is it just? Is it fair? The farmers are like everybody else; they fall out amongst themselves sometimes. We in this House are a happy party just now, but that is not to say that there will not be dissension at one time or another. No matter how the farmers may be served, no matter what they may be charged, if the Bill passes there will not be any possibility for a period of 25 years of anyone entering into competition so far as the bulk handling of wheat is concerned.

Mr. Johnston: Unless the ports are not all operating.

Hon. W. C. ANGWIN: If the elevators at all the ports were running together, there would be a possibility of one helping the other. But the company do not want that.

The Premier: Wheat can still be sold in bags.

Hon. W. C. ANGWIN: I will come to that directly. Apart from the clause I have referred to the Bill contains some 16 others regarding the storage of wheat. As I said just now, the verbiage of the Bill requires better brains than mine to understand it. I commend the company on having got such clauses into the Bill.

The Premier: There is a Cornishman at the head of it.

Hon. W. C. ANGWIN: I do not care. They can do a little bit of snide business just as well as anyone else if they want to. Those 16 clauses provide for the giving of receipts for wheat, for the giving of certificates, for the shifting of wheat from elevators to terminal points, and for other things. From start to finish, the protection of the company is uppermost. "But," says the Premier, "to get over that difficulty we intend to appoint a board."

Mr. Pickering: Another Government department!

Hon. W. C. ANGWIN: A board for the purpose of seeing fair play between the wheat-grower and the company.

The Premier: That is necessary.

Hon. W. C. ANGWIN: In all probability it is. When, yesterday, I carefully read the Bill through, I did not expect that there would be another board for the control of the wheat; I thought the board provided in another Bill would do the lot. But there is to be a special board appointed for the control of the company.

The Premier: At the expense of the company.

Hon. W. C. ANGWIN: So the Premier says. How is this board to be constituted? Two members are to be appointed by the farmers, and one by the company. The Premier emphasises that the company is a farmer's company. Who appoints the directors of the company? The farmers, the wheat-growers. And the wheat-growers can appoint two directors of this board, and the directors can appoint one of themselves, which would make three out of five, a majority from which there can be no appeal in regard to the way in which any farmer is treated.

Mr. Johnston: The farmer can trust his fellows.

Hon. W. C. ANGWIN: They could not in Canada. They tried it. They thought it would be better in private companies, but it has not worked. It has been successful since the Government took the matter in hand. What is the value of this board? Instead of having a board of this description, the Government should appoint officers to see fair play between the company and the farmers, experienced men who understand what they are dealing with. Because the board to be appointed by the farmers themselves has to

appoint inspectors to fix the grade of wheat, to see that the quality put in is up to standard. And for the payment of those inspectors, and of the board, funds will have to be voted by Parliament. It is true that there will be certain charges to the wheat-growers for the services of the inspectors; but even in Canada, where they have so large a quantity of wheat for export, it has never yet paid the Government for the services performed by the inspectors. There is not the least doubt that in this State, with a relatively small quantity of wheat, the charges made will never recompense the State the cost of the board and of the inspectors combined. It will have to be voted by Parliament, and to a large extent the State will have to take over the responsibility. The wheat-buyers outside Australia would have far more confidence in the certificate of a Government inspector than in the certificate of an inspector appointed by a board three members of which are appointed by the sellers. The farmers would get a better price for their wheat under a Government inspector than under the board's inspectors. They are not all fools outside of Australia.

Mr. A. Thomson: We are not all fools here. Nobody is going to give a certificate for wheat which is not first-class.

Hon. W. C. ANGWIN: In this State hundreds of bushels of third-class wheat have been bought as f.a.q.

Mr. Johnston: Not under this system.

Hon. W. C. ANGWIN: No, but under the pool system. I have seen it myself. There will be a better guarantee to those overseas if the certificate is issued by a Government inspector rather than by an inspector of the board the majority of whom are appointed by the sellers. The board for fixing the f.a.q. standard to-day consists of one or two officers of the Agricultural Department and a representative of the Chamber of Commerce. The proposed board will have the same power as the existing board. But we have known the standard to be reduced after the f.a.q. has been fixed, and there is a possibility of the same being done again. In the interests of the farmer, this board should be abolished and inspectors appointed by the Government. I have here the memorandum of association of this company?

Mr. Pickering: Are you a shareholder?

Hon. W. C. ANGWIN: No I am not qualified.

Mr. Pickering: What about the member for Kanowna?

Hon. W. C. ANGWIN: He is a shareholder. I am sorry for him. This memorandum of association contains several clauses which are in the Bill, one of which provides that the company cannot buy wheat, but can only store it. In the past many of us have criticised the formation of the oil companies of America. We say that it becomes a monopoly. They have one company, with several subsidiary companies in various parts of the world. It all springs from one head. In regard to this company, first we have the Westralian

Farmers Ltd., the managing director of which is Mr. Basil Murray. Then we find that Mr. Basil Murray is also the man who entered into this arrangement with the Federal Parliament. This is the first subsidiary company for the monopoly of wheat. First the West-Indian Farmers Ltd. is to acquire the wheat. Secondly, this subsidiary company has the storage or handling of the wheat in bulk. The next will be another company for the purpose of purchasing the wheat. What will be the position then? The whole thing will be a monopoly. Some men ask, if wheat then becomes a monopoly in this State how is it going to affect us? We have no power to regulate the price of wheat for overseas, and if the cost of storage and handling exceeds that amount which the farmer has to pay, then through the subsidiary company the price of wheat to the local consumer will go up in order to recoup the loss; because they cannot carry it on the wheat exported overseas. It will be one company in three. The third is yet to come. The whole position will be that the principal food supply of the consumers will be in the hands of a monopoly. One may ask why I form that opinion. At the request of the Government, a few years ago I became chairman of a Royal Commission dealing with the wheat supply. I found that amongst the farmers there was a strong agitation for a wheat pool carried on by private enterprise; not an ordinary wheat pool, but a compulsory wheat pool, with provision for the wheat-grower being compelled to put his wheat into the pool, which had to be managed by private enterprise or, as the member for Narragui would say, co-operation.

Mr. Johnston: Co-operative enterprise.

Hon. W. C. ANGWIN: The position then would be that the people's food supply would become a monopoly. Because there is no possibility under such conditions of any person selling wheat outside the pool. I want to commend some of my friends opposite on their success in making the farmers believe that it did not matter what either the cost of management or the cost of works undertaken might be, because if there were any surplus it would go back to the farmer. All the farmers who gave evidence before the Commission were imbued with that idea. Farmer after farmer expressed the opinion that it would all come back to them, and that therefore it did not matter what the cost might be. I am afraid this will become a monopoly, and that in consequence the people will suffer. It is surprising to me that I have never yet seen in the "Primary Producer" or any other section of the Press, a suggestion that this concern is likely to be a paying proposition. Farmers have been told that it is likely to be a paying proposition, and those who were instrumental in getting the Bill drafted are trying to make Parliament believe that there will be an eight per cent. profit, if it is not even more. If the scheme comes to anything, I hope it will not be at the cost of the consumer. I

have procured the returns for several years of the quantity of wheat exported from Fremantle, and find that the largest quantity ever exported from the Fremantle zone was sent out in 1914, the total being 6,299,727 bushels.

Mr. MacCallum Smith: We are not going to stop there.

Hon. W. C. ANGWIN: I admit that. I notice that Mr. McGregor interviewed one sea captain who said, "You can carry wheat in bulk in a full cargo to England without bagging, but I am advised by representatives of the Under Writers' Association that this would not be permitted." When the "Eastern City" was here, one of the Cardiff company's ships, I visited her and spoke to the chief mate about the bulk handling of wheat. I was informed that he had several thousand bags of wheat, in addition to his bulk cargo, for the purpose of steadying the ship. It seems, therefore, necessary in addition to a bulk cargo to have a quantity of bagged wheat in order to steady the vessel. Taking the 1914 harvest as a basis for this bulk handling, I assume that two-thirds of the wheat sent from here could be sent in bulk, but one-third must be sent in bags. Not only is it necessary so far as the ship is concerned to do this, but we must bear in mind that all the ports in Europe and the United Kingdom do not possess facilities for handling wheat in bulk, and it is therefore necessary to send a certain proportion of wheat in bags so that it may be handled there in that form. Two-thirds of this total harvest of 1914 would be 4,199,818 bushels. The farmers have been allowed to believe that a saving will be effected to them in bags through the bulk handling. Many of us who are not farmers and many farmers themselves have been under the impression that they would get no return for their bags except so far as an allowance for the weight of the bags as represented in wheat is concerned. When the Royal Commission took the matter into consideration we were informed by Mr. Keys that the return for bags was generally half their cost. If bags were worth 8s. per dozen the farmers would get a return equal to 4s. per dozen.

Mr. Johnston: That would be the weight valued in wheat.

Hon. W. C. ANGWIN: He also said, in the case of shipments of wheat to America during the war, more money was obtained for the bags than was paid for them. We realise that if this quantity of wheat were sent in bulk overseas, bags would not be required. There would be a saving, therefore, in the cost of the bags, basing these on the cost of 8s. a dozen, of £46,665. Taking the 1914 export into account the bags would have cost £69,997. One of the best papers I know of, dealing with the question of realisation on wheat, general produce, wool, meat, etc., is the "Pastoralists Review."

