This concluded the Estimates of Revenue and Expenditure for the year.

Resolutions passed in Committee of Supply granting supplies not exceeding £5,075,786 were formally reported.

BILL—AUCTIONEERS.

Council's Amendments.

Message received from the Council notifying that it had agreed to the Bill subject to certain amendments.

House adjourned at 11.15 p.m.

Legislative Council.

Wednesday, 7th December, 1921.

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

QUESTION—MINE MANAGEMENT, FINGAL.

Hon. J. W. HICKEY asked the Minister for Education: 1, Is he aware that there are, approximately, 100,000 tons of ore broken in the Fingal mine at Day Dawn, estimated to be worth an ounce to the ton? 2, If not, what is the estimated quantity and its average value? 3, Is it not a fact that the whole of this ore could have been recovered and the mine be still working but for the mismanagement of Bewick, Moreing & Co.?

The MINISTER FOR EDUCATION replied: 1, It is generally understood that a good deal of ore remains in the Great Fingal mine, but the department have no knowledge of the amount or value. 2, Answered by No. 1. 3, The question of mismanagement does not come within the province of the Government.

QUESTION—MINES INSPECTORS' QUALIFICATIONS.

Hon. J. W. HICKEY asked the Minister for Education: 1, Is it a fact that it is necessary for a man to have a University education before being appointed to a position of inspector of mines, or is the technical man given preference over the practical man? 2, If so, where does the man come in who has worked all his life in mines and is thoroughly practical, but has not had the opportunity of getting a University education?

The MINISTER FOR EDUCATION replied: 1, A University education is not essential. Positions are advertised and applicants appointed according to their qualifications, combining both technical and practical knowledge. 2, Answered by No. 1.

ASSENT TO BILLS.

Message from the Governor received and read notifying assent to the following Bills:—

1, Local Courts Act Amendment.
2, Mining Act Amendment.
3, Permanent Reserve (Point Walter).

BILL—GRAIN.

Second Reading.

Debate resumed from the previous sitting.

Hon. J. A. GREIG (South-East) [4.36]: I shall not to-day enter into a long discussion on the merits or demerits of bulk handling. For this debate it is sufficient to know that the farmers of Western Australia want the Bill; and they want the Bill because they want bulk handling established. For several years the wheatgrowers of this State have been discussing the question of bulk handling, and the majority of them have come to the conclusion that for a State which will eventually become a large wheat growing State, bulk handling is the proper system. Western Australian wheatgrowers have now backed their opinion by applying for 256,000 shares in the grain elevator company. Let me say here that 60,000 of those shares were applied for conditionally, the condition being that the applicants would be in a position to take the shares when the time came. These applicants were on the Industries Assistance Board. Hon. members realise that any farmer who is on the Industries Assistance Board has not the handling of his own money. In the case of such a farmer the Government have the first claim on the proceeds of the crop, and the merchants, or outside creditors as they are usually called, the men who stood by the farmers until the Industries Assistance Board was created, have the second claim. These particular applicants were hopeful that the Government would instruct the

manager of the Industries Assistance Board to go through the list of the board's clients and select those whom he considered "good marks," as permitted to apply for shares. They hoped that the Government would come to their assistance in this respect, when the Government would have stood, for this particular purpose, as third creditor. However, that was not done; and I realise that to-day it would be a very difficult matter for the company to raise the money required under the Bill. Personally I am in favour of bulk handling, believing it to be the right system for adoption by a new country such as this. I believe that if we delay for another 10 or 20 years the cost of installing the system will be so much greater——

Hon. J. Duffell: It is likely to be lower then than it is to-day.

Hon. J. A. GREIG: Possibly; we do not know what the future will bring forth. I am not one of those who hold that bulk handling will result in great savings under the present conditions of wheat growing in Western Australia. I realise that the advantage must be slight. For that reason I wish to be very careful to see that the system is inaugurated on the most economical terms possible. In connection with my study of the Bill, I have read very carefully the Federal Act granting money to the company. I may remark that there is a Federal Act and a Federal Amendment Act. The first measure provided that the Federal Government would lend £550,000 to the company if they put up £300,000 of shareholders' cash. The amendment Act provides that if the company put up £240,000 of their own cash, the Federal Government will lend them £440,000, and that the company must spend £100,000 of their own money before they get anything at all from the Federal Government. I have also read carefully the lease that the company have obtained from the State Government of certain land at Fremantle. That lease is appended to the present Bill. I have read carefully the terms and conditions under which the lease has been granted. I have also read the company's articles of association, and I realise that when the company is formed and begins to operate, it will do so under the Companies Act of Western Australia. Having read all these documents——

Hon. J. Duffell: Did you read the agreement with the Federal Prime Minister?

Hon. J. A. GREIG: Yes; and, having read that agreement, I am of opinion that no such Bill as this is required at all. Had I been chairman of the grain board, I would not have come to Parliament to ask for the terms and conditions set forth in this Bill. I would have brought forward the provisions contained in the schedule to the Bill, and asked for the sanction of Parliament to them; and then, having obtained such sanction, I would have gone on with the business. However, the board do not agree with me on that point. Yesterday I had the pleasure of interviewing the members of the board, and of talking the matter over with them. They say that they want this legislation from the State Parliament. They declare that they want a Bill, but that they do not want the Bill presented here. That measure contains many clauses which they think will prove hampering to them in their business.

Hon. E. H. Harris: Some of the clauses might with advantage be deleted.

Hon. J. A. GREIG: However, it is my intention to support the second reading of the measure, and then to endeavour to amend the Bill in Committee. Hon. members will recollect that when the Metcalf agreement was before the House some years ago, I opposed that agreement. I did so because I realised that it contained objectionable clauses, and also because there was behind that agreement a Federal measure which we could not amend. Indeed, it was not the Metcalf agreement so much that I objected to, as some of the terms of the Federal measure which we had no means of amending. I am generally prepared to put a Bill through its second reading here, even if I do not agree with it in its entirety. I vote for the second reading in the hope that during the Committee stage the House will be able to make it a measure which will answer the purpose. I shall now indicate some of the amendments I propose to move. In the first place, this Bill gives the company a monopoly for 25 years. I maintain that if the Government grant any company a monopoly, they have the right to dictate certain terms to the company. I acknowledge, of course, that the granting of a monopoly to a co-operative company is a very different proposition from granting a monopoly to an individual. However, I am not prepared to grant this company a monopoly, and in Committee I intend to urge the deletion of all the clauses referring to the monopoly. Assuming for the sake of argument that the monopoly has been got rid of, then there disappears the only reason the Government can have for appointing in connection with the company a board over which the wheat growers will have no control, on which they will have no representation. Accordingly, I shall ask the House to strike out the clause empowering the Government to appoint the board.

Hon. J. Duffell: What effect will that have upon the agreement with the Commonwealth?

Hon. J. A. GREIG: I do not think it will have any detrimental effect. I think the Commonwealth will be better pleased to have lent its money to a bulk-handling system in Western Australia which is controlled by a co-operative company, than to have lent it to a company controlled by the State Government.

Hon. J. Duffell: But there must be Government sanction.

Hon. J. A. GREIG: I disagree with the statement that the Federal Government insist

upon State Government sanction. What they do insist upon is indicated in Clause 5 of the agreement, namely 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. My opinion is that the executive authority was granted when the Government granted the lease, and the legislative authority was contained in the terms and conditions under which they took that lease, when they put in a clause providing that the company should not appropriate more than 8 per cent. for its shareholders and should handle wheat on the same terms and conditions for all wheat growers. It is intended also that they shall give non-shareholders a pro rata amount of the bonus.

Hon. J. Duffell: No, that is not in the Bill.

Hon. J. A. GREIG: Well, it is in the Federal Bill. From my point of view the Federal Bill and the lease were all that the company required; but the company decided differently and is still of opinion that it would like to have this Bill and so know that it has the sanction of the State Parliament. So long as there is nothing in the Bill injurious to the wheat grower, I am prepared to support the wishes of the company. That is why I am pleading with the House to pass the second reading. To my thinking the Bill is unfair, in that it compels the company to do everything, while the Government agree to do nothing.

Hon. J. Cornell: They agree to cart the wheat over the railways.

Hon. J. A. GREIG: No; when the elevators are erected the Government may have no trucks ready to cart the wheat. Under the Bill they do nothing for the growers, while they exact everything from the growers, even to the point of appointing a board to control the finances. Under the Metcalf agreement, which I opposed, the Government were to find the money, build the silos and control them, but under this Bill the growers have to find the money and build the silos, while the State will control the whole business through the Board. I see nothing objectionable in the Federal agreement with the Westralian Farmers Ltd. They safeguard themselves by several clauses which are perfectly reasonable, since they are loaning the money to the company. I propose to amend the Bill in the direction indicated. The Government should agree to do something in regard to the letting of sites at the various sidings, putting in the necessary loop lines and altering the railway rolling stock. It is my intention also to move an amendment which will give the Government the right to assist the I.A.B. settlers to apply for shares without interfering with the rights of outside creditors. The shares could be a third mortgage after the outside creditor has been paid. There could be no reasonable objection to that. Quite a number of the I.A.B. settlers have shown that they are desirous of coming into the scheme. The question might involve the Government in some £30,000 of additional loan. When the farmers first decided on this scheme, nearly two years ago, they thought they would get about 5s. or 6s. a bushel for their wheat, whereas they averaged about 9s. a bushel. They said, "Here is the chance of a lifetime to put in 6d. per bushel each and have our own elevators." That is how the scheme originated. Had I been Premier of the State at that time I would have grasped the situation with both hands. The question of bulk handling is a plank in the platform of every political association in the State, and the Government must realise that the time will come when an agitation shall be raised for bulk handling. Pressure will be brought to bear on the Government of the day and they will be compelled to establish bulk handling as a Government concern. Had I been Premier when the farmers were prepared to do so much, I would have risked up to £30,000 to allow them to run their own concern. I intend to move an amendment which will allow the Government to do that if they so desire. Also I intend to amend Clause 22, which provides for the appointment of the board. My amendment will give the growers some representation on that board. Mr. Duffell last night doubted whether the applicants for the 256,000 shares were fully aware of the terms and conditions under which they were applied for. I believe that they are fully aware of the position and realise that they must comply with the terms and conditions. I, with others, went around the country at the request of the provisional directors and urged the farmers to take up shares, pointing out that if they did so they would have an opportunity for managing their own business away from Government control. The wheat grower likes to feel that he is handling his own business. I would be prepared to let him do so. He would like to have the management of his own elevators. That is why I want the House to amend the clause dealing with the proposed board, because under the Bill the Government would practically take the business out of the hands of the wheat growers; as provided in the Bill, the powers of that board are very sweeping. Mr. Duffell also said the grain company had received £20,000 from the Federal Government, whereas the agreement stated that they should not receive anything until they had spent £100,000 of their own money. On making inquiries I find that the company have not received a penny from the Federal Government, and cannot do so until they shall have spent £100,000 of their own money by way of showing their bona fides.