Mr. MacCallum Smith: But you do not believe in its leaders?

Hon. W. C. ANGWIN: In the February issue there was an article dealing with wheat. It appears to be a recognised custom that people who sell wheat in bulk receive 1s. per quarter, or 1½d. per bushel, less for it than when it is in bags.

Mr. Johnston: It may not be as good as Australian wheat.

Hon. W. C. ANGWIN: Whilst the farmers effect a saving in bags, they lose in the value of their wheat to the extent of 1s. per quarter. This would mean that they would receive less for their wheat to the tune of £26,249 when shipping it from Fremantle. In England there is a system by which the railway companies let out bags on hire in order to bag the produce that arrives and send it to the interior. Australian wheat is of such good quality that it is necessary for mixing purposes, and this more particularly would be distributed over a greater area of the United Kingdom than many other wheats that are imported into England. The bags are used for this purpose. People who have to bag the wheat after it arrives will not pay the same for it that they would if it arrived in bags. Taking the figure I have quoted of £26,249, which the farmers would lose on their wheat through sending it in bulk, this would leave them a total saving on bags of £20,416. Did the directors of this company tell the farmers that it would be necessary for them to make provision for the storage of wheat on their farms until the harvest had been completed, and the horses were available to draw the wheat to the elevator when there was room for it to be stored there? It is impossible with a harvest coming all at once, as ours does, to take the wheat direct from the farm and put it straight into the silo. If a farmer could do that the silo or elevator would not be large enough to hold it. Canada is used as a comparison with Western Australia. In that country the harvest is handled under totally different conditions. The straw is kept because it is necessary to use it for bedding in the winter months. There is scarcely any stripping done in Canada. When the crop is cut it is threshed by means of a thresher at a time suitable for the receipt of the wheat by the elevators. The elevators are used from eight to a dozen times a year, being emptied and re-filled at various intervals, and in this way their capital cost is greatly reduced. In this State, the whole of our wheat is brought in within a few weeks, and it is impossible for the elevators to contain it all. It is necessary in the first place for the farmer to build proper storage accommodation on his own farm in order to hold the wheat in bulk until it can be sent to the elevator. This will cost a considerable sum of money. The farmer will also have to provide a conveyance in order to take the wheat to the elevator. This, too, will mean a large outlay for him. In addition to the cost of the shares the individual cost to the farmer will be high before he can avail himself of the bulk hand-

ling system. Realising as I do that there is a large number of farmers in this State, who are not in the position at present to provide the various appliances and storehouse accommodation in order to keep their wheat in bulk, I have allowed that they shall avail themselves of the bags which are kept back for the purpose of holding their wheat for carriage to the elevators. These bags will possibly last for three years. They could no last much longer and might not last for that length of time.

The Colonial Secretary: They would no last as long as that.

Hon. W. C. ANGWIN: That will represent an outlay of £15,550 a year in bags which will reduce the saving to the farmer to £4,860. The statement regarding the saving of bags is a fallacy. The saving on the 6¼ million bushels exported in 1914 would therefore, be £4,860 so far as the outlay on bags is concerned. Where is the benefit to be derived? I have been waiting for some hon. member connected with this concern to enlighten us on that point. Next I endeavoured to ascertain as closely as possible what would be the cost of handling wheat at Fremantle under present conditions of wages and so forth; that is to say, two-thirds of the total quantity of wheat shipped. On very reliable authority I learn that that wheat can be handled in the port of Fremantle, and put in the ships ready for sailing, in bags, at a cost of £26,250. The great proportion of the wheat shipped at Fremantle goes direct from the truck into the ship, and that costs 1½d. per bag. The estimate, I am told, is a safe one. Indeed, a gentleman with large experience in the handling of wheat told me the cost would not be so great. It is true that wheat in bags has to be handled from farmer's cart to railway truck, which costs something. If an elevator were erected, that cost would be saved; but then there would be the cost of the wheat going through the elevator, incurring storage, etc. That cost from cart to truck would, I estimate, amount to £11,776.

The Minister for Agriculture: What have you allowed for that?

Hon. W. C. ANGWIN: Twopence per bag is a big price—more than the Government agreed to pay the wheat acquiring agents for the work. I am dealing now with handling charges, omitting railage, which must be paid in any case; and I estimate the cost of handling two-thirds of the wheat in bags from the farmer's wagon into the ship at £38,026. Now, the company propose to expend £800,000. Even the last measure carried by the Federal Parliament in this connection, during April of the current year, says—

Clause 13 of the principal agreement is varied by the substitution of the amount "£440,000" for the amount "£550,000."

And, further, the measure says—

Notwithstanding the provisions of Clause 2 of this agreement, the maximum amount

to be provided and advanced by the Commonwealth to the company under the terms of the principal agreement shall be £350,000 when not less than 300,000 shares have been allotted to shareholders approved by the Commonwealth and have been paid up to 10s. per share.

Hon. members must bear in mind that on that amount of £350,000 six per cent. per annum must be paid to the Commonwealth. I think I am safe in saying that at least three per cent. must be allowed for depreciation. That brings the actual cost of that £300,000 to the company up to nine per cent. For interest and depreciation alone, without handling or supervision or administration charges, it will cost the company £72,000 per annum in order to do work which under present conditions can be done for £38,026, covering all charges. Things might improve later, but that represents a lot of leeway to make up. The member for North Perth (Mr. MacCallum Smith) interjected that the money under this scheme would be spent in my constituency. Hon. members who have known me here for many years will acknowledge that I do not easily rise to oppose the expenditure of £300,000 or £400,000 in my electorate, and that I would not do so at all if I believed the proposal to be payable. I think I can claim credit for looking after the interests of my constituency as closely as any other member looks after those of his electorate. But I have a duty to perform in the interests of the consumers and also in the interests of the producers of this State. When I believe that this proposal is going to prove unpayable, when I believe that the farmers are being deluded by the statements placed before them, it is my duty to rise here and say so; and I care not who is vexed or who is pleased. The £38,026 which I mentioned includes handling and administration expenses; but the elevator charges to which I referred include no handling and no administration charges, representing merely interest and depreciation. I say it is advisable to wait awhile and see whether the work cannot be carried out much more cheaply. Undoubtedly we could, under normal conditions, provide elevators throughout Western Australia, and in almost every part of Australia, for the exact amount which the cost is expected to reach to-day. Our Engineer-in-Chief, after visiting Canada in 1914, and basing his estimates on the prices current in 1918, said that jarrah elevators could be built inland in Western Australia at a cost of £2,000 each. That cannot be done to-day. However, cement has fallen from 50s. to £1 already, and may go even lower. Similarly, machinery is going down in price day after day. Almost all the plant necessary for this work is becoming cheaper. Therefore I contend it is wrong to expend money now for a purpose of this description, making the debt a burden not only on the farmers, but also on the people of this State for many years to come.

Mr. MacCallum Smith: Then why did the Government of which you were a member make arrangements with Metcalf & Co.?

Hon. W. C. ANGWIN: The Government with which I was associated never did make such arrangements.

Mr. MacCallum Smith: Yes; it is on record.

Hon. P. Collier: We did not.

Hon. W. C. ANGWIN: The greatest surprise I ever got was when a former Attorney General, Mr. Robinson, made that announcement, which was on the file.

Mr. MacCallum Smith: It was on the file, anyhow.

Hon. P. Collier: I do not care if it was on 50 files.

Hon. W. C. ANGWIN: I think the Premier should have given us some information regarding the elevator site. The proposal is to hand over to this company for a period of 25 years one of the best sites in the port of Fremantle. Rocky Bay will be a better site in future, and that is why I object to a monopoly.

The Premier: Would you give the company the worst site?

Hon. W. C. ANGWIN: No.

The Premier: Would you give them the best site?

Hon. W. C. ANGWIN: It depends on what they pay for it. I do not object to giving anybody anything that he pays for. I consider that the Premier should have afforded us some information on the point. What are the Government going to charge for the acres of land that are to be handed over to the company?

Mr. Pickering: A peppercorn rent.

The Premier: No; not a peppercorn rent.

Hon. W. C. ANGWIN: The gentlemen associated with this company are gentlemen who are opposed to State enterprise, and yet they ask for Government assistance in this project.

The Premier: We are going to charge them for the land.

Hon. W. C. ANGWIN: Are you going to let us know the particulars?

The Premier: Yes.

Hon. W. C. ANGWIN: We ought to know them before the Bill goes through.

The Premier: I did let you know once.

Hon. W. C. ANGWIN: By way of interjection I told the Premier the other day that I believed that in less than three years the company would want the Government to take the concern over. The Commonwealth Government are secured by way of mortgage for their £500,000, or so. Part of their security is one of the best sites to be found in Western Australia for the bulk handling of grain, which site is being granted without any charge, or at practically no charge. Personally I think the bulk handling of wheat should remain in the hands of the Government.

Mr. Johnston: But you have been arguing against all bulk handling.

Hon. W. C. ANGWIN: Yes, because the present time is not opportune for instituting a system of bulk handling, because at present costs are too heavy, because the returns would not suffice to meet the expenses. I know the Bill will be carried here, though I shall not speak as to what will happen in another place. My view is that at present we are not sufficiently advanced for bulk handling, that our farmers are too scattered. Many of the farmers in this State will not be able to avail themselves of the bulk handling system for years to come.

Mr. MacCallum Smith: But they can sell their wheat in bags.

Hon. W. C. ANGWIN: Of course they can. Those farmers who are nearest to the elevator will avail themselves of it all the time, and the man outback will never have an opportunity of putting his grain in the elevator at all, but will be obliged to forward it direct to the port. The farmers as a whole, instead of benefiting from bulk handling of wheat, will in all probability lose by it—that is, under present conditions. If the work could be done at a reasonable cost on the lines suggested by the Royal Commission appointed by the Labour Government to investigate the matter, when the total cost was estimated not to exceed £250,000 or £300,000 right through, then there would be some possibility of making the system practicable by introducing it by degrees, and thus an excessively high capital cost would be avoided. Under the most favourable conditions, as sketched out by our Engineer-in-Chief, bulk handling represented an approximate saving of one-halfpenny per bushel. I advise the farmers to be very careful before embarking on the construction of terminal elevators as proposed by this Bill. The present cost of material and plant must add largely to the capital expenditure which they will have to bear for the next 25 or 30 years. This being so I hope members will very carefully consider the position. The officials of the company no doubt have considered it; there have been disputes among themselves already. Some of them have left the company; some of those who took a leading part in it are out of it altogether, so I have been informed. One of the directors resigned, and I heard that Mr. Murray would not accept the resignation. The farmers should persevere under the old conditions a little while longer and, when the time is ripe, the erection of elevators should be left in the hands of the Government.

Mr. JOHNSTON (Williams - Narrogin) [S.46]: I hope to supply a little of the information desired by the member for North-East Fremantle (Hon. W. C. Angwin) both as to the objects of the company, the intentions of the directors of the company and also the desires of the wheatgrowers who have put their money into this co-operative proposal so very readily. I was surprised to notice that the member for North-East Fremantle not only attacked this Bill, as he

has all previous measures for bulk handling, but on this occasion he roundly condemned the system of bulk handling for Western Australia.

Hon. W. C. Angwin: At the present time. Mr. JOHNSTON: Does the hon. member forget that the first active move in the direction of securing bulk handling for Western Australia was made by Mr. Bath, the Minister for Lands in the administration of which the hon. gentleman himself was so brilliant a member?

Hon. P. Collier: That was before the war.

Mr. JOHNSTON: Well, just as the cost of construction has gone up, so the handling charges, the cost of bags and the price of wheat have gone up. I submit and believe that bulk handling has the same advantages to recommend it to-day as when Mr. Bath appointed the Royal Commission to investigate the subject in 1911 or 1912.

Hon. P. Collier: To investigate a subject and to embark on the scheme are totally different things.

Mr. JOHNSTON: Speaking from memory, the Royal Commission consisted of Mr. Stead, one of the best railway men in Australia, Mr. Sutton, and Mr. Pearce of the Works Department, and these expert advisers of the Government went into the matter from every point of view and submitted recommendations strongly urging that bulk handling should be undertaken by the Government. I believe that at that time the erection of State flour mills and bulk handling were planks of the Labour platform, but I understand that this has been altered since. Then we have the experience of the other wheat growing States of the Commonwealth with regard to bulk handling. The great wheat growing State of Victoria appointed a Royal Commission to investigate the matter.

Hon. W. C. Angwin: And turned it down.

Mr. JOHNSTON: No; Mr. Plain, Labour member for Geelong, was a member of the Commission and the Commission strongly recommended that bulk handling should be introduced in Victoria. In New South Wales the Government brought to that State a Mr. Burrell, head of the Burrell Elevator Company of Chicago. He went into the matter thoroughly and recommended the introduction of bulk handling. I have not his report before me, but it contained one phrase which I well remember. After referring to the waste caused by the present obsolete methods of handling the wheat, the waste not only in labour consequent on the double handling by lumpers at heavy expense to the producer, but also the waste in the stacks caused by vermin and otherwise, he expressed himself thus: "I can only say, after seeing the waste and the cost in labour that you experience here, that Australia must be a very rich country indeed. We in the United States could not possibly stand such obsolete and expensive methods of handling wheat." And the system of bulk handling is now in operation in New South Wales. The objects of this Bill are very simple indeed. They are merely

to permit the grain growers of Western Australia, who have put their money into this project by means of their own co-operative company, and with the assistance of moneys borrowed from the Federal Government, to build and operate modern elevators throughout the wheat districts of Western Australia. It seems to me this is an object which might well commend itself to every section of the House and every member in it, particularly as we have desired to bring in a bulk handling scheme for a good many years past. This Bill also provides for the institution of a grain board on the Canadian system for controlling various matters of mutual interest to the growers and the community.

Hon. W. C. Angwin: No, in Canada they have three commissioners.

Mr. JOHNSTON: The method of appointment is different, but the board is to exercise powers which in Canada are exercised by commissioners appointed by the Government.

Hon. W. C. Angwin: But they run their own elevators.

Mr. JOHNSTON: The majority, I believe, are co-operatively owned. The commissioners who in Canada exercise the same powers which we propose to confer on the grain board in this State are controlling the whole of the output of wheat of that great country. Surely no one would suggest that this small State of Western Australia could go to the expense of appointing men such as have been appointed in Canada. I was told by the secretary of the company this morning that the chief commissioner in Canada gets a salary running into some thousands a year. This State could not possibly stand such an expenditure.

Hon. W. C. Angwin: Look at the quantity of wheat they grow in Canada.

Mr. JOHNSTON: Members representing the wheatgrowers will applaud the Government for bringing down this Bill. This is a measure on lines which I have advocated in this House ever since I have been a member. The first portion of the Bill consists of machinery clauses to enable the policy of bulk handling to be carried into effect. The general object of the measure is to enable the farmers' own co-operative company to carry out the provisions of an agreement entered into between the company, the Grain Growers' Co-operative Elevators Company and the Commonwealth Government. I have a copy of the agreement which has been ratified by Federal Act of Parliament. Clause 5 of the agreement provides that the promoter of the company shall forthwith take all necessary steps to obtain from the State of Western Australia legislative and executive authority to carry out its objects. The Commonwealth Government are lending us something like £2 for every £1 the wheat growers of Western Australia put into this scheme, and it is apparent that they are not going to make advances of the large sums of money involved unless the company have pro-

per legislative and executive authority to carry on their work.

Hon. W. C. Angwin: It does not say that you have a monopoly.

Mr. JOHNSTON: It says we must have statutory authority to carry on and that is provided for in this Bill, and any attempt to wreck this Bill will be an attempt to wreck the whole system of bulk handling by the co-operative company.

Hon. W. C. Angwin: It does not say you shall have a monopoly.

Mr. JOHNSTON: I hope that the Parliament will give the company the statutory power necessary under this agreement. Otherwise all the efforts of the directors up to date will go for naught, and this country will lose the present splendid opportunity, and assistance of Federal loan funds for introducing the bulk handling system in Western Australia. I wish to emphasise the importance of this measure to the State and to the wheat grower. The Commonwealth authorities in the first instance agreed to lend £550,000 to the company when 300,000 shares had been applied for and allotted.

Hon. P. Collier: How many shares have been taken up to date?

Mr. JOHNSTON: To date 200,000 have been applied for by free farmers and 54,000 have been applied for by farmers working under the operations of the Industries Assistance Board.

Hon. P. Collier: How much has been paid up?

Mr. JOHNSTON: That makes a total of 254,000 shares applied for, in connection with the purchase of which the wheat-growers of this State have agreed to pay ultimately no less than £254,000. This, I am sure, must be admitted to be a remarkable example of the self-sacrifice and support given to the scheme by the wheatgrowers.

Hon. P. Collier: Not self-sacrifice, self-help.

Mr. JOHNSTON: That is probably a better term, and certainly this House will not refuse to assist those who have shown such a remarkable and enthusiastic desire to assist themselves. It was found that, large as was the support accorded to the movement, it was not sufficient to secure the 300,000 shares required. Subsequently representatives of the company approached the Commonwealth Government and pointed out this fact. By Act of Parliament specially passed, the Commonwealth Government agreed to reduce the loan to £440,000 when 240,000 shares had been applied for and allotted. At the same time the Commonwealth Government were good enough to say that the previous arrangement would also stand, so that if subsequently the number of shares applied for was increased to 300,000 shares, the original amount of £550,000 would be advanced to the company. The point I regret most in connection with the Bill is that no provision is made at present that farmers working under the Industries Assist-

ance Board who have applied for 54,000 shares might have those shares allocated to them. No one would desire them to have this permission unless or until they were in a fairly sound position, but I certainly think this is a defect in the Bill which threatens the whole success of this co-operative movement. Since the Minister for Agriculture has told us to-night that the settlers under the Industries Assistance Board are expected to put into the coming pool nearly one-third of the State's wheat production for the coming harvest, I maintain that unless they are permitted to take their just share in this movement as they desire to do, its success will be threatened.

Hon. W. C. Angwin: That is not in this Bill.

Mr. JOHNSTON: No, I am expressing regret that it is not. However, I intend to assist the wheatgrowers to the extent provided by the Bill. They themselves have shown their desire to have this bulk handling system brought into operation on a co-operative basis by applying for no fewer than 254,000 shares in the company.

Hon. P. Collier: How much has been subscribed?

Mr. JOHNSTON: I do not know.