Hon. J. Duffell: Then how did the amount come to be on the Federal Government's Estimates?

Hon. J. A. GREIG: I am told that for the past two years the Federal Government have put a certain amount on the Estimates in case the company got a move on and spent the £100,000 which would entitle them to ask for something to go on with. That accounts for the item of £20,000 appearing on the

Federal Estimates. Mr. Duffell also remarked that the silos to be erected would not be of sufficient capacity to store all the wheat grown in the State. No wheat growing country in the world has silos of sufficient capacity to store all the wheat grown within its boundaries. It is not necessary. We saw in the newspaper a couple of days ago that the State Wheat Board had already made a big sale of wheat to be delivered next year, at 5s. 2d. per bushel.

Hon. J. Duffell: That is bagged wheat.

Hon. J. A. GREIG: Yes, but that makes no difference. When the elevators are constructed sales of wheat will take place, and so wheat will be going in at the top of the elevator and running out at the bottom. We do not require sufficient storage capacity to carry the whole of the wheat yield.

Hon. J. W. Kirwan: At one station in Canada the storage capacity is seven million bushels.

Hon. J. A. GREIG: But that is not one-tenth of Canada's total yield. Mr. Duffell looks upon the Bill as an encroachment of the Federal Parliament upon State rights. I cannot agree with that. The Bill is quite different from the Bill that gave power to raise the money for the Metcalf agreement. That Bill did encroach on State rights, because it insisted upon dual control of the elevators as between the State and the Federal Governments. There was to be a committee, the chairman of which was to be the direct representative of the Federal Government. If other members of the committee passed a resolution with which the chairman did not agree, that resolution was not to be put into effect. The chairman of the committee was to be made dictator. That was one of the reasons why I opposed that Bill. But there is nothing of the sort in this Bill. If the Bill becomes law the company will have no power to traffic in grain. They do not desire it. They will merely handle the grain. The farmer may sell his certificates to whom he likes, just as to-day he can sell his wheat to whom he likes. Probably he will sell his certificates to Messrs. Bell and Coy., or Messrs. Darling and Sons, and those firms will charter the ships. The Grain Elevator Company will have nothing to do with either the chartering of the ships or the dealing in wheat. Therefore there will be no great alteration of the system from what it was before the pool came into existence. The old buying firms will buy bulk grain, just as to-day they are buying bagged grain. I urge the Council to pass the second reading. The country will be extremely disappointed if the Bill is not given a chance to be amended in Committee. Reference has been made during the debate to the influence my speech had on the House three years ago. I only hope that my speech this afternoon will have the same influence for the passing of the second reading as my earlier speech is said to have had upon the rejection of the Bill of that session.

Hon. A. LOVEKIN (Metropolitan) [5.0]: I propose to follow the course outlined b Mr. Cornell, and endeavour to assist the fa mers of the State by protecting them agains themselves. For many years past I have take considerable interest in the opening up o the wheat lands of the State, and have don the best I could to help the Premier to carr out his scheme of land settlement and mak the success of it that appertains to-da Amongst the farmers of the Tammin settl ment I have many friends. Several have aske me for my opinion and advice on this Bil and a good many of them have taken th trouble since last session to come up and se me and point out their position to me, and have undertaken to do what I can to help then The remarks I shall make this afternoon ar in that direction. The other day I asked th Minister a number of questions to which got what were supposed to be replies. I d not blame the Minister. He is obliged t give the House that which is given to hi by the departments. The first question asked was whether the Government had pr mised that the creditors of the I.A.B. shoul be first satisfied before any other appropri tions were made. The answer was that part culars would be found in a certain Act o Parliament. I asked if a promise had bee made, and was told that the facts would b found in a particular Act of Parliamen That was not what I asked. I also asked i the acquiring agents under the wheat po issued certificates to the farmers under th board partly for cash and partly for shar in the granaries company, and the answ was, no. I am not concerned with pursuin that, because it has very little bearing on th points I intend to make. Later on I may hav an opportunity of producing one of tho certificates. The answer which does concer one of the points I have to make is th answer to a question as to whether the a quiring agents, the Westralian Farmers Lt are the promoters of the granaries compan The answer was in the negative. Th answer was not a true answer. If I cann go as far as that, I may use the languag of Sir Edward Wittenoom and say it was suppressio veri, which is worse than a li The Act under which this granaries agre ment is possible sets out that the agreemer is made between Mr. Basil Murray, of Pert Western Australia, managing director the Westralian Farmers Ltd., and th Government, while the figures which M Duffell produced show that the £20,0 provided on the Estimates comes u der the heading of the Westralia Farmers Ltd. It cannot be otherwise. W could not imagine the Prime Minister of th Commonwealth lending to any single ind vidual the sum of £550,000. If that were s I should want to ask what might be co sidered an impertinent question, where do Mr. Hughes come in on the deal when h lends half a million of the country's mon to a single individual in order to enable th individual to promote a company. If th

were so, which it is not, I should say there was something wrong about the deal. The answer to my question is not right. The Westralian Farmers Ltd. are the promoters of the granaries company. In that connection I have no complaint as to Mr. Hughes advancing the money. My only complaint is that the question was not answered as it should have been. Seeing that the Westralian Farmers Ltd. are the promoters of this company, I first wish to point out what that company consists of and how it stands. I would not be doing what was right if in my place here I did anything that would injure any company trading in the State. I do not propose to make any references which will be injurious to the Westralian Farmers Ltd. but from the point of view of what I propose to submit to the House, it is necessary for me to show the position of the company. I only wish to point out what is admitted by the company. I have here the report and balance sheet of the directors for the year ended the 31st May, 1921. I find from the balance sheet that the subscribed capital of the company is £43,320 less unpaid calls, £5,699, plus calls paid in advance, £4,421, leaving a paid up capital of £42,042. As against that capital are buildings £18,999, plant £7,629, investments £2,306, bills receivable £82,972, cash deposits with the Government £6,287, making a total of £44,193 If we put these two sides of the ledger together we find that all the capital in cash is balanced. As a matter of fact, the balance sheet of the company shows an overdraft as well. The company has little or nothing available in the way of cash to do a large business upon. The balance sheet figures total considerably more than £44,000. The two sides of the ledger are made up as follows: On the one side stocks £56,674 and sundry debtors to the company £135,695, and charges against future trading £1,259, making a total of £192,628 that the company has as assets and is owed. Against that there is money available from various creditors to the company £129,270 and various other sums which balance the ledger except as to the profit of £5,903. As I have already indicated, the company has £44,000 in cash with which to trade and which it has expended in buildings and other things, and the rest of its capital is money it has received on deposits from various members of the community, against which it has got some thousands of pounds of liabilities, leaving a paper profit of £5,903. If we take the ordinary percentage for bad debts off the £135,000, which the company show under the heading of sundry debtors, the paper profit of £5,903 at once disappears, to say nothing of any depreciation on the stocks. I do not wish to pursue this any further.

Hon. J. A. Greig: How do you connect that with the Grain Elevators Bill?

Hon. A. LOVEKIN: I will show the hon. member how I will connect it with that. The company proposes to pay a dividend, but the dividend is not payable until the directors see fit. Obviously, in the present financial position of the company, it has no cash in hand at present out of which to pay dividends. The report goes on to admit the position I have just indicated and says—

> As time goes on and the business of the company increases, it becomes more than ever necessary to secure additional capital. Although the company has been in a position to cater for all its req ire-ments it must be obvious to all concerned that to conduct a business of the huge dimensions achieved by the company more capital must be introduced into the movement. This will not only mean the progress of the movement, which is so earnestly desired, but ensure those individual and collective benefits which must naturally accrue.

The figures show that there is 1s. 3d. per share remaining to be called up, and the figures also show that the sum of £5,699 is still outstanding by way of unpaid calls. The promoters of this Grain Bill have used all their cash capital and require more capital to carry on this huge business, when it only has a calling power of 1s. 3d. per share. I now come to the Granaries Company, which under the Articles of Association has a capital of £1,500,000. Why this capital is so large, seeing that the more capital there is the more does it cost to register, I do not know except that it be for the reason I shall presently show. It is clear that £1,500,000 is not required to construct these elevators. According to the Federal Bill under which the Government offered to advance £550,000, £800,000 is the estimated cost of the elevators.

Hon. J. A. Greig: That is a start.

Hon. A. LOVEKIN: It may be, but that is the estimated price on which the Government will advance the money. There are 700,000 shares in the company more than are required under the Bill. Why is it that nearly double the necessary capital of the company is asked for? I turn to the memorandum and articles of association of the Granaries Company to find some solution. I find in the first place, in article of association No. 4, third paragraph, the following:—

> The board may issue ordinary shares as fully paid up in consideration of properties or rights acquired, or to be acquired by the company, or in consideration of services rendered to, or work and labour done on behalf of, the company, notwithstanding that no cash has been actually paid for or in respect of such ordinary shares by the persons to whom the same may be issued.

Then it goes on to say that these free shares may be distributed as the board think fit to persons who have asisted in getting the shares of the company taken up. That is one of the reasons, I take it, why £1,500,000 is provided in order to do £800,000 worth of work. In the Bill, it is provided that the

company cannot alter their articles of association without the approval of the Government. If members will peruse the articles of association they will see that the company will never require to alter them, because they are as wide as possible. Under the existing articles of association, the Granaries Company can do anything under the sun, as well as handle the grain into the elevators. I will read one or two of the articles of association to show hon. members that the company anticipates not only trafficking in grain, but in embarking upon other operations as well. Article 2 provides that the company may carry on any business of a similar nature, or any business which may, in the opinion of the directors, be conveniently carried on by the company. Article No. 6 provides that the company may manufeature, buy, sell, or generally deal in any plant, machinery, goods and things of any description which, in the opinion of the directors of the company, may be conveniently dealt with by the company in connection with their operations. Article No. 7 provides that the company may purchase or otherwise acquire all or any part of a business property or the liabilities of any company, society, or partnership formed for any, or all, of the objects of the company, and carry on or liquidate or wind-up such business so purchased. Article No. 13 sets out that the company may construct, improve, maintain, develop, work, manage, or control any railways, tramways, working jacks, jetties, sidings, wharves, warehouses, electric supplies, shops, concerns, or other conveniences which may seem to the directors, either directly or indirectly, to advance the interests of the company.

Hon. G. W. Miles: The company could take over the State.

Hon. A. LOVEKIN: The Leader of the House put this up as one of the protections that was given to the public! The articles of association, the Minister said, could not be altered without the approval of the Government. I am reading these articles to hon. members and they do not appear to me to need any altering at all. The company can do anything. Listen to this: Article No. 15—

> The company may lend to such persons—

It does not say the rate of interest—

> on such terms as may be deemed convenient and particularly to customers who have dealt with the company and guarantee the performance of contracts by any such persons.