Hon. P. Collier: That is important.

Mr. JOHNSTON: I take it the practice of the company would be not to go on until they saw the success of the movement guaranteed by the passage of this Bill. I am not a director myself, but I would be averse to calling up money from the settlers until we knew for certain that Parliament was going to assist the directors and the company to carry out this work. If the Bill is passed and the scheme comes to fruition it means an expenditure in Western Australia of considerably more than half a million pounds. Western Australia and her various industries would, therefore, benefit very much.

Hon. P. Collier: That means nothing. We spent three millions in one year and you condemned us for doing so.

Mr. JOHNSTON: That is not so. Our industries will benefit by the expenditure of money necessary to provide for the erection of these elevators. It is proposed to spend over £200,000 on the first terminal elevator at North Fremantle, and the balance of the money subscribed will be spent on the erection of country elevators.

Hon. W. C. Angwin: Who are the engineers?

Mr. JOHNSTON: Messrs. Allen and Nicholas of Fremantle, are the architects for the North Fremantle elevators.

Hon. W. C. Angwin: They are good men too.

Mr. JOHNSTON: A large amount of Western Australian cement will be used in the construction of both the Fremantle elevator and the country silos. This will be a good thing for Western Australian industry, particularly as the company have already entered into an arrangement with the Western Australian Portland Cement Co. to give it the first call

after the requirements of the Western Australian Government are met.

Hon. P. Collier: Then you would vote for the tramway extensions because it would mean an expenditure of money?

Mr. JOHNSTON: No, that is a different proposition. Considering that the Western Australian Government have so little money at present, and that there is a good deal of unemployment here, we should welcome the fact that this co-operative enterprise will bring a lot of employment to people within the State.

Hon. P. Collier: So would the Como trams provide a lot of employment.

Mr. JOHNSTON: It would be necessary to import the rails in that case, but in this case we would not have to import the cement. This Bill gives proper protection to the people and to all the interests concerned in the handling of wheat in Western Australia. It properly provides that the co-operative company must not deal or traffic in grain.

Hon. P. Collier: It would be a very unsophisticated person who would be bound by that.

Mr. JOHNSTON: Not only is it bound by this Bill but by the Federal agreement as well. The only business of the company is to handle grain on behalf of the grain-growers. It is not a wheat-dealing company in any way. Therefore, it has no ulterior object in making a profit from the sale of wheat.

Hon. P. Collier: Did you ever hear of subsidiary or interlocking companies?

Mr. JOHNSTON: I regret that any reflection should have been made on the honesty of the company.

Hon. P. Collier: Who made that?

Mr. JOHNSTON: The member for North-East Fremantle.

Hon. P. Collier: In what way?

Mr. JOHNSTON: He said it was a fraud.

Mr. SPEAKER: Order!

Hon. P. Collier: This is not a company's Bill; it is a Government Bill.

Hon. W. C. Angwin: I said the Bill was dishonest.

Mr. JOHNSTON: It is a Bill to assist the company.

Hon. P. Collier: It is not a reflection on the company.

Mr. JOHNSTON: Without this Bill there would be no company. I want to say something about the directors.

Hon. P. Collier: Who are they?

Mr. JOHNSTON: The names are in the hands of the Leader of the Opposition.

Hon. W. C. Angwin: I do not know who they are.

Hon. P. Collier: I see that Mr. Murray is one of them. He is in all these big companies.

Mr. JOHNSTON: The directors have done a lot of hard work and have shown a lot of self sacrifice without any remuneration. There are no fees for the directorate of the company.

Hon. P. Collier: You have a Scotchman as chairman and no fees?

Mr. JOHNSTON: It is purely a co-operative movement. We are lucky in having a

hard-headed and cautious Scotchman at the head of the movement. All the directors have put their money into it, and the only benefit they expect to receive from their position is from the fact of their being wheat growers in Western Australia. It is true the Bill provides for a monopoly being given to the company for the construction of elevators for the bulk handling of grain for the public. In ordinary circumstances any monopoly for handling services is undesirable. In view of the fact, however, that the company cannot deal in grain, and is prevented by law from doing so, that it is a co-operative company of grain growers handling their own grain, and that every grain grower in Western Australia is permitted to come into the company at any time on the same terms as the original shareholders, I do not see that there will be any danger to the public interests by granting the monopoly desired in the terms of the Bill.

Mr. MacCallum Smith: How about the monopoly given to the manganese company?

Mr. JOHNSTON: That is a private enterprise. I am not satisfied that the company should debar, or would desire to debar, any flour millers in the State who may wish to do so from also handling at their mills, and perhaps for the public as well, wheat which is delivered to them in bulk.

Hon. P. Collier: The member of the board on the Chamber of Commerce will look after that.

Mr. JOHNSTON: It is not only desirable but essential that we should encourage flour millers to handle wheat in bulk as far as possible. With the object of seeing that the interests of the flour millers are safeguarded in this respect I have placed on the Notice Paper an amendment which, if carried, will make it clear that the flour millers and others similarly interested will be allowed to erect silos, and shall not be debarred when the silos are empty from utilising them on behalf of the public as well as for their own purposes. A large mill is now being erected at North Fremantle by the directors of the Great Southern Flour Mills at Narrogin. Their plans provide for the construction of big silos. It appears to me wise that the House should say that they are permitted to utilise these silos for the public and for others, as may be desired. The Bill gives the company the sole right to construct elevators in what may be described as the Fremantle drainage area. This area comprises all the districts at present exporting their wheat from the port of Fremantle. It comprises not only all the Eastern wheat belt, but the Great Southern district to a point south of Narrogin, all the districts eastward from the Great Southern line as far as Brookton and Narrogin, and also the Midland districts to a point north of Moora, and the Wongan Hills-Mullewa district to a point north of Dalwallinu.

Mr. Willcock: Is not Narrogin nearer to Bunbury than to Fremantle?

Mr. JOHNSTON: When we get the Narrogin-Armadale railway communication, the port

of Fremantle will be closer than Bunbury. Under present conditions we look to Fremantle as our port, though some produce is exported from Bunbury. So far as Narrogin and the districts east of Narrogin are concerned, most of the wheat already goes to Fremantle. The people there will be satisfied to be included in the Fremantle area. It is proposed to spend £200,000 on the terminal elevator at North Fremantle, which will serve the whole area I have mentioned, and also to build immediately silos and country elevators at the principal wheat centres in that large area of wheat growing country. I should like to commend the directors of the company for their honesty in asking only wheat growers in that area to subscribe to the company. Everything cannot be done at once. It is natural that operations should be commenced at Fremantle, with which most of the wheat districts have direct and regular communication for export purposes. Up to the present the company have not gone outside that district for the purpose of raising money. All of the 254,000 shares have been sold to those persons who have utilised the port of Fremantle for the export of their produce. It is the intention and desire of the company to erect elevators at all country sidings in the wheat districts, and ultimately also to erect terminal elevators at all the outports from which wheat is exported. The company should be praised because of the fact that shares were only sold in those districts in which it was possible to get on with the making of provision for bulk handling facilities for the people concerned without delay. The agreement further provides for the erection within five years of terminal elevators at the harbours of Albany, Geraldton, and Bunbury. If the Fremantle district elevators, both in the country and at the port are successful, the company will have very little difficulty in getting proper support for the extension of the system to the outside districts. Since it is a co-operative company and we are dependent for the money we raise upon the wheat growers, it will rest with the wheat growers served by the ports of Geraldton, Bunbury, and Albany as to whether or not the scheme is extended at an early date. If they support the movement in the same way as the settlers in the Fremantle drainage district have done, the task of enlarging the scope of the scheme will be an easy one for the directors. I would point out that the extension of the scheme to these other ports will throw a fair amount of responsibility upon the Government to provide harbour improvements. I have little doubt that a site could be found at Albany for a big terminal elevator close to deep water. A good deal in the way of harbour improvements will require to be done at Geraldton and Bunbury within the next five years. Otherwise it would not be possible for the company to erect terminal elevators at these ports, as it is essential the

harbours should permit ships to come close to the elevators to load the wheat. The second part of the Bill provides for the establishment of a grain board with functions similar to those of the Canadian Board of Grain Commissioners. The system laid down in the Bill has been adopted in Canada with satisfaction to the grain growers, and their strong co-operative associations, and also the public of the Dominion. In this connection let me say that a good deal of misconception has arisen in the country districts since the Premier introduced the Bill, as regards the work to be done by the grain board. I have received protests from my electorate against this grain board controlling the elevators. Those protests are based on the circumstance that only one representative of the elevator company's directors will sit on the grain board. Of course, those protests are made under a complete misconception, seeing that the grain board will not interfere in the management or control of the elevators, except as a court of appeal to which an aggrieved customer of the elevator company can, very properly, carry his case. It would be manifestly unfair to take the control or the management of the elevator company out of the hands of the directors, since the shareholders in the company find the money for carrying on the enterprise. I am glad that no such action is contemplated by the Government under this Bill. On the contrary, the measure protects the interests of the wheatgrowers, because it provides that, after eight per cent. has been paid in dividends to the shareholders in the co-operative elevator company, all further profits shall be distributed to the wheatgrowers on the basis of the quantity of grain delivered by each of them individually to the elevator. It will therefore be seen that this is a purely co-operative movement based on the best co-operative principles. The directors of the elevator company welcome the appointment of the grain board, on which the elevator company will have one representative out of five. The five members of the grain board are to be appointed as follows: two of them by the wheatgrowers, one by the Government, one by the Perth Chamber of Commerce, one by the elevator company. I observe that the Bill proposes that the Government shall select the chairman of the grain board and appoint the secretary. That is a mistake, I think. The great success of the movement is due to letting the growers run the elevators themselves. The grain board having been constituted, I do not think the Government should select the chairman and appoint the secretary. In Committee, I trust, the Premier will approve of amendments to allow the grain board to perform these functions. I should not think the Government would desire to be saddled with the responsibility of picking out the chairman; and certainly, if the board are fit to do their work, they can be trusted to appoint their own secretary. It is the board's duty to protect the wheat-grower against the elevator company, if necessary.

By grading the wheat, the board will certainly protect the public, including the consumers. If a farmer is dissatisfied with the grade put on his wheat by the elevator company, or with the amount of dockage for smut or other reason which may be assigned by the company when giving the farmer his receipt, he can appeal to the grain board; and the decision of the board is, very properly, made final. The Bill provides that the elevator company shall give a receipt for the wheat, called a warehouse receipt; and if the farmer is dissatisfied with the grade or dockage shown on that receipt, samples are taken. Further, the Bill very properly lays down the procedure to be followed in appealing to the grain board. One of the main advantages which will accrue to the wheat-grower from the formation of the grain board is that the board will issue certificates showing the quality of wheat, such certificates to accompany all export cargoes. The certificates will prevent disputes with overseas buyers of Western Australian wheat. Similar certificates of quality will apply to local sales of wheat, and will prevent disputes between millers and other local buyers on the one hand, and wheat-growers on the other. The issue of these certificates will represent a distinct and most valuable step towards obtaining uniform grades of Australian wheat for export to the markets of the world. The grades will be established and fixed by the grain board. At present the fair average quality standard is established entirely by the Perth Chamber of Commerce, acting on its own initiative. I consider it much better that that very great power should be exercised by the grain board on which the Perth Chamber of Commerce will have only one representative out of five.

Hon. P. Collier: Will the Trades Hall have a representative on the grain board?

Mr. JOHNSTON: I do not think that is contemplated by the Bill.

Hon. P. Collier: The Trades Hall has as much right to be represented on that board as has the Chamber of Commerce.

Mr. JOHNSTON: The Chamber of Commerce will henceforth be only one voice in five when that matter is being decided. Certificates of weight and grade will be issued by the board with wheat for export. At present all Western Australian wheat exported is sold subject to adjudication as to its f.a.q. standard or otherwise by the Disputes Committee of the Corn Traders' Association at each port of delivery. The committee make any deductions and decide the matter entirely, their finding being conclusive and final. That position is very unsatisfactory; it is clear that the Western Australian wheat-grower and the Western Australian wheat merchant stand in need of the protection which will be afforded by this measure. At present all that they have is the f.a.q. sealed sample, which can be opened in the Old Country in the event of a dispute arising. I do not think the Government should wait, as proposed by

the Bill, until the elevators have been completed, before appointing the grain board. The board should be appointed promptly, and I hope that when in Committee the Bill will be amended to allow of that, in place of our waiting two or three years, when some of the elevators will probably be completed. The member for North-East Fremantle (Hon. W. C. Angwin) was very emphatic in pointing out that the elevators would not pay. However, the wheatgrowers think they will pay—if not directly, then at least indirectly, in the saving of the cost of bags, and also in the direction indicated by the hon. member himself, the big saving in the cost of labour for handling, and the huge waste of grain, by vermin, destroyed bags, and otherwise, when wheat is stacked. Let me point out, too, that in those countries where the elevators are now in operation, and particularly in the United States and Canada, elevators are still being built. Only to-day I saw a grain paper full of notices relating to the construction of new elevators. So far as I could gather, these were nearly all elevators controlled by co-operative companies. I know, of course, that there are also privately owned, proprietary elevators in America. I am assured, however, by a gentleman who travelled through Canada recently, that many of the proprietary elevators there are being leased to be run by the farmers themselves on co-operative lines.

[The Deputy Speaker took the Chair.]

Mr. Corboy: Are they subsidised with the people's money, pound for pound?

Mr. JOHNSTON: I do not know whether they are. At any rate, that is not a point affecting this Bill, because Western Australia is not subsidising the elevator company with any money at all. On the other hand, I rejoice that the Federal Government have come to the company's assistance and are backing the movement to the extent shown. The assistance is not a subsidy, however, but a loan, every penny of which will be paid back by the wheatgrowers themselves. The point I desire to make is that in spite of the dismal Jeremiaads of the member for North-East Fremantle, the countries which have experience of grain elevators and are handling practically all their wheat in bulk are continuing the elevator system, and are still building elevators, and more elevators. I believe that if a company is established here as proposed in this Bill, the experience of the United States and Canada in this respect will be repeated in Western Australia. It appears to me that some of the opposition to the measure springs from a certain objection which we have had in past centuries—the objection to modern, up-to-date labour-saving machinery displacing hand labour.

Hon. P. Collier: Where?

Mr. JOHNSTON: That appears to me the reason on which the objection to this movement is based.

Hon. P. Collier: Absolute nonsense!

Mr. JOHNSTON: By bulk handling we are going to cut out hand labour and waste; and in all honesty I say that unless the reason for the objection to co-operative bulk handling is based on that circumstance, I fail to understand what the objection is.

Mr. Corboy: Bulk handling will create more work than it will do away with.

Mr. JOHNSTON: That is what I am trying to bring home to hon. members opposite. Bulk handling appears to me to be meeting with opposition here that is on the same lines as the objection raised in Lancashire in 1767 to the introduction of cotton spinning machinery by Richard Arkwright and others. I turned up the "Encyclopaedia Britannica" on this subject to-day, and I saw there that Richard Arkwright, who had the sagacity and good fortune to invent the spinning machine for cotton in 1767, amassed great wealth and at the same time added prodigiously to the demand for labour. The introduction of grain elevators throughout the wheat districts of Western Australia and of big terminal elevators at not only the port of Fremantle, but at all the ports from Geraldton to Esperance will result in a prodigious demand for labour throughout the State. While it may be that a few lumpers will be thrown out of employment when the work is carried out by modern machinery, both at the elevators in the country and at the ports, that will be more than compensated for by the increased work later on.

Mr. Wilson: It was the children who were working on the cotton machines you refer to.

Mr. JOHNSTON: I noticed when in the Eastern States that in the woollen mills it was mostly girl labour. Arkwright was forced by rioters to remove from Preston to Nottingham in 1768. I find too that one of his mills was destroyed by the mob and that the feeling against him at that time was so strong that the police and civil authorities watched the destruction of his mill and declined to interfere.

Hon. P. Collier: Are you afraid we will destroy your silos?

Mr. JOHNSTON: Not in the least, but to-day the opposition to the introduction of the bulk-handling system in Western Australia with its modern machinery is as equally misdirected as that of the cotton operatives in 1768, when they sought to prevent Sir Richard Arkwright displacing hand labour by modern cotton-spinning machines.

Mr. McCallum: That will cut no ice, old chap.

Mr. JOHNSTON: That is my opinion and I do not wish to misrepresent any hon. member.

Mr. McCallum: You do not believe that for one moment.

Mr. JOHNSTON: I do. To-day we are told that no man has a stronger claim to the respect and gratitude of posterity than that same Sir Richard Arkwright.

Hon. P. Collier: You have made out a case for him at any rate.

Mr. JOHNSTON: It is said that his work opened up new and boundless fields of employment. Let me emphasise that fact. It is further stated, while his inventions have conferred infinitely more real benefit on his native country than it could have derived from the absolute dominion of Mexico and Peru, they have been universally productive of wealth and enjoyment. That is the verdict of history on the work of Sir Richard Arkwright. I claim that in a similar way in Western Australia, posterity will applaud the efforts of those people who are endeavouring to introduce modern and up-to-date machinery in the shape of grain elevators and the bulk handling methods of handling wheat, thereby displacing the wasteful, extravagant and labour-wasting methods existing to-day.

Hon. P. Collier: What about giving us the story of the old woman who lived in the shoe?

Mr. JOHNSTON: I hope the House will agree to this Bill. I believe the measure will give the wheatgrowers and the wheat industry the assistance they deserve. The farmers of Western Australia have supported the company to the extent of £250,000 of their own money. Surely if any measure ever came before this House with a claim to support from the whole of the Chamber, it is the one in which the wheatgrowers of Western Australia have asked the State Government for no money, but in respect of which they have subscribed a quarter of a million of their own money. While they have not been able to convince this House that the measure should be passed unanimously, they have successfully convinced the Australian National Parliament of the wisdom of assisting this company by way of loan, up to an amount of £550,000. The members of the Federal Parliament, including the Labour members, gave little, if any, opposition to the proposals of this company, and assisted the Federal Government, who were willing to accept a risk, by means of a loan, of no less than £550,000, to pass the necessary legislation. I think the late Mr. James Page of Maranoa was one of the members of the Federal Parliament who was glad to assist this movement by supporting the Government in the proposal to give financial assistance by way of loan to this Western Australian company. At any rate, the Federal Government have no doubt as to the success of this movement, though I am sorry to say a doubt permeates one or two members of this Chamber. The Bill carries out two principles to which the members of the Country Party adhere. They are the principles of bulk handling of wheat and co-operative effort amongst the wheatgrowers themselves. I rejoice to find these two principles in such close and happy association under the provisions of this measure, which I hope will be agreed to by this House.