This is a company to deal with the handling of grain from the farm to the ship. There is a passage which is contradictory to the clauses of the Bill. I draw the attention of hon. members to this aspect particularly. The articles of association say that the company may amalgamate with other companies having objects similar to those of the company, may promote any company or companies for the purpose of acquiring any or all of the profits and liabilities of those other companies or for any purpose which may seem directly or indirectly of advantage to the company. Clause 3 of the Bill prevents the company from amalgamating, and I draw hon. members' attention to that particularly, because I wish to show how great is the camouflage under the Bill. The Bill provides that the Granaries Company can amalgamate with any other company. It says nothing about the company not being allowed to buy shares in any other company. They can do that under the articles of association, or they can take over any other company. Thus they can amalgamate under the articles of association, but under the Bill, the right to amalgamate is taken away, although the power to buy shares in other companies or to take over other businesses still exists.

Hon. E. H. Harris: Cannot the company form subsidiary companies as well?

Hon. A. LOVEKIN: The company can, under the Bill. That is one of the main provisions of the Canadian Act. It prevents the formation of subsidiary companies and the trafficking in wheat to the detriment of the farmer. I submit that the farmers, toiling, as they are, almost round the clock, have not time to look into these matters to see where they stand. It, therefore, remains for some of us who have more time at our disposal, to look into these matters and so help the farmers.

Hon. Sir Edward Wittenoom: You have not yet made it clear how the Westralian Farmers Ltd. are connected with this company.

Hon. A. LOVEKIN: Here is the Westralian Farmers Ltd. wanting more capital. They must have more capital to carry on the business. Here is the Granaries Company with 700,000 shares to play with. The deduction I make, reading the articles of association, is that when the Bill is passed and the company is able to operate, it will not be long before the Granaries Company will take over the Westralian Farmers Ltd. as it has power to do; then the extra capital will be available and the interest will be practically guaranteed by the farmers who put their wheat into the elevators at such a price as is necessary, because the company has a monopoly of the business.

Hon. J. Duffell: Probably the manager of the Westralian Farmers Ltd. will be the manager of the Granaries Company.

Hon. A. LOVEKIN: I think I am drawing a logical deduction from the two sets of facts to which I have referred. The company is in the position of having a large surplus of shares, and the natural corollary, it seems to me, is that it will be a very little time before these two concerns will be amalgamated into one business. The Westralian Farmers Ltd. will be bought out by the surplus shares in the Granaries Company. If there is any loss respecting the Westralian Farmers Ltd. those putting wheat into the elevators will make good that loss through the price they will

have to pay. There is another point: Under the Bill it is set out that any person who puts wheat into the elevators will be charged exactly the same as any member of the company. I would like to draw hon. members' attention to Clause 3 of the Bill in that connection, in order to show where the camouflage again comes in. As a matter of fact, nothing of the sort is provided. There is *nothing to show that the man outside the* company and the man inside the company will pay the same. Clause 3, paragraph (e) says—

> Any proceeds of the company, after paying such dividends as aforesaid——

That is, at 8 per cent. Here again there is more camouflage, but I will not deal with it at this stage—

> and after provision of such reserve fund as the directors deem necessary——

If they want to make good, they will provide a reserve fund, with no limit—

> shall be distributed among those members on the basis of the grain delivered.

Let us see how that would work. If Mr. Holmes is a member of the company and I am not, we both can send wheat to the elevators. The charge may be a shilling. The actual cost of the work may be sixpence. Mr. Holmes puts his wheat in and it is found, when the balance is made up, that the charge of a shilling is too much by 6d. Mr. Holmes, as a member of the company, would receive 6d. back again, but Lovekin, not being a member of the company, would not get anything back, because the clause provides that the surplus, after the payment of a dividend of 8 per cent., shall be on the basis of the quantity delivered by a member of the company to the elevators. This is simply camouflage. The same thing applies to the dividend and a number of other matters in connection with the Bill. I would like to refer members to the balance sheet of the West Australian Grain Growers Co-operative Elevators, Limited, to the 31st August, 1921. It shows a nominal capital of 1,500,000 shares at £1 each, capital subscribed, 254,770 shares called up to 10s. each, equal to £127,385 paid up, less unpaid £108,249. Although the company have issued 254,770 shares, all they have in cash is £19,136—this to begin the work of installing these huge elevators!

Hon. J. J. Holmes: Were not there a lot of promises?

Hon. A. LOVEKIN: The hon. member knows what promises may sometimes be worth. Last session a Bill was put up to collect the money because the promises were not being redeemed and, if I am correctly informed, the promises on this occasion are not being redeemed inasmuch as I am told that the acquiring agents are issuing certificates for this season's wheat, so much for cash and so much towards shares in the company. Anyhow the company have received £19,136 from the sale of these shares. Let us see what they have done with the money. They have got on deposit at the National Bank, Commercial Bank, the Bank of New South Wales, the Western Australian Bank, the Commonwealth Bank, and the State Savings Bank £9,650. They have 5,000 shares in the Western Australian Portland Cement Company at £1 each, equal to £5,000. One could quite understand a cement company buying shares in a granaries company when the granaries company was about to erect large silos, but I cannot conceive of a granaries company buying shares in a cement company, more especially when the cement company is a foreign company. I sent down to the Supreme Court to ascertain the shareholders in the Western Australian Portland Cement Company, and I learned that there is no registration of the company at our Supreme Court. I was told that I must go to Sydney for particulars; the cement company in which these shares have been taken up is registered in Sydney.

The Minister for Education: Do you call that a foreign company?

Hon. A. LOVEKIN: It is foreign as regards this State. If it will suit the Minister better, I will say it is not a local company.

The Minister for Education: It is operating locally, is it not?

Hon. A. LOVEKIN: In the share market or in the making of cement? I am concerned at present with the operating in shares. I cannot conceive why a granaries company should take shares in a cement company. I could quite understand the cement company taking shares in a granaries company with a view to exerting its influence and getting orders for cement. Certainly a granaries company such as this should be absolutely free from any cement company. It will need large quantities of cement, and it should be able to go into the open market and buy cement on the very best terms and at the cheapest price. If consideration is to be given to a particular company because the granaries company holds shares in it, that will not be a good thing for the granaries company.

Hon. J. J. Holmes: Nor for the farmers, either.

Hon. A. LOVEKIN: Quite so. I have accounted for £9,907 put on fixed deposit with the banks, and £5,000 invested in the cement company's shares. There are a couple of motor cars of a value of £750; at the Commonwealth Bank at current account £232; and at the Westralian Farmers' banking department £14 to credit, leaving a balance of £3,232. In connection with that balance I will read the figures—printing, stationery and propaganda expenses, £490; office salaries, £490; telegrams, £254; personal canvass for shares, £1,396—for which the company got £19,000; registration and legal expenses, £93—I should have thought the stamp duty on a million and a half would have been more than that; directors' travelling expenses only, £122; rent of Fremantle site, £210; boring for foundations at Fremantle, £184; insurance, £29; sundry expenses, £42; and depreciation on motor cars, £195. With the

£277 interest on the fixed deposit, that makes up the £3,232. The company have already spent on getting shares in——

Hon. J. J. Holmes: You mean getting them out; they have not got them in yet.

Hon. A. LOVEKIN: Well, in getting shares out, they have already spent the sums of £490, £490, and £1,396, and I assume that those who have been instrumental in getting the unfortunate farmers to take up shares will participate under the articles of association in some of the free shares for their services. These people cannot be expected to work for nothing, especially for men of the calibre of the directors of the company. This is all part of the expense to be shouldered by the unfortunate farmer who for all time must put his wheat through these elevators. I want to ask: Does the farmer, in whom we are all interested—if we lose this industry it will be a sorry day for the State—the farmer who in his fields works the round of the clock, appreciate the injury he may be doing himself if he makes himself responsible for shares in the company? May be that by embarking on shares, even with the absorption of other companies, and the attendant expenses of floating the company and maintaining the elevators it may be possible, in the long run, to save money by the bulk handling of his wheat. But, as I shall show members presently, the farmer is not likely to save sixpence; he is more likely to incur much larger expense by having his wheat handled in this way and limit his markets than would be the case under the present system of bags.

Hon. J. E. Dodd: Who is responsible for the Federal advance in the event of failure?

Hon. A. LOVEKIN: I presume that the Federal Government would take over the silos and everything else, subject to the lease from the Government of this State, which is for 99 years. The Federal Government would be liable to the State Government for £250 a year, representing the rent of the lease. That would be all. Mr. Holmes pointed out the other night that we must not forget that this £550,000, although it is Federal money, is still our money. If this money is lost, we shall be responsible for it and by taxation and in other ways must make it good.

Hon. J. Duffell: The purport of this Bill is to make us responsible.

Hon. A. LOVEKIN: This Bill does not make us responsible to the Federal authorities for one penny. The money is advanced to the company and, if the company fail, the Federal authorities will have recourse against the company and may take over the property, at the same time becoming responsible for the lease.

Hon. J. Duffell: Under the conditions of the lease.

Hon. Sir Edward Wittenoom: It is a loan on ordinary security.

Hon. A. LOVEKIN: Quite so. I have suggested that the farmer will be no better off with a bulk-handling scheme than he is at present, or is likely to be in future. On the other hand, I think I shall be able to show that he will be worse off. I have here the report of a select commitee which inquired into the conditions and prospects of the agricultural industry and the methods of improving the same, dealing with the bulk handling of wheat in New South Wales. The report was signed in November last by Sir Joseph Carruthers, chairman of the committee. I have read the report carefully and the fairness of the committee's statement of the position is indicated by these words—

> What your committee desires is to fairly state the facts, favourable or unfavourable, in regard to certain important aspects connected with the bulk-handling scheme of this State, so that not only the wheat growers but the public generally may have a reasonable understanding of the matter.

I think that is a very fair introduction to the report. With as little comment as possible, I shall read some of the paragraphs, which will answer a number of the questions that have been put by members in the course of the debate, and which answers are somewhat authoritative, inasmuch as this committee inquired into them. I have here the evidence upon which that report is based. The committee set out to go into the matter fairly and they conclude their report quite on the same lines. They give a summary of the conclusions they arrived at.

The Minister for Education: What is the date of the report?

Hon. A. LOVEKIN: November, 1920. I intend to read to hon. members some extracts from the report which seem to me to bear upon the Bill now before the House. It must be borne in mind that the New South Wales scheme is the largest in Australia. It was originally intended that the cost should be two millions sterling, but it has cost up to date three millions. The quantity of grain to be handled in New South Wales is of course considerably greater than the quantity to be dealt with in Western Australia, and it will naturally follow that the greater the quantity put through elevators the lower will be the rate. That must obviously be so. The report says—

> The original proposals considered by Parliament in 1916 were stated by Mr. Grahame, then Minister for Agriculture, to include the erection of 200 country elevators, with two terminals—one in Sydney and one at Newcastle. The total cost of these was estimated to be £2,000,000 and the Minister said, "I am informed by the engineer who prepared these estimates that they are framed on a liberal scale, and it is not anticipated that they will be exceeded."

We have exactly the same condition of affairs here. The report goes on—

> The annual cost of maintenance was estimated at £163,000, to which has to be added interest upon the capital cost, also any sinking-fund payments. It was then laid down as a principle that these items

would be an annual charge against the wheat and would have to be paid for by the grower at so much per bushel as a charge for services rendered.

Then the report goes on to deal with the present position. It states—

> The expenditure to date has been £1,500,000, and the estimated cost of completing all the works as £3,000,000. Mr. Harris stated, however, that the main scheme now provides for elevators at 74 country points, with a total storage capacity of 15,400,000 bushels. This does not coincide with the original proposals for 200 country elevators and a storage of 20,000,000 bushels. Two years more is now estimated as the period for full completion, but there is evidence of difficulties that may still continue and so increase the delays in construction. As the farmer eventually has to pay, the matter of cost concerns him directly. With interest on loans at a rate of five and a half per cent.—

Ours is six per cent.—

> —the annual interest bill on £3,000,000 will mean £165,000 per annum, and this with the estimated maintenance of £163,000 will aggregate £328,000 annual charges on wheat going through the system and which will have to be met by the growers. This means 3.18 pence per bushel on a 25,000,000 bushel crop, and 2.13 on a 35,000,000 bushel crop.

Having these two sets of figures, hon. members may calculate what the cost will be in this State on six or seven million bushels. The report goes on to refer to shipping in bulk, and I may be permitted to read one or two extracts under this heading—

> The matter of shipping wheat in bulk was very fully investigated by the Committee of the Legislative Council on the Grain Elevator Bill in 1916. The following extracts from the report of that committee are relevant:—(5) That on an average crop of 25 million bushels, the costs to the producer will not be materially decreased. The cost to the producer for storage, weighing, and delivery into the ship (excluding railway freight) and deducting value of bags at 1½d. per bushel, will be 2½d. per bushel. This estimate provides for increased freight and insurance, interest on capital, depreciation, and general working administration. (6) That there will be no material saving in loading time, as all steamers will have to be lined in port, and the time so occupied will counterbalance the time saved in the more rapid loading of the vessel. (7) That on the evidence your committee is of opinion that the expense of lining steamers to carry grain in bulk will involve an increase in freight of 6s. a ton. (8) That on the evidence your committee is of opinion that owing to the hazardous character of grain in bulk as a cargo, and the length and route of the voyage, insurance could not be effected at less than a 40 per cent. increase on present rates. Your committee considers it not improbable that even further increases may in time take place as insurers have at present no practical experience of carrying wheat in bulk from Australia to British ports.

Further along the report continues:—

> Mr. Bell, who was one of those in charge of shipping wheat for the British Government during and since the war, stated that the fittings prescribed by the law would run into a cost of from £1,800 to £2,500 per ship, with a period of probably eight days for fitting work, and that cost, on a 6,000 ton cargo, meant about 6s. 8d. per ton. If lining were also added, a further expenditure of £3,000 would be incurred, but he did not regard lining as necessary.

These are all points that the farmer who is toiling long hours has no time to think about. The report goes on:—

> Thus in a ship that needs "fitting" there would be a cost equal to a trifle over 2d. per bushel. Adding thereto the costs to meet the annual charges on the scheme as set out on the preceding page, viz.: 3.18d., on a 25 million bushel crop, or 2.13d. on a 35 million bushel crop, the cost per bushel of bulk wheat shipped would be 5.18d. or 4.13d. As a bag content is 3 bushels it represents per bag 15½d. or 12½d. approximately.

The 4.13d. per bushel is equal to a shilling and a fraction per bag, and bags are 8d. apiece. On that basis the loss on every bag must be 4d. Let me read the conclusion of the paragragh:—

> As a bag content is 3 bushels, it represents per bag 15½d. or 12½d. approximately.

That is what we are likely to come to. I would like to read a little more from this report—

> It is clear also that unless the port of destination is fitted with bulk unloading appliances it will be necessary to continue bag loading to such ports. As a large portion of our export trade in grain is to New Zealand, the islands, and to the East, including Japan, where the system of bulk handling is not in vogue, the bagged wheat will still be needed.

Then the report goes on to give figures showing how much of this wheat went to New Zealand, to South Africa, to Japan and to other places. I may interpolate this remark, that if you sell it in bulk you are going to limit your markets. You can then only send it to where there are ports with bulk handling facilities, and the limitation of markets will mean, of course, the limitation of the price. The report goes on—

> Assuming that all other countries of export would take grain in bulk, the figures for their orders would be about 4,500,000 bushels in an average yield year, and 7,000,000 bushels if the 1919 figures were reached, or from 10 per cent. to 15 per cent. of the season's crop. The fact to be deduced from the foregoing, is that the

bulk loading appliances at the terminal in Sydney port would be called into use to load 4,500,000 bushels to 7,000,000 bushels in normal years of average or good yield.

There is also in the report an opinion with regard to the system prevailing in Canada which, of course, is not the system adopted here. Mr. Kirwan and I last year saw a good deal of what was being done in Canada. The wheat there is cut and afterwards threshed, and the people in Canada utilise all the straw and refuse, because they have to house their stock from October to May. That does not apply in Australia, where the conditions are totally different and where the grain can be stored on the fields simply by stooking and threshing it when the thresher comes along.

Hon. J. Nicholson: Do they not use the straw for bedding?

Hon. A. LOVEKIN: Yes, they erect a ramp and by means of this ramp they move their stock to an upper floor in the house and keep it there during the winter months. They have to be fed all the time. The report continues—

> The conditions affecting trade in the Northern Hemisphere are quite different. Bulk handling is there coming into universal use, and each country in those parts must accommodate its operations to that system. The conditions of the Northern Hemisphere are not repeated in the Southern, nor are they likely to be for a very long time. Bulk handling, therefore, has not the same relative urgency or importance in Australia as in either American or European countries. . . . . Whatever arguments may be advanced in favour of building up a large export trade in bulk grain, more may be adduced in favour of producing the flour and by-products, and exporting a surplus of them in a concentrated form to the markets available.

I must put this to hon. members because I want to help the farmers, if I can, to understand exactly what the position is. The next sentence of the report reads—

> Every advance in efforts of internal transportation and handling will be reflected in the more economical production of that exportable surplus.

The next section of the report is headed, "The Australian system of harvesting compared with that of the Northern Hemisphere"—

> The system of harvesting in Australia is very different from that commonly practised in the Northern Hemisphere. Our wheat crops in Australia ripen in the field more fully and more rapidly in the Australian summer than is the case with crops in Canada, in most of the United States, and in Northern and Central Europe, where the atmospheric conditions are somewhat milder in summer. The combined harvester is almost universally used in Australia, because the grain ripens and matures evenly, and can be stripped and cleaned in the one operation, with a saving of labour and with comparatively small loss of grain.

Hon. members have asked a number of questions on these points—

> On the other hand, the reaper and binder is almost universally in use in the Northern lands—the process of cutting and stooking the crop, without waiting for the full ripening and hardening of the grain, being the most economical and efficient. Straw and grain both result from the crop so treated, and each have a value there, whereas in Australia straw is practically of little value. After reaping and binding (where that method is practised), the stooks are drawn to stacks, and may there remain for a time until it is convenient to thresh. Then machine threshing takes place, and the thresher delivers either into farm elevators to be stored in grain bins or barns——

and these are things our farmers will have to provide—

> —or direct to wagons—

And our farmers will also have to obtain special wagons—

> —for delivery to railway centres where there are bulk storing and handling facilities. Thus the appliances and methods of the Northern countries are adapted to the system of bulk handling in every way. On the other hand the Australian combined harvester is a machine peculiarly local; a useful machine, eminently adapted to the conditions of our climate; a labour-saving contrivance performing several operations in one effort, and getting through the work of winnowing and bagging the grain in much quicker time than any other known system of harvesting.

The report goes on to say something in favour of the other system—

> The quality of the harvester grain is not so good as that which results from the slower process of reaping and binding, stooking and threshing. What that difference in quality means cannot be ascertained until grading and selling on grade takes the place of "the fair average quality" system peculiar to Australia.

The advantage again will be on the side of the Northern Hemisphere system. But the main point is that the Australian harvester does not really lend itself to the system of bulk handling—beginning at the field itself and on the farm. The machine is constructed to deliver into bags and not into wagons, or carts, or bins, which would stand higher than the delivery openings. Possibly if bulk handling had come first, and the invention of the harvester had followed, the machine would have been constructed on a different design, so far as the grain container and method of delivery therefrom is concerned. There are many thousands of the machines in use all over

the State, and as the cost now averages well over £150 a machine, scrapping them would mean a very serious item.

That is another point which has been raised during the course of this debate.

Hon. A. H. Panton: We could not find the necessary labour to adopt the old method.

Hon. A. LOVEKIN: Possibly not. Then comes another section, "Will the farmers change over?" from which I will read a few paragraphs:—

The question arises: Will farmers change over from present methods and existing plant on their farms to the method and to the plant necessary, if the full advantage of bulk handling is to be availed of, right from the field? Your committee is of opinion that the great bulk of the farmers will cling to their present methods and will not incur new expenditure on buildings and plant associated with bulk handling. The great inducement put forward for the "change over" has hitherto been that bags and twine may be done away with under the new method, and thereby a saving of about 16d. on every three bushels would be effected at present prices. We think that, whilst there may be some saving on the items mentioned, yet, on the other hand, a considerable outlay will have to be incurred in order to effect that saving. A proper apportionment of that outlay, representing the annual charge calculated upon it, would need to be set off on the other side of the ledger. Grain silos, or adequate containers of some kind, would need to be built or constructed. New farm wagons (grain proof), or alterations to existing wagons to make them grain proof, would be needed.

That is, these things would be needed by the farmer.

A smaller elevator plant, with perhaps a small oil engine, would probably be needed. All of these would cost money—how much it is useless to estimate, because so different is the application in fact to each case. Most farms are already equipped with barns, wagons, and all appliances associated with the present system; and the slate is, therefore, not clean so far as prime costs are concerned. There will be a natural hesitation to scrap or write off as worn-out anything that can continue to be put to use. In cases of new farms, or of renewals of worn-out plant and buildings, there is a large probability that the more modern plant will be provided. But for a long time the present body of farmers will cling to the old methods and still use bags and perhaps twine. . . . As a matter of fact, it seems to your committee that the whole case put forward for the abolition or discarding of bags has been very much exaggerated. Bags are the natural adjuncts of the harvester, and every farmer knows that. Their use lends aid to the economical working of the machine in the field, because, not only of its construction, but of the fact that the grain box on the machine has to be unloaded at suitable places here, there, and anywhere in the field as harvesting proceeds. Once the grain is in the bag it will take labour to empty it again into any other container, and labour is not cheap, nor in any surplus nowadays.

That is the effect of what Mr. Panton interjected just now, that we cannot get the labour to-day. Therefore we must bring machines into the work as far as we can.