Mr. MONEY (Bunbury) [9.37]: This measure appears to me to require some consider-

ation. I do not know whether members of this Chamber have been furnished with a list of those who desire to use this initial scheme for Fremantle, nor do I know whether the capital of the company is sufficient to meet those obligations which may occur in a year's time at the other terminal ports, including Bunbury, Geraldton and Albany. The State has suffered through long distances to the ports, and it is essential that there should be avoided what is known as centralisation. It is also essential that the zones shall not be interfered with in any way by this measure. I do not know whether I heard the member for Williams-Narrogin (Mr. Johnston) aright, when he said that portion of the Narrugin zone should come within the scope of the Fremantle operations, and that the people in that district looked upon Fremantle as their zone. If that is the position, it is wrong.

Mr. Johnston: That is, east of Narrugin.

Mr. MONEY: It is nearer to Bunbury by a considerable distance.

Mr. Latham: Their wheat goes to Bunbury.

Mr. MONEY: We want it to continue to go there. It will be our duty to see that these zones are respected. If we are to talk about decentralisation only and not act up to our speeches, the sooner we stop talking decentralisation the better. It is essential in a measure such as this, to make provision in accordance with the spirit of decentralisation and to talk a little less about the principle. We will probably be informed that the proposals in their initial step so far, have been followed out in accordance with the undertakings. We will probably be told that capital has not been taken from any other zone to the Fremantle zone.

Hon. P. Collier: I should think it would not be taken away.

Mr. MONEY: We will be told perhaps that the compact that applications for shares for the erection of elevators at Fremantle would not be canvassed in districts outside the Fremantle zone, has been honoured.

Mr. Willcock: They would not agree to an amendment to that effect last session.

Mr. MONEY: After one's experience in the past it does not do to leave so many "mays" when they should be "shall" and in one instance "and/or." It is not as definite as it should be. We will listen with interest to further information on these points. I have a distinct recollection of one of the directors of this particular company saying that for a long time to come it was not intended to go anywhere beyond Fremantle.

Mr. Willcock: That is so.

Mr. MONEY: That being so, we will require a definite assurance that the compact will be carried out. We shall also require to know whether it is possible for the Western Australian system of bulk handling to be the same at all ports or whether there are to be different systems at the different ports. We should know whether it is possible to insist on

the use of one system for the whole State. We have to keep in view the economising of distances, which is one of our greatest difficulties. It will be interesting to hear the speeches of hon. members concerned in this proposal.

On motion by Mr. MacCallum Smith, debate adjourned.

BILL—FISHERIES ACT AMENDMENT.

Second reading.

Debate resumed from 1st September.

Hon. W. C. ANGWIN (North-East Fremantle) [9.43]: On the face of it, this Bill looks a very innocent measure, but I would like to hear expressions of opinion from members representing the northern parts of the State regarding its provisions. The 1905 Act did not provide for any exclusive licenses, but in 1910 Mr. Connolly, who was then Colonial Secretary, introduced an amending Bill for the purpose of granting licenses for the capture of turtles, etc., in the northern portions of the State. The area for the exclusive licenses was limited to a distance of 75 miles. That still exists under the present Act. When Mr. Connolly introduced that amending legislation he made particular reference to the fact that hawk's bill turtle, beche-de-mer, and dugong were exempt from the exclusive license.

Mr. Underwood: That was an amendment in the Upper House.

Hon. W. C. ANGWIN: Mr. Connolly introduced the Bill in the Legislative Council and it came here afterwards. I expected to find some explanation as to why the hawk's bill turtle, beche-de-mer and dugong were exempted from the exclusive licenses. Naturally, seeing that the exemption was provided for, there was no discussion and the Bill went through without opposition. I have been making inquiries in regard to this. The Colonial Secretary, in moving the second reading, said the natives from the islands came across and took the turtles and dugong and beche-de-mer for the purposes of food. But on looking up natural history, I find that the flesh of the hawk's bill turtle is not used as food.

The Colonial Secretary: I did not say it was.

Hon. W. C. ANGWIN: The shell is very valuable, and the supply is limited. There are plenty of green-backed turtles, but not many hawk's bill turtles, and, the value of the shell being considerable, some persons are anxious to secure an exclusive license for the taking of the product. When first the proposal was mooted an attempt was made to form a company in England. Since then similar attempts have been made, but all without success. The Colonial Secretary ought to have told us why no provision was made in the 1910 Act for the granting of these exclusive licenses. There must have been some reason then for protecting the

hawk's bill turtles, the beche-de-mer and the dugong, and there must be some reason for removing that protection now. In Queensland the beche-de-mer are fished, principally by the natives. The flesh is very valuable and, on being dried and sent to China, realises from £130 to £150 per ton. Even in some of the leading hotels in Australia beche-de-mer is served as a delicacy. The dugong also is limited in supply. The hides are very valuable, and the flesh furnishes an oil of a high class, while the bones are used principally for the manufacturing of handles of table cutlery. The dugong is becoming scarcer every day.

The Premier: In Queensland, perhaps.

Hon. W. C. ANGWIN: On reference to certain works in the library I find it is recommended that the dugong should be protected, particularly in Queensland.

The Premier: What do you want them for?

Hon. W. C. ANGWIN: I am not suggesting that they should not be taken, but it must be remembered that they are limited in numbers and confined to certain localities. The House ought to be informed of the reason why they were exempted from exclusive licenses in the 1910 Act, whereas it is now sought to remove that exemption. There must be some good reason for the giving of exclusive licenses over 75 miles of foreshore.

Mr. Underwood: Similar licenses are granted for the taking of whales, green-backed turtles and other products.

Hon. W. C. ANGWIN: That is so, but why were the hawk's bill turtle, beche-de-mer and dugong excluded from the 1910 Act? There must have been some good reason for the omission; and what is the reason why provision should now be made for granting exclusive licenses for the taking of those products? Have they increased in number? In the previous debate we were told that unless great care was exercised in the taking of turtles they would probably become extinct, because it is only the female which comes ashore. I should like the Colonial Secretary to give some reason why exclusive licenses should be granted for the taking of hawk's bill turtle, dugong and beche-de-mer, since we know that these products are so very valuable.

Mr. Teesdale: Not until recently has anybody wanted a license.

Hon. W. C. ANGWIN: It was previously held that such licenses should not be granted. The hawk's bill turtle is much more valuable than the green-backed turtle.

Mr. Teesdale: The licensees will pay a heavy rent for their privilege.

The Minister for Mines: The koopanger is getting the benefit to-day without paying anything at all for the privilege.

Hon. W. C. ANGWIN: That may be so, but if the supply of hawk's bill turtle is limited, surely what protection is given to-day should be maintained. We have had no information whatever on this point.

[The Speaker resumed the Chair.]

Mr. UNDERWOOD (Pilbara) [9.55]: I will support the Bill. The words proposed to be struck out from the Act should never have been in it. I do not think there is any reason whatever for their inclusion. A certain member of the Legislative Council who was accepted as an authority on the subject proposed that those words should be inserted, and nobody objected to their insertion. At the time it did not seem to matter whether they were put in or left out, and so we let it go through. But it has since been found that, given an exclusive right, especially in regard to dugong, some of our citizens will attempt to establish the industry of catching that fish or animal. Dugong is found in almost all the waters from Carnarvon northwards round to Brisbane, or along about 6,000 miles of coastline. We are told that it may be fished out. I ask is it not just as well to fish it out as to leave it there, since we are getting no profit whatever from it while it remains in the sea, whereas before it could be fished out we would reap a very handsome profit from the fishing of it out. However, when we remember that it is found along 6,000 miles of coastline it is seen that the letting of an exclusive right along 75 miles of foreshore is not likely to deplete the dugong. Further than that, every year schooners are to be found coming across from the Dutch colonies and fishing dugong in the North. They remain for a considerable time and practically fill up with the flesh and hides and oil from the dugong and take the catch back to the Dutch islands. Any West Australian attempting to fish would require some protection on the fishing ground. If he were given an exclusive right, he would be able to prevent those vessels coming across from the islands and fishing over the ground along which he had an exclusive right. I do not think hon. members have any objection to giving this exclusive right. In regard to the hawk's bill turtle, I have not very much knowledge, but in regard to turtles generally I know that there are practically millions of them along the North coast, and that there is not a possible chance of their being fished out. I know further that it costs the State Government something in sending police officials to endeavour to prevent the Asiatics from going on to certain islands, the Lacepedes in particular, and killing turtles in order to take the eggs out of them. The Asiatics have killed probably thousands of turtle, ripping them open, taking the eggs out and leaving the reptiles to die. If members look through the police reports, they will find that various officers have been sent to the islands in order to prevent the Asiatics from continuing this practice. When this sort of thing is going on, I do not think we could do better than to encourage to the utmost people who would endeavour to establish industries in connection with the taking of these reptiles. The turtle goes further in than the dugong, and I am under the im-

pression that all these reptiles mentioned in the Bill should be treated in a similar manner to the rest of the marine life on our coast. There is no reason why three should be specified and the rest should be subject to an exclusive license. Any agreement with regard to an exclusive license has to be laid on the Table of the House and members have the opportunity to take exception to it. Therefore, if any exclusive license is granted which members might deem to be detrimental to the interests of the State, they will have ample opportunity to object to it. I trust that the Bill will be passed.