Bagged grain may just as well be left as such, until it reaches a railway truck or a local silo. Commonsense will dictate thus to the practical man. Once a proper trucking station or a local silo is reached, the bag may be emptied, and thus the farmer will find it available to him for further use, according to its soundness. So the farmer may be able to make the one outlay in bags last him for two, three, or more years, just according to the care he takes. That appears to your committee to represent the practical aspect of the matter, viewed in relation to all surrounding circumstances. However, this does not finalise the case. It is apparent that probably one-half to two-thirds of the bags may be needed to contain the wheat at a railway or at a mill store, or even on a ship engaged in export. It will be cheaper to keep the wheat in the farm bags right through in such cases. That portion of your committee's report relating to the bulk requirements as applicable to a whole crop needs to be read in order to view this aspect in its proper relation to the whole question. Practical men, such as farmers, will seek to have a good case established before they will hazard a change that may prove to be visionary as to its real efficiency and economy.

The next section goes on to state what are the clear advantages of bulk handling. I will not read that matter, because it is repeated later on, when I shall read it. The report then proceeds to deal with the question of railway transport. This concerns us, because our railways would have to build special trucks to convey the grain. Naturally, if our Railway Department spend more capital on the equipment of the lines, they will have to impose higher rates for the carriage of grain, which increase the farmer will, as usual, have to pay. From my point of view, the present rate for carriage of grain in this State is too high for the farmer to bear when the price of wheat is in the vicinity of 5s. per bushel. On the subject of railway transport the report states—

Something needs to be said with regard to railway arrangements. Mr. Hodgson—Mr. Hodgson is their Chief Traffic Manager—gave evidence that for this season the equipment was only designed for the car-

> ria_e in bulk of about five and a quarter million bushels of wheat. A few box cars (fifty) of 36 tons capacity were built, and over 600 four-wheel wagons were converted, with a capacity of 14 tons each.

This shows what our Railway Department will be compelled to do before we can begin bulk handling, and shows the expense to which bulk handling will put a Government already not overburdened with cash. The report proceeds—

> Mr. Hodgson stated the case of the Railway Department against providing complete equipment of "box grain cars." His view was that they would not conduce to economical railway working. Your committee believes that they are essential to the complete success of bulk handling and grading of wheat. Still, the case for economical management must be considered in its conflict with the full needs of the wheat scheme. It is to be hoped that the Railway Commissioners will endeavour to bridge over the difficulties. Open trucks merely covered with tarpaulins do not seem to be part of the scheme in countries where bulk handling has been so highly developed.

Certainly, open trucks covered with tarpaulins would not do here.

Sitting suspended from 6.15 to 7.30 p.m.

Hon. A. LOVEKIN: Before tea I was reading that portion of the New South Wales report which deals with the question of railway transport. The interrupted quotation continues—

> This State ought not to be satisfied with less than the best. The aim of those in authority should be to get the best and overcome obstacles as soon as practicable.

The next paragraph deals with the need for a grain research laboratory. Of that paragraph I will read only two or three clauses, as follows:—

> The task of grading wheat and of fixing the standards, including the definition of the qualifying elements of various standards, cannot be done by either grain growers or men engaged in the grain trade without the assistance of the scientific staff of such a laboratory as we refer to.

There is nothing of that in the Bill.

Hon. E. H. Harris: Yes there is.

Hon. A. LOVEKIN: Not in the way suggested in this report, which continues—

> Fixing the fair average quality standard of wheat is a simple matter, and is very different from the standardising of grades of wheat. Fixing the standard is only one element of grading, but it is the basis. Then follows the actual grading, which, as a matter of practice, is the task of technical experts; just as wool-classers are technical experts who sort wool. The experience of other lands, where grading associated with bulk grain has been in operation for years, should not be lightly disregarded.

I have curtailed the reading of this report in order not to take up too much time. The rest of the report summarises the conclusions arrived at, and puts the case from both viewpoints, that in favour of bulk handling and that against it. The points in favour of bulk handling are as follows:—

> (1) Less loss of grain in transit. (2) Less damage to grain by mice and weevil. (3) Safer and better storage to the extent provided. (4) Better grading, and to that end facilities for cleaning the grain. (5) With grading, better prices for good wheat, encouraging the good farmer to adopt the best system of cultivation, to use better seed, and to use the best varieties of seed. (6) Saving of freight on dirt and rubbish. (7) Economising in labour handling the grain. (8) Certificates on delivery of wheat, aiding the farmer materially in his finances. (Certificates may be issued for bagged grain with modification.) (9) Comparatively longer use of bags. (10) To an extent saving freight on bags.

There are some factors more or less countervailing, as follows:—

> (1) New charges on cost of the system including interest and sinking fund on capital cost and annual charges for working or maintenance. (2) The element for good or evil of State ownership and control, a system that may govern the farmer's operations on his crop. (3) The intrusion of more or less political influence, patronage and pressure in the system.

That may or may not apply here, where we have one party in the popular Chamber which is able from time to time to put the acid on the Government. The report continues—

> (4) The costs of shipping in bulk will be possibly as great as the cost of shipping in bags, according to the views of shipping experts.
>
> On other matters our conclusions are these:—(1) That the majority of existing farmers will cling to their present farm methods and appliances. (2) If they change over it will only be when the time comes for scrapping worn-out implements and buildings. (3) The bagging of wheat will continue for a very long time to come, in respect of a large portion of the crop. (4) A very considerable portion of our grain will be needed in bags, both for local use and for export, for an indefinite period in the future, and therefore to that extent bulk handling is limited. (5) More storage accommodation is needed of a safe character in the country, while the terminal silos need not have been of so great a capacity. In other words, too much money has been spent in the port of Sydney, and too little at country depots.

That will happen here. We shall inevitably have too much money spent at Fremantle and too little in the country. The report continues—

The capital expenditure will be much larger than originally estimated, thereby involving heavier charges than were estimated.

Now I have concluded reading a great deal of this report, which seems to me to bear on the subject before us.

Hon. H. Stewart: What is the date of that report?

Hon. A. LOVEKIN: November, 1920. It is a report on the agricultural industry and methods of improvement, and deals with the question of bulk handling. I had intended to compare the Bill with the Canadian Act, and to tell hon. members the experience I gained in Canada on this question; but I feel I have already occupied too much time, and therefore I will content myself with saying that in Canada, after various schemes had been tried for bulk handling by co-operative companies, by municipalities, and finally under license from the Government, it was found that the farmers were being more or less fleeced. Whilst the owners of the elevators could not trade in wheat, they found no difficulty in forming subsidiary companies which trafficked in wheat to the prejudice of the farmers. The formation of those subsidiary companies is quite possible under the Bill, and equally possible under the agreement with the grain elevator company. Ultimately the Canadian Government had to step in and pass the Granary Act, which I have here. It is in force to-day. It contains 246 sections all designed for the protection of the Dominion farmer. The Bill before us contains only 16 clauses, or 200 fewer than the Canadian Act. And a great many of those clauses deal with the company itself, leaving but very few to deal with the elevators as they concern the farmer. That is the all-important point. There are in the Bill no provisions for inspection, no provisions for charges to be made. The charges can be anything the company likes, whereas in the Canadian Act the charges are fixed. There ought to be a number of provisions for the protection of the farmer. In Canada it has been found necessary to protect the farmer because, as I say, the elevator companies formed subsidiary companies to traffic in wheat to the great disadvantage of the grower. I do not suggest that all those things will happen here; the point is that they are possible under the Bill. Mr. Sanderson and Mr. Greig have said that the promoters of the Bill will agree to the striking out of the clause providing a monopoly for the company, and the further provision for the appointment of the board of control under the Government. If we strike out the monopoly clause it will be of no use taking the Bill into Committee, because in Committee we shall have to make it a Bill which will protect the farmers and, in order to do that, we shall have to incorporate a number of the sections from the Canadian Act, and so greatly enlarge the Bill. If members are prepared to strike out the monopoly clause, and the clause for the appointment of the board of control—I should be opposed to any grain Bill which did not provide for a board of control, because that would be disastrous to the farmers—if we strike out those clauses nothing more is required, except the lease, which can be granted by the Governor-in-Council in the usual way, leaving no need for the Bill at all. In the course of time, when without any monopoly this concern, a private company, gets to work, it will be found that legislation governing the control of the elevators and affording protection to the farmer is necessary. It will then be the duty of the Government to bring in a comprehensive measure on the lines of existing legislation in Canada and America.

Hon. J. Cornell: Local consumers also will require some protection.

Hon. A. LOVEKIN: That is so. I have not gone any further in these matters than I have felt it my duty to go in the case I have put up. I have no intention of reflecting on any individual or company concerned. If I have inadvertently done so I unhesitatingly withdraw it. I have felt it my duty in this House to put up a case against the Bill, on the lines as I have presented it. I have done so because a number of farmers, whom I have endeavoured to assist, have come to me and asked me to kindly extricate them from the position they are in through having, without proper knowledge, put themselves down for shares in this company. Mr. Greig says he is voting for the Bill for no other reason than that the farmers want bulk handling of wheat. Possibly they want it because they think it will be of benefit to them. They went into the scheme when they were getting 9s. a bushel, and to-day wheat is about half that price. If, instead of paying out for shares in this company a quarter of a million pounds, they put the money into developing the land and increasing the production of the State it would be in the best interests of the farmer to do so rather than put it into cement and steel in these elevators. In New South Wales they are trying this experiment. As prudent business men, is it not wise that we should halt a bit and see what happens to the other fellow? It is admitted—I thank the Minister for the admission—that the action of this House, which I helped to bring about last session, had saved the country £100,000. I am satisfied that if we wait a year and profit by the experience of another State, which is trying the same thing, we shall not only save £100,000, but probably three or four times as much. A little delay will make no difference to the Federal authorities as to whether they advance the money this year or next year. If this is a good scheme the Federal authorities will no doubt be willing to give this assistance if they think it advisable. I appeal to members representing farming provinces to think well over this matter. Farmers must be looking to them more than to myself and others to guard and protect their interests. I ask them in voting upon this Bill to give, at any rate, some measure of consideration to the points I have brought out, and espec-

ially to the reports, extracts from which I have read at considerable length. It is said that rightly or wrongly the members of a certain party in this State are pledged to this bulk handling scheme. Some of them candidly admit that they are not satisfied with it, but feel it incumbent upon them to be loyal to their party, and support the scheme. I ask them to remember that there is not only to-day to consider. There is to-morrow, and time hence. We have read in an old book in history of a memorable occasion when there was posted up the sign "Hail, King of the Jews." We remember that not long after the same people who had posted this up, put up the sign "Crucify Him." We have only to go back a few years and remember the more modern instance of "Hoch der Kaiser"; a comparatively short time after it was "Abdicate; get rid of him; we have no time for him."

Hon. J. Cornell: "Hang him!"

Hon. A. LOVEKIN: Yes, "hang him." It behoves members to look at it from that point of view. It may satisfy the farmers to-day for members of Parliament to support this Bill, but when the farmers have had experience——

Hon. J. Cornell: And the chickens come home to roost!

Hon. A. LOVEKIN: And find out that all that was presented to them as gold is by no means all gold, they will turn round and say to those members, "We were toiling, and ploughing the fields, while you were in these legislative halls to represent us; you failed us and here is our position." I ask members to consider the matter carefully and to give it the same attention that I have myself endeavoured to give to it.

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

BILLS (2) RECEIVED FROM THE ASSEMBLY.

1, Architects.

2, Land and Income Tax Assessment Amendment.

Read a first time.

BILL—CONSTITUTION ACT AMENDMENT.

Assembly's Message.

The Assembly having disagreed to the amendment made by the Council, the Assembly's reasons were now considered.

In Committee.

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

Clause 2—Strike out Subclause 5:

The MINISTER FOR EDUCATION: I do not know whether members have given the question the consideration they think necessary before arriving at a decision. If not I shall be prepared, after the matter has been discussed, to postpone it if they desire. I feel somewhat divided in my opinion on the matter. Some few years ago a difference of a rather serious character arose between the two Houses, and on a motion by a member of this House the Standing Orders committees of the two Houses met. They prepared a Bill which I think is identical with the Bill we are now asked to consider. If I remember rightly this House adopted the report of the committee, that is to say adopted the proposal, and I believe it is now suggested we are guilty of a breach of faith in refusing to carry out our resolution to its logical conclusion, and embody it in an Act of Parliament. That is one side of the question. The other side is this, and it appeals to me strongly: this question of the right of the Legislative Council or of the Upper Chamber to press requests in money Bills is not confined to the Western Australian Parliament. At the present moment the issue is before the Commonwealth Parliament. Hon. members will recall that when the tariff was passed by the Federal House of Representatives it was sent to the Senate, and the Senate sent it back with a request for a number of amendments. Many of these requests were refused by the House of Representatives, and the Bill went back to the Senate. The Senate decided to press a certain number of these requests. That Bill being returned to the House of Representatives, a constitutional issue was raised, and on the following day the matter was adjourned in order that it might be considered. On the day after the Prime Minister suggested that the House should waive whatever rights it might have and take into consideration these pressed requests by the Senate, and he said that next session steps could be taken to define finally what the constitutional position was. I am not at all sure that these steps will be taken next session, or that the constitutional position will be definitely defined. It would be rather unfortunate—and I am saying this in opposition to the motion I intend formally to move—for us if we passed this Bill as it stands; that is if we withdrew our amendment depriving the Legislative Council of the right to press requests to financial Bills and next session found that the Commonwealth Parliament had arrived at a contrary decision and given the Senate power to request, and that we should have legislated ourselves out of certain powers which may at times be of value. I do not attach the same importance to them as some hon. members do, because it is competent for us at any stage to call for a conference. The value of our pressed amendments only lies in this, that it postpones the full final decision.

Hon. A. Lovekin. It brings about a conference.

The MINISTER FOR EDUCATION: A conference can be brought about without that. It is an intricate point and I do not want hon members to decide unless they feel satisfied they know what they are doing.

should be sorry to see the Bill lost, because it would be a matter of great convenience and would avoid troubles in the future. It is absurd, however, that a number of Bills sent up to us, merely because they contain some provision for the appropriation of money incidental to the general purpose of the Bill, should be treated as money bills, and that our powers regarding the amendment of these bills should be restricted as they are. The objection also pointed out by the Legislative Assembly is very pertinent. If we strike out the paragraph we do not finish the dispute. The sole object of the Bill was to settle the dispute so that the future should be clear. If we desired to continue the dispute, instead of striking out the whole of subclause 5, we should have struck out the word "not" and asserted the right of the Legislative Council to press the right to make amendments in money Bills. We did not do that, however. We have not sought in the amendment, nor does the Bill give the right to press amendments and the same position as occurred in the past may arise again. In order that members may have an opportunity of discussing the matter, I formally move—

That the amendment be not insisted upon.

Hon. W. KINGSMILL: If any excuse is necessary for me making an unwonted appearance on the floor of the House, I trust it will be sufficient if I state that in the position which hon. members have been good enough to confer upon me, I look upon as not the least of my duties the defence of the rights and privileges of this House. In that connection, may I be allowed, and I do so with the more confidence in that the Leader of the House has indicated that he has only formally moved the motion, to ask that the amendment be not insisted upon by the Chamber. Allow me to put the Leader of the House right in a little matter of history. He suggested there was no dissent on the committee. There was a great deal of dissent, and, as a result, the Bill which was to go before both houses of Parliament, so that Parliament rather than a committee should decide, was more in the nature of a "way out" than anything else. There was a great deal of dissent. I myself dissented just as strongly then as I do now, from the principle that this House should give up what I regard as its undoubted right. Let us consider what we are giving up. We are giving up the most important right, important not only to this Chamber, but to another place, to modify Taxation or Appropriation Bills. If we were left with the bare right of acceptance or rejection, I say it would not tend to the self respect of this House, nor yet of the country, or the settlement of the dispute, if such an attitude were adopted by this Chamber, and if the objectionable sub-clause, the striking out of which has not been made by the Assembly, were allowed to be reinstated in the Bill. Hon. members might think that it is quite possible in such a great matter as a Constitution, to have a little too much definition, and if they have regard in that connection to what is perhaps the greatest Constitution the world has ever seen, the Constitution of Great Britain, they will remember that it is an unwritten one. I myself do not see any difficulty in the way. The Bill—I may be pardoned for referring to the Bill, and I do so only in connection with this clause—is one that is very good as far as it goes. It is one which provides for the non-recognition as money Bills of certain Bills which undoubtedly should not be looked upon as money Bills, and, as a matter of fact, provision is already made, not under the Constitution, but under the Standing Orders of the Legislative Assembly, for such Bills not to be looked upon as money Bills. Perhaps it was with some feeling of compunction that too great an insistence upon their rights, led to the Standing Orders Committee of the Assembly looking into the matter. Standing Order 309 is as follows:—

> With respect to any Bill brought to the House from the Legislative Council, or returned by the Legislative Council to the House, with amendments, whereby any pecuniary penalty, forfeiture or fees shall be authorised, imposed, appropriated, regulated, varied, or extinguished, the House will not insist on its privileges in the following cases: (1), When the object of such pecuniary penalty or forfeiture is to secure the execution of the Act, or the punishment or prevention of offences. (2), Where such fees are imposed in respect of benefit taken, or service rendered under the Act, and in order to the execution of the Act, and are not made payable into the Treasury, or in aid of the public revenue, and do not form the ground of public accounting by the parties receiving the same, either in respect of deficit or surplus. (3), When such Bill shall be a private Bill for a local or personal Act.

Practically the first paragraph covers pretty nearly all the Bills which occasionally have been treated as money Bills by the Assembly and which, I maintain, are wrongly treated as such and will no longer be treated as such, if the Bill is carried. That is to say—

> (1), When the object of such pecuniary penalty or forfeiture is to secure the execution of the Act, or the punishment or prevention of offences.

So it would seem we only have the class of Bills that we may class as real money Bills, matters of taxation or appropriation or revenue to consider, and not these Bills. In the 25 years that I have served in Parliament, I can only remember two instances of this House pressing requests on Appropriation or Taxation Bills, and in both instances the requests were successfully pressed. Such action by the Legislative Council regarding two Bills in 25 years is not, I think, an extravagant demand for this House to make. In

both instances, I think the action of the Legislative Council was most fully justified. Instances of the pressing of requests in what I might term spurious money Bills, are so numerous as to preclude all mention of them, and they have been treated in a most remarkable variety of manners in the Assembly. In one case, the Bill was executed. The request being pressed, the Speaker of the day disallowed the Bill. Why he should have done so I do not know, because the Bill had done no harm. In other cases, amendments were made without comment. In still other cases, they were made as the Prime Minister approved of the amendments made by the Senate, by waiving the alleged rights of another place. So there is no practice in these instances. In these circumstances, I think the House would be distinctly foolish to give away for all time, because we are not considering this matter from the point of view of this Parliament alone, what I regard as the essential rights of this Chamber. It would perhaps ill become me, I take it, to go into detail as regards the rights of this Chamber in connection with money Bills, from the point of view of the constitution of the House, but I cannot help thinking that to this assemblage here, Taxation and Appropriation Bills represent a much more real entity than they do to members of another place, and to our electors, they present a more serious aspect than to the electors of another place. In the circumstances, I think it is only right that we should have the power that we claim rightly, I think, under the Constitution. It has been said that this is a repudiation of a bargain entered into. I have already dealt with that aspect. There are members of the select committee here who will support me when I say that the Bill which was prepared by the Committee was a tentative measure to be placed before Parliament as a "way out." It has been said that this House claims equal rights with another place. That is an absurdity. Surely, the right to initiate and formulate the financial policy is more important than the right to amend. The Assembly still continues, and will always, I suppose, have the right to initiate financial legislation, and that is a more real and more important right than the right they seek to take away from us. I was going to quote the instance of the Senate to which the Leader of the House has referred. Let me back up the observations of the Leader of the House, however, by saying that when the Federal Constitution was being drawn up, no doubt at the instance of the late Lord Forrest, exactly the same words which have caused so much trouble and uncertainty between the two Houses of Parliament in Western Australia were put into the Constitution of the Senate providing that regarding any Bills which could not be introduced in the Senate, that body might "at any stage"—the same three words which have caused so much trouble in Western Australia—return these Bills to the House of Representatives, asking that amendments should be made, with or without modification, or reduced by the House of Representatives. Precisely the same thing applies in our case. Let me say that if we are looking for examples, we have only to go to the relations between the Senate and the House of Representatives, to find them. Not only now but on very many occasions, the Senate has pressed requests for amendment, and in many cases has successfully pressed them. There is not very much more that I have to say except to recall to hon. members the fact that our Standing Orders provide for the pressing of these requests. I ask them also to remember that our Standing Orders have been passed by the Governor-in-Council of the day: that is to say, they met with the favour of the Governor-in-Council, which is the Cabinet of the day. Now they have the same force as if they were embodied in our Constitution, so that in relation to the approval of our Standing Orders for pressing requests, in that instance above all others, it went to a wider field, and has sought and obtained approval in that wider field. I do not think that there is anything more I have to say except to remind hon. members once more that if they accede to this purely formal motion, which I am glad to say was moved as such by the Leader of the House, they are giving away from this Chamber a right which will never be restored, a right which has been exercised on various occasions, and I do not think to the detriment of the State, a right which I think from the constitution of the Chamber and the method of election, should belong to this Chamber. In the circumstances, I ask hon. members to let things be as they are, and to retain the rights which they have. I would not have been in favour of putting the position so definitely as suggested, by striking out the word "not" in the subclause. As I have already pointed out, the greatest Constitution we know of in the world, is an unwritten one. One of the most important points regarding the Constitution must be that it shall not be too rigid. Believe me, there is nothing into which so many varying factors entered, as into the consideration of legislation. In these circumstances, it is just as well that there should be a little elasticity in most Constitutions. I hope the motion of the Leader of the House will not be agreed to.