Mr. PICKERING (Sussex) [10.3]: As has been instanced by several members who have spoken it seems to me that our country is being exploited by Asiatics, and we are to infer from the remarks of various speakers that the mere fact of granting a license is going to overcome these depredations by Asiatics. I do not know whether it is the intention of the Colonial Secretary to arm the company which is going to operate with special powers to control the fisheries, or to oppose the fishing in our territorial waters by Asiatics.

Hon. P. Collier: Cannot we prevent them fishing in territorial waters without giving an exclusive license?

Mr. PICKERING: I should imagine so and that is why I desire information. If in the past we have been unable to do so, and that is evidenced by the remarks of the Minister and of the member for Pilbara (Mr. Underwood), surely it would be impossible to do it by granting a special license.

The Colonial Secretary: Under the Act they cannot be taken at all.

Mr. PICKERING: Then why are Asiatics permitted to take these creatures at the present time?

The Colonial Secretary: How could you enforce the Act?

Mr. PICKERING: Then it is absurd to say that we can prevent it by giving an exclusive license to a company. We cannot provide armed forces to prevent Asiatics from taking these creatures. By what means will these depredations be prevented? By sticking up a notice—"This particular portion of the Ninety-Mile Beach is reserved to the firm of Brown and Robinson"? It does not say what particular part of Western Australia is to be allocated for that purpose.

Mr. Underwood: There is 6,000 miles of it.

Mr. PICKERING: I would like to know if the Minister intends to frame regulations with regard to the extent over which he will allow any particular company to operate, or whether he intends to give an exclusive right over the whole of the Western Australian coastline to one particular company.

The Colonial Secretary: It has to come before Parliament.

The Minister for Mines: It would require an Act of Parliament to grant more than a certain length of coastline.

Mr. PICKERING: I trust that the Colonial Secretary, in replying, will give information on these points.

Mr. TEESDALE (Roebourne) [10.7]: Reams of paper have been filled in this House to record the debates on these industries in the North-West, and I do hope that hon. members will be perfectly satisfied with what has fallen from the member for Pilbara (Mr. Underwood), who is a capable man. Members may take his word that there is no danger of any great concession being given away. No favouritism is being shown to any particular company.

Hon. P. Collier: How does he know? He is not in the confidence of the Minister.

Mr. TEESDALE: For the first time in the history of the North, a company is prepared to exploit a certain portion of that coastline.

Hon. W. C. Angwin: No, there have been several companies.

Mr. TEESDALE: This company has been contributing to the revenue of the State for years, and it is now about to enter into possession of its property which it has not utilised for five or six years. The company has already paid the Government £600 or £700 by way of rentals for the coastline of which it has never taken the benefit.

Hon. W. C. Angwin: Is that the firm of Belliss?

Mr. TEESDALE: It is the firm which has applied for the 75 miles of coast-line, and has paid about £700 by way of rental. I hope that members will at least give the company a chance of recovering some of the products for which it has paid very heavily. The company is asking for the exclusive right to collect certain animals—I will not call them reptiles—and fish on portion of the coastline for which a heavy rental is being paid. The member for North-East Fremantle (Hon. W. C. Angwin) would agree that it would not be fair to permit anyone else to come in and pirate that portion of the coast for which the company is paying rent. The hon. member is too fair for that. If the company is paying for 75 miles of coastline, it is entitled to what it finds there.

Hon. W. C. Angwin: The company is only paying for what its license stipulates.

Mr. TEESDALE: It would be absurd to ask the company to pay the rental if these particular products were exempted. There is practically little else there. The pearl shell found there is of no value whatever. The edible turtle has a value, but no particular value in Australia; it has to be exported at very heavy cost. The hawk's-bill turtle and the dugong have a value, but there is heavy expense in connection with marketing them. I assure the hon. member for North-East Fremantle that the dugong is not by any means scarce on the coast. One could go out for a couple of hours on any part of the coast from Carnarvon to Cossack and could get one or two. I think they are rapidly increasing in numbers and that companies operating

there would not be likely to affect their numbers for many years. Certainly the number of turtles is legion. At the exhibition in Barrack-street there are photographs—

Hon. W. C. Angwin: You can see the polished turtle shell there.

Mr. TEESDALE: Yes, but there are photographs of thousands of turtle being hatched from the eggs. There is not the slightest chance of the number being denuded for many years. Each fish lays between 200 and 300 eggs, and when the eggs are hatched the young immediately take to the water. Numbers, of course, are lost, but a tremendous number arrive at maturity. There is no risk, as the member for North-East Fremantle fears, that the coast will be denuded. The company has a right to this portion of the coast for which it is paying rental, and there is no risk involved if we allow this clause to pass.

Hon. P. COLLIER (Boulder) [10.11]: I do not profess to know very much about the possibilities of the seas of the North-West with regard to the production of these fish, but as the debate has progressed we have been somewhat enlightened by members representing that portion of the State who ought to know something about the subject. The member for Roebourne (Mr. Teesdale) referred repeatedly to some mysterious company operating there. So far as this House is concerned it is a mysterious company. The hon. member seems to be in possession of a considerable amount of information which was withheld by the Minister in moving the second reading of the Bill.

Mr. Teesdale: The Minister gave you the actual capital of the company.

Hon. W. C. Angwin: He said "a company is prepared," etc.

The Colonial Secretary: The member for Roebourne is mixing the edibles with the hawk's-bills.

Hon. P. COLLIER: See how we have been misled! We who know nothing of the possibilities of the North-West and are apt to attach considerable weight to statements of members representing that part are now informed by the Colonial Secretary that the member for Roebourne who got up to enlighten us has been mixing up the different kinds of turtle.

The Minister for Agriculture: He has turned turtle.

Hon. P. COLLIER: I have read the speech made by the Colonial Secretary in moving the second reading, and I must say that he gave the House very little information indeed. The member for Pilbara (Mr. Underwood) says this amendment crept in in another place, that it was inserted at the instance of a member of that House who is supposed to be an expert on the subject. In that statement the hon. member is incorrect. The Act to-day stands precisely as the Bill was introduced by the Colonial Secretary in another place in 1910. No amendment whatever was made in another place.

The Colonial Secretary: It was not in the Bill prior to that.

Hon. P. COLLIER: I am dealing with the statement of the member for Pilbara (Mr. Underwood) that this amendment crept in at the instance of a member in another place who is supposed to be an expert.

Mr. Underwood: I still assert it.

Hon. P. COLLIER: The hon. member may assert it, but I do not think he was referring to the Colonial Secretary of the day.

Mr. Underwood: I was not referring to the Colonial Secretary of the day.

Hon. P. COLLIER: Then no other member was responsible for the amendment. This section of the Act was in the original Bill as introduced in another place in 1910. It is recorded in "Hansard" of the 8th November of that year. The then Colonial Secretary, Mr. Connolly, stated, in moving the second reading of the Bill—

There are certain provisos in the Bill. It is provided that the exclusive license shall not apply to hawk's-bill turtle, nor to beche-de-mer (trepang) nor dugong, and that persons may take these animals within the restricted area for their own use, for food.

The hon. member is wrong in saying the amendment was made by someone else.

Mr. Underwood: It may not have been an amendment.

Hon. P. COLLIER: It was in the amending Bill. The original Act was the Act of 1905, and the amending Bill was introduced by the Wilson Government in 1910.

Mr. Underwood: There was a Bill in 1909.

Hon. P. COLLIER: This Act was passed in 1910. I presume the Government of the day obtained the advice of officers controlling the Fisheries Department before excluding these fish, or whatever they may be termed, from being traded in under exclusive license. If they recommended the Government to so exclude them they must have had some good and sufficient reason for doing so.

Mr. Underwood: That is to say, what is, is right.

Hon. P. COLLIER: Not at all. It is to be assumed that when a Government deliberately comes down with a Bill setting forth something of a specific nature, there must be some reason for doing so. The reasons for any change from that policy have not yet been given by the Minister.

The Colonial Secretary: I gave them when introducing the measure.

Hon. P. COLLIER: I cannot find any reasons in "Hansard." Has the Minister received any request from any company in Australia, or in England, for an exclusive license to handle these products? I assume from the speech of the member for Roebourne (Mr. Teesdale) that the Minister has before him some offer of the kind. He repeatedly referred to some company now operating on the North-West coast, to an offer the company had made, and to what it

was proposed to do. Has any definite proposal come from any company within the State or from London, or from any persons who propose to form a company for the purpose of operating in this part of the State? I should like the Minister to make this clear.

The Colonial Secretary: It is in "Hansard."

Hon. P. COLLIER: I am sorry I am not permitted to quote from "Hansard." In spite of the remarks which have fallen from other members, I should like to hear something more from the Minister in charge of the Bill. Does the Minister endorse the statement made by the member for Pilbara (Mr. Underwood) that there is no risk of completely exterminating these fish, and that Parliament would be quite safe in granting the exclusive license to operate in this part of the country?

Mr. Teesdale: On their particular area.