Hon. J. CORNELL: The President, the Leader of the House, the late Hons. A. G. Jenkins and D. G. Gawler, and myself were members of the joint select committee appointed to endeavour to overcome the difficulty which had not put this House at any disadvantage, but which would probably have assisted the Government to get legislation passed more expeditiously. The committee deliberated for a long time and,

while representatives of this Chamber were extremely anxious to meet the wishes of the Assembly representatives, they parted company on this one point. We were prepared to accept the wording of the Federal Constitution which would have obviated the difficulty, but the Assembly members would agree to that only with the qualification that the Council dropped the right to press requested amendments. The committee suggested that a Bill be presented to Parliament, and that Parliament be allowed to decide the question. In actual practice there is very little difference between the provision proposed to be repealed and that proposed to be inserted. I have a pamphlet setting out the practice and procedure of the Senate, which confirms the statement made by the President. If we take the Standing Orders of the Senate, they will be found to be practically word for word with those of this House. We are asked to forego a privilege which this House has enjoyed from its inception, merely for the sake of facilitating the passage of Bills of a minor nature. If the motion of the Minister is agreed to, the Council will lose its right to press requested amendments to Bills of greater importance. The proposal will have the effect of taking away an undoubted right of this House and, therefore, I oppose the motion.

Hon. A. LOVEKIN: The committee are indebted to the President for the fair and effective manner in which he has presented the case regarding the rights and privileges of this House and it should not require many words to convince the Committee as to the course that should be adopted. I move an amendment—

> That all the words after "that" be struck out and the words "the request be pressed" be inserted in lieu.

This will leave it to another place to seek a conference if it so desires.

The CHAIRMAN: The hon. member can hardly move that. He should vote against the motion.

Hon. A. LOVEKIN: But that would lead to the Bill being dropped.

The CHAIRMAN: Not necessarily.

Hon. A. LOVEKIN: I will follow whatever course you advise, but I do not desire the Bill to be dropped at this stage. If we can come to an arrangement which will preserve the powers of this House, I should be glad to confer with another place. The Minister referred to what is taking place in the Federal House. It would be a very bad thing, at this juncture particularly, to yield to the desires of the Assembly, because it would form a precedent and would probably be used against us by the Federal authorities. If the House of Representatives has its way, it will be very much to the disadvantage of the smaller States. In the Senate there are six representatives from each State, whereas in the House of Representatives we have only five representatives. If our six members in the Senate are not in a position to press amendments on highly important matters, the position of this State will be materially injured. Another place has taken this course on the advice of the Speaker. I suggest with every respect that the Speaker can scarcely claim to be a constitutionalist of the first water. Had he been so, some of the Bills which have gone from this House to the Assembly would never have been ruled out of order as being money Bills. They were simply Bills for services rendered, and by no precedent could be termed money Bills. The reasons given for not accepting the amendment do not appeal to me. They merely reiterate the position taken up that the Council might do as it liked with regard to small Bills, but on matters of great importance such as the Appropriation Bill and taxation measures, this House should have just one say and if its amendments were not agreed to, the Bill should be laid aside. This would not be in the best interests of the country. Conference and compromise in these matters are essential. If we can open the door to promote conference and discussion between the two Houses, it will be the better for the country. Another place has regarded this House as a sort of miniature House of Lords. It is nothing of the sort. This House, with another place, was formed under the Constitution granted in 1889. If members look at the Constitution Act they will find that throughout it this House and another place are made co-ordinate and equal except as to Sections 66 and 67. It is even prescribed that the salaries of the President and the Speaker and of the clerks in both Houses shall be the same. It is provided that Bills appropriating any part of the Consolidated Revenue shall originate in the Assembly and that it shall not be lawful to pass any vote, resolution, or Bill for the appropriation of any part of the revenue, except the Bill be recommended by message from the Governor. These are the only two sections of the Constitution which give the lower House any different rights or privileges from ours. Section 46 of the amending Act gave away some of the rights of this House, which I think was a mistake. It provided that in the case of a proposed Bill which, according to law, must have originated in the Assembly, the Council might at any stage return it to the Assembly with a message requesting the omission or amendment of any items or provisions therein. On that our Standing Orders were founded. In going that far we gave away more than we should have done. We should have stood on the provisions of the Constitution Act which, save for the two exceptions I have mentioned, gave us equal powers with another place. If further proof were required we need only refer to the Parliamentary Privileges Act, where again the

rights and the privileges of the two Houses are emphasised. We should never in 1900 have agreed to Section 47 because there we gave away rights which were ours. Having whittled away by the Act of 1900 certain rights which we did possess, we should be doing wrong by consenting to an even further whittling away in the manner which will be brought about if we agree to the motion of the Leader of the House. Would I be in order in moving an amendment that we press our request?

The Minister for Education: We are not now dealing with a money Bill so there is nothing to press.

The CHAIRMAN: The hon. member cannot do that. He can only vote against the motion.

Hon. A. LOVEKIN: What position will we be in if we vote against the motion?

The CHAIRMAN: The Bill will be returned to another place, who, probably, will ask for a conference.

Hon. A. LOVEKIN: That will accomplish my purpose.

The MINISTER FOR EDUCATION: The President has outlined the position but I would certainly like further time to be given for the consideration of the matter, so that the President might look back over the proceedings. I have here a report of the joint select committee which dealt with this matter. I was a member of that committee. Amongst other things the report says—

> The faults in this section are two—(1) It leaves uncertain whether requests made by the Council can be repeated, and (2) it applies equally to all clauses in all Bills in which any financial provisions are found. The remedy the committees propose is the introduction of legislation repealing the above-quoted section, and enacting provisions which will lay down a simple and well-defined procedure. With this object in view, the two committees have agreed to the draft of a Bill a copy of which is attached to this report. It will be seen that the Bill enumerates the measures which the Council have no power to amend, namely taxation Bills, loan Bills, and Bills appropriating revenue for the ordinary services of the year. In the case of these Bills the Council will have the right to request amendments, but not to repeat or insist on their requests.

That was the agreement of the joint select committee.

Hon. J. Nicholson: What year was that?

The MINISTER FOR EDUCATION: It was in 1915. The report goes on—

> Apart from these last-mentioned Bills, there are other Bills which contain provisions directly or indirectly financial but of which the majority of the clauses have no connection whatever with finances. With regard to such non-financial clauses, both committees are agreed that they should be freely open to amendment by the Council, subject to paragraph 10 hereinafter. An agreement having been reached on these points, there remains only the question of the method in which the financial clauses of these last-mentioned Bills should be dealt with.

An agreement was reached on these points, one being that on purely money Bills the Council would have the right to request amendments, but not to repeat or insist on those requests. The report goes on to deal with these clauses in hybrid money Bills and it says—

> It is obvious that there are only two or three ways of dealing with such clauses. In England they are absolutely excluded from amendment by the Lords, but such a course is impossible in this Parliament since the right of the Council to request amendments in financial provisions is established. It is equally impossible to adopt a course by which amendments might be requested by the Council, as the same Bill would thus be subjected to two forms of procedure and the present trouble would be perpetuated. It has been proposed by the committee of Assembly to insert a provision in the Bill by which the Council should be allowed to make amendments in these clauses, but be debarred from insisting upon them if disagreed to by the Assembly. To this proposal the committee of the Council does not agree—

That is the point of disagreement, as to the method of partial money clauses in hybrid money Bills.

> —but holds that all the clauses in Bills of this kind should be equally open to amendment.

That does not alter the previous portion of the report in which the committee agree, and without any dissent whatever, that in purely money Bills the Council will have the right to request amendments, but not to repeat or insist upon the request. The report concludes—

> in these circumstances the committees have decided to make their reports to their respective Houses. The point on which they have not arrived at an agreement they consider may well be left to the decision of the two Houses.

That is an entirely different point from the one we are discussing now. The point at which they did not arrive at an agreement is not referred to in the Bill before us, and apparently has been waived in our favour by another place. They recommend that the Bill which they have drafted be introduced at the first opportuntiy. The closing sentences of the report are—

> They recommend that the Bill which they have drafted be introduced at the first opportunity. The provision in dispute may be introduced by way of amendment and be submitted for consideration in accordance with the usual forms of procedure.

Our present President was Chairman of that committee so far as the Council was con-

cerned, and on the 18th November, 1915, he submitted a report in much the same terms as are mentioned here, setting out what was the point of difference. He said then—

> Unfortunately the committee of another place wish to introduce an amendment which would have the effect of perpetuating this very class of Bills, over which all the trouble has occurred and which we desire to get rid of. As a disagreement has occurred it only remains for the two committees to recommend as they have recommended, and which recommendation I hope will be endorsed by the House, that so much of the deliberations of the committees as have resulted in an agreement shall be embodied in the Bill, a draft of which is published with the report.

Later on, he said—

> I have every confidence in commending the report for the acceptance of members, and I hope and trust that some decision will be arrived at that will make the relations between the two Houses more easy running in the future than has been the case in the past. There are enough points of difference, enough avenues of disagreement, between the two Houses without adding to them, and if we can place, so to speak, a little lubricant on the various points of friction, I think the committees will not have sat in vain.

It is on the strength of this that it has been suggested that this House has been guilty of a breach of faith. That is what makes me hesitate to accept the suggestions made by Mr. Lovekin.

Hon. W. KINGSMILL: I do not think there is any difference at all. From my recollection of the circumstances that occurred the numbers upon the hybrid Bill were equal, and it is evident that in relation to the other matter they were not equal. As the chairman of that committee I look upon the report of that committee as advocating the introduction of a certain Bill. That agreement was arrived at through an agreement in the select committee, but at the same time I would have been prepared to take up the same attitude towards that Bill that I did in that select committee, that is, the attitude of hostility towards the provisions we are now considering. I need not refresh my memory concerning those proceedings, because I have already read the report to which the hon. gentleman alludes; and I read that report without any feeling of wrong-doing. The issue is fairly plain. The committee recommended that a Bill should be introduced. That was six years ago; and if that Bill had been introduced at any time since the recommendation was made, I should have thought it not only my duty but a pleasure to oppose the giving up of rights as proposed in the Bill now before us. In the circumstances I feel that so far as I am concerned any refreshing of the memory is quite unnecessary. My memory is clear, and my determination is unfaltering. I wish again to make this explanation to hon. members, namely, first, that the agreement which was arrived at by the committee was arrived at through disagreement; secondly that the recommendation of the committee was that a Bill should be introduced and laid before Parliament; and, thirdly, that if that Bill had been laid before Parliament I should have esteemed it my duty to oppose the very subclause which is now the matter of consideration.