Hon. P. COLLIER: It would be easy for a company to secure an exclusive license to operate along the whole of the north-west coast. They could form a subsidiary company, as has been done in other cases. If a company reaches the limit so far as its powers are concerned, it can get over the difficulty by forming another company which will get other powers, and so it can go on. It would thus be possible for one company to secure the right to operate over 2,000 miles of coastline under various leases entitling it to work over stretches of 70 odd miles at a time.

The Colonial Secretary: More than one license would not be granted by the Fisheries Department.

Hon. P. COLLIER: One license to one company?

The Colonial Secretary: That is over 75 miles of coastline. The Fisheries Department would not grant another license to another company. It would consider that the 75 miles of coastline was sufficient for any company to operate on for dugong or beche-de-mer.

Hon. P. COLLIER: They may grant a license for any number of stretches of 75 miles in extent.

The Colonial Secretary: It is not likely.

Hon. P. COLLIER: There is nothing to prevent the department from doing it.

The Colonial Secretary: A license is only granted under certain conditions.

Hon. P. COLLIER: The conditions are laid down by the Act and by regulations, but it is open to the department to grant any number of exclusive licenses for stretches of 75 miles in extent. It may be that in the course of a few years, if that were done, the whole of the North-West would be denuded of this particular form of fish.

Mr. DURACK (Kimberley) [10.22]: So far from there being any danger of exterminating this particular product, I should say

that the Bill will rather protect it. We know that trepang has been going from our coasts for centuries past. In Darwin there are records showing that the Malays took this trepang away as far back as 300 years ago. In 1819 Commander King came across several Malay prows, and records that there were 200 or 300 men engaged on the shore taking away this trepang and dugong. The member for Sussex (Mr. Pickering) has asked what occasion there was for this measure. I would point out that in their own interests the people concerned would watch over the area where the trepang is found. The area is a very isolated one, and it would require a large force of police to properly control it. Any company which had an interest in the locality would see that they were protected and would prevent the Malays from operating there. I would also point out that alligators do a great deal of harm to the turtles and to the dugong. If these reptiles were destroyed the loss occasioned by them would be obviated. The Leader of the Opposition fears that these products of the sea might be exterminated, while the member for Pilbara suggests that it would not matter if they were because we are getting no return from them up to the present. I do not see that we could lose anything even if they were exterminated, though I do not fear that in the least. Any company that operates there must have some protection before it engages in the enterprise, and before it puts any money into it. I see no objection to giving the right to fish for these products, and I hope the Bill will be passed.

The COLONIAL SECRETARY (Hon. F. T. Broun—Beverley—in reply) [10.25]: I thought I had made the position clear in my remarks when introducing the Bill. I have pointed out that the value of the dugong, the hawk's-bill turtle, and the beche-de-mer. The member for North-East Fremantle suggests that beche-de-mer is worth up to £150 a ton, but I have informed the House that £300 has been paid for one ton of that product. This is found in great quantities, and has been traded in very largely by the Koepangers and other inhabitants of the islands adjacent to Australia. Both outside and inside territorial waters these operations have been carried on by the native races, to our loss.

Hon. P. Collier: We cannot interfere in anything that is done outside the three-mile limit, and cannot give an exclusive license for anything outside that.

The COLONIAL SECRETARY: Anyone who gets a license can work outside the three-mile limit, but the dugong, for the most part, frequents the waters within the three-mile limit. So long as the Act is left as it is we cannot grant any license to take this product. I ask the House to amend the Act so that we may do so if necessary.

Hon. P. Collier: Could the British company secure a license over a length of 75 miles of coast?

The COLONIAL SECRETARY: Yes, if the Bill is passed. It is a much greater distance than that, for the taking of the edible turtle or greenback. The Act was passed by the House some years ago. Owing to the war, those interested, mostly British investors, were not able to commence operations, but they have continued to pay the necessary rent ever since. They now have a certain amount of capital raised and propose to erect works at Fremantle near Rocky Bay for the preparation of the product. The other matter is entirely different. The hawk's-bill turtle is valuable for its shell, which is called tortoise-shell. This is worth up to 125s. per lb.

Hon. W. C. Angwin: This proviso was recommended by Mr. Male, late member for Kimberley.

The COLONIAL SECRETARY: That may be so. It is strange that although Sir James Connolly was Colonial Secretary when the Act was amended, and this proviso was put in, during the last 12 months he has asked me to have the Act amended because of the inquiries made through him from persons in the Old Country, who were anxious to put their money into these industries and operate in the North-West.

Hon. P. Collier: Naturally he would pass on to you representations made to him as Agent General in England.

The COLONIAL SECRETARY: That is so. I have had inquiries from people in our own State who are willing to operate, and to put up the necessary capital—£30,000, or £40,000 or £50,000, as demanded by the Government. But so long as the Act remains as it is, we cannot grant a license at all. If an exclusive license is granted, certain conditions will be set up, and any failure to comply with them will enable the Government to cancel the license at any time. It may be said that a special license is not worth a snap of the fingers, seeing that people can go outside the territorial waters and do as they please. But an exclusive license will give the company a strip of 75 miles or more along the coast, and will enable them to establish their works on land.

Hon. P. Collier: And they will be able to police that section, and keep anybody else off it.

The COLONIAL SECRETARY: That is so. The North-West Whaling Company, a Norwegian concern, which started some years ago to take whales, began to treat whales out on the water. But they could not make a success of that; they had no protection, and it was too rough to risk their plant. The result was that they were compelled to lease an area from the Government, and erect their plant on land. The insertion of the proviso in the Act of 1910 to which I have referred, showed that these animals were valuable, and that they were available only in limited numbers. According to the Fisheries Department they are not increasing. The dugong appear to be decreasing, though

still to be seen in numbers. They are passing up the shore, going further north into the warm water, and probably many of them are passing over to the Queensland coast. There they can be taken without hindrance; certainly they are not likely to return to our waters. It is absolute folly for us to allow the dugong to be taken by somebody else without any profit to us. The hawk's bill turtle, of course, are there for all time, though, they are taken in thousands by sharks, and also by alligators in the creeks. Mostly they are taken when young by the sharks. The proposed company would not only take the hawk's bill turtle and the dugong and the trepang, but also take the sharks. The company's operations would have a tendency to eradicate the sharks along that coast, thereby affording some protection to the hawk's bill turtle and the dugong. The Government have been asked to grant an exclusive license for 14 years, which term we consider too lengthy. However, we are prepared to consider a period of 8 or 9 years, in which the company should be able to get their money back. As regards the trepang, it is a sea slug which clings to the rocks at the bottom of the sea, and is of no use whatever to Europeans, but is worth as much as £300 per ton in the Eastern markets. I have given hon. members all the information I possess, and, I think, all the information that is necessary. As regards the dugong, we can have only one company operating, and that company will be closely watched. If in the opinion of the Fisheries Department the company indiscriminately destroy the products, we shall step in under the license and say, "You cannot do it any longer." The Government will be able to cancel the license at any time. It is of course possible that some other company might take up a strip of 75 miles further north; but it is very improbable, seeing that an expenditure of at least £30,000 would be needed. Not many companies would be found to spend £30,000 in order to compete with another company. If the Bill is passed we shall have no trouble in getting a considerable amount of British capital invested here, and, in addition, we shall have the advantage from year to year of the rental under the exclusive license. I trust the House will pass the second reading of the Bill.

Question put and passed.

Bill read a second time.

In Committee.

Mr. Stubbs in the Chair, the Colonial Secretary in charge of the Bill.

Clause 1—agreed to.

Clause 2—Amendment of Section 30:

Hon. W. C. ANGWIN: I find that this clause was inserted on the recommendation of Mr. Male, a former member for Kimber-

ley, merely for the purpose of distinguishing between the food turtle and the shell turtle.

Clause put and passed.

Cause 3—agreed to.

Title—agreed to.

Bill reported without amendment, and the report adopted.

House adjourned at 10.40 p.m.

Legislative Council.

Wednesday, 7th September, 1921.

	PAGE
Questions: Wheat Pool, Government intentions...	650
Leave of absence	651
Motion: State Finances, economy	651
Bills: Adoption of Children Act Amendment, 1A. ...	656
Fisheries Act Amendment, 1B.	656
State Children Act Amendment, 2A., Com.	656
Courts of Session, Com., report	659
Reciprocal Enforcement of Judgments, Com., report	680
Local Courts Act Amendment, Com., report	680
Evidence Act Amendment, 2A., Com., report	680
Official Trustees, 2A.	661
Fremantle Municipal Tramways and Electric Lighting Act Amendment, 2A., Com. report	661
Adjournment	661

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

QUESTION—WHEAT POOL, GOVERNMENT'S INTENTIONS.

Hon. J. DUFFELL asked the Minister for Education: 1, Is it the intention of the Government to establish a wheat marketing pool for the coming harvest? 2, If so, do the Government propose to take any financial responsibility in connection with such pool? 3, If the answer to the latter question is in the affirmative, will the Government undertake to obtain the sanction of Parliament before incurring such responsibility?

The MINISTER FOR EDUCATION replied: 1, Yes. 2, The only responsibility upon the Government will be in the event of the final realisations not equalling the initial advance on delivery, which is intended to be 3s. per bushel, and is considered a safe margin in view of quotations forward. 3, The sanction of Parliament is at present being sought.