Hon. Sir EDWARD WITTENOOM: The remarks which fell quite recently from the Leader of the House anticipated much that I was going to say; but I could not follow earlier speakers in their view that by acceding to this Bill we shall be giving up our privileges. I contend that it is not a taking away of privileges but a curtailing of discussion. Under the Bill we shall still have the privilege of sending our amendments to another place, and if they are not accepted there, but sent back to us, then we can throw out the Bill. We shall still have all the power; the proposal is to limit discussion. The reasons put forward by another place are, to my mind, absolutely incomplete, and a very poor argument. They say that the Bill removed all restrictions on the Council's power to amend partly-financial Bills. Up to this, all that has been in dispute, all the misunderstanding and dissatisfaction, have been as to which are financial Bills and which are not. Therefore it is quite correct and quite proper that that matter should be put straight; and it has been put straight in this Bill. Members can understand now which are finance Bills and which are not. In doing that, in clearing up that question, the other place seeks to make a bargain, saying "If we make perfectly clear what is a money Bill and what is not, we want to take away a certain amount of discussion that you had before; we want to limit your opportunity of discussion." The question we have to decide now is not one as to loss of privilege. We have all the privilege. The question is whether limitation of discussion is wise. When I read the Bill over I put a vote against this, "Probably this ought to be thrown out." The words are written here on my copy of the Bill now. I was very pleased that the measure was referred to a select committee, who had more time than the Chamber as a whole could devote to the measure, and who took the opportunity to think the matter well over and discuss it thoroughly. The committee brought in this amendment, and the question is whether we should not adopt it. That is the whole point of the matter. We are losing no privilege, but we are having discussion limited; instead of being able to pass an amendment backwards and forwards, there can be no repetition. The only point to be considered is, could the passing backwards and forwards of amendments be carried to an interminable length? I do not know that that has ever happened in any appreciable degree. At all events, the idea of the Assembly is that we shall have the opportunity of making the amendment; then they will

have the opportunity of considering it, and then, if they decline to accept it, they send it back to us. Then we have either to drop the amendment or throw out the Bill. The committee, after careful consideration, recommend that we should retain the right. Hon. members would do well to think over the matter very carefully, and not vote on the spur of the moment.

Hon. W. KINGSMILL: I do not wish to have the appearance of breaking out, as it were; but I desire to point out that the extent to which amendments can be bandied about between the two Houses, instead of being interminable, is limited by our Standing Orders. Amendments to finance Bills are subject to just the same exchange and discussion between the two Houses as amendments on an ordinary Bill. The only variation is that the method of moving amendments to money Bills is different. The stage at which a Conference comes in is exactly the same in both cases. I do not think that under our present Standing Orders, if this subclause is retained, a Conference will be possible. Our Standing Orders would undoubtedly have to be altered in that respect before a Conference would be possible, if this subclause is left in. I just make this explanation in order to satisfy the hon. member —and I hope I have succeeded in doing so —that there is no danger of interminable exchange of amendments between the two Houses.

Question put and negatived; the Council's amendment insisted on.

Resolution reported, and the report adopted.

BILL—FACTORIES AND SHOPS.

Assembly's Message.

A Message having been received from the Assembly notifying that it had agreed to amendment No. 3 made by the Council in the Bill, but disagreed to the Council's amendments Nos. 1 and 2, and giving reasons, the Message was now considered.

In Committee.

Hon. J. Ewing in the Chair: the Minister for Education in charge of the Bill.

No. 1—Clause 2, Strike out the clause:

The MINISTER FOR EDUCATION: I sincerely hope the Council will not insist on this amendment. I have always contended that the provision was improperly introduced into the Act of last year. There is ample provision for protecting work done in families or in the home, and this amendment means the exclusion from the Act of about 90 small factories which have been registered for years, and which should be registered, though their registration was rendered unnecessary by the amendment inserted in last year's Act. I refer to such factories as bootmaking, clay process, cycle and motor works, among others. In all cases the machinery employed in those 90 factories did not exceed one horse power; and therefore, although for years previously they had been registered as factories they were no longer under the necessity of registering after the passing of last year's Act. To my mind, that has been an error all along. I do not think we ought to insist upon the amendment any longer, and I move—

That the amendment be not insisted on.

Hon. H. STEWART: The leader of the House has said nothing now that he did not say at the time when the Committee, by a considerable majority, carried the amendment. Had the amendment not been carried, had the clause been struck out of the Bill, then I was prepared to move other amendments which would modify the resultant position.

Hon. J. Nicholson: Suggest a modification now.

Hon. H. STEWART: I do not think we can do that. We can hardly, at this stage, add to the Bill a new clause modifying the decision arrived at in respect of the definition of "Factory." If Clause 2 is deleted, then any building, premises, or place where steam or other mechanical power or appliance is used in preparing, working up, or manufacturing goods, or in packing goods for transport will be a factory. In fact, if there were a place in which one could start some machinery by turning on the electric light switch, such a place would be a factory under Clause 2, even though there might not be one person employed in the so-called factory. And the piece of mechanism working that factory need not be more complicated than the domestic egg-beater. The Crown Solicitor said the clause was simply reducing it to an absurdity. Now the Minister says that because of this limitation to one-horse power they cannot register certain factories previously registered. The Minister says there are 90 factories which cannot be registered if this be struck out. It means that in none of those 90 factories are more than four persons engaged; so they are pretty small potatoes. I think we should disagree with the motion. The Minister should give us particulars.

The Minister for Education: I gave you the list of factories.

Hon. H. STEWART: But you did not tell us how many are employed in them.

The Minister for Education: I do not know, since they are not under supervision.

Hon. A. LOVEKIN: If the Minister will postpone this Bill till to-morrow, I will bring to the House two or three little appliances which will show hon. members the absurdity of making any place a factory merely because it has a motor capable of driving, as Mr. Stewart suggested, an egg-beater.

The Minister for Education: Exemptions are provided for such cases.

Hon. A. LOVEKIN: Where! If you strike this out, a toy motor will serve to

bring a place within the definition of "factory."

Hon. H. STEWART: Had Clause 2 been passed it was my intention to move to add to the clause words which would bring it into line with a reasonable conception of a factory. It is ridiculous to make a place a factory simply because it has a machine driven by one-sixteenth of one horse power.

Hon. A. SANDERSON: How many people are involved in this? The object of the Committee is to give the protection of an official inspection to every section of the community, whether numerous or few. Indeed some small factories of only three or four employees require more inspectional supervision than do other larger factories. There is a suspicion in the minds of members that these Government departments seem to aggrandise themselves rather than look after the welfare of the community. How far that is justified, I do not know. Is it too much to ask that the Minister get us full information as to how many persons are involved in this?

The Minister for Education: There are 90 small factories, each employing from one to three persons.

Hon. A. SANDERSON: I have been reminded that last session I voted for this. I can quite believe it. If the Minister can satisfy me that we then made a mistake, I will vote the other way; but before I do so I require further information on the question.

Hon. A. H. PANTON: It is all a question of whether we are going to give the employees, few in number, the same protection as we give to employees in large numbers. As Mr. Sanderson says, a small factory requires more supervision in respect of sanitation than does a larger place.

Hon. A. Lovekin: By this means are you not making two, instead of four, a factory?

Hon. A. H. PANTON: Personally, I should like to see one employee constitute a factory. As it is, in most of the States two constitute a factory. There are 90 of those small places not registered, with two or three employees in each place. Out in East Perth are places badly requiring supervision. In one small box of a room I found five girls sewing second-hand bags. Had there been three of them in a place half the size, they would not have constituted a factory, and so would not have come under supervision. I hope the amendment will not be insisted upon, that hon. members will give the inspectors the right to inspect any place where people are employed.

Hon. A. Lovekin: Why did you make four a factory?

Hon. A. H. PANTON: I did not make it four; I had to submit to a majority. Now I am asking members to reconsider their verdict. There need be no suspicion that our inspectors are busybodies. The chief inspector of factories is a most excellent officer, and he has an excellent staff.

Hon. A. LOVEKIN: Last session we said it would take four persons to constitute a factory.

The Minister for Education: This is not the only definition of a factory.

Hon. A. LOVEKIN: It is the basic principle. These four persons in the ordinary course of business must have some machinery, and we limited this to one-horse power. We are now asked to strike out "not exceeding one-horse power" and agree that any motor will constitute a factory. We shall thus be reducing the number of persons constituting a factory from four to one. Surely members do not desire that. The Bill would then include people like masseurs, who use one-sixteenth horse power motors for massaging the heads and faces of their clients.

The MINISTER FOR EDUCATION: If the hon. member will read the clause he will see that it does not affect the institutions quoted by him. He speaks of people being brought under the Factories Act very much as if they were being sent to gaol. The annual registration fee for a factory of that kind would only be 2s. 6d. There is no condition in the Bill for the control of factories which is not entirely proper.

Hon. A. Lovekin: I do not object to the 2s. 6d., but to the sending out of notices, the keeping of accounts, and the special notices etc.

The MINISTER FOR EDUCATION: The clause refers to any place, where machinery is used for the manufacture of goods, being a factory.

Hon. A. J. H. SAW: Mr. Panton's argument has nothing to do with the clause. We are dealing with places that use one-horse power motors, and I maintain that the hon. member was out of order in the remarks he made.

Hon. H. STEWART: We do not want to provide for every small piece of machinery that has been worked by one person. If a conference is appointed to deal with this matter a settlement may be arrived at which would be agreeable to this Chamber. I object to passing the clause without imposing a limitation as to the mechanical power that is used, and the number of persons who may constitute a factory. The clause as first embodied in the Bill was of a slipshod nature. I hope the Committee wil not agree to the motion.

Hon. A. H. PANTON: I see no reason why a factory should be on a different plane to a shop. The hon. member apparently now sees an opportunity for compromising in this matter.

Hon. A. Lovekin: You want a factory of one.

Hon. A. H. PANTON: I want the inspectors to have the right to see what is being done at all these places.

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

Ayes	6
Noes	11
Majority against ..	5

AYES.

Hon. H. P. Colebatch	Hon. A. H. Panton
Hon. J. Cunningham	Hon. F. A. Baglin
Hon. E. H. Harris	(*Teller.*)
Hon. J. W. Hickey	

NOES.

Hon. J. A. Greig	Hon. A. Sanderson
Hon. V. Hamersley	Hon. A. J. H. Saw
Hon. J. J. Holmes	Hon. H. Stewart
Hon. A. Lovekin	Hon. Sir E. H. Wittenoom
Hon. J. Mills	Hon. C. McKenzie
Hon. J. Nicholson	(*Teller.*)

Question thus negatived; the Council's amendment insisted on.

No. 2. New clause—Add the following clause, to stand as No. 2:—Section four of the principal Act is hereby amended by striking out, in the definition of boarding-house, the words "and any place in which ten or more boarders or lodgers apart from members of the family are in residence."

The MINISTER FOR EDUCATION: I am sorry that the Legislative Assembly did not see fit to agree to the amendment, but I cannot say I am very impressed with the reasons they have given for rejecting the Council's amendment. The words we agreed to strike out represent the compromise arrived at last session. In the circumstances, I do not feel inclined to press the matter any further and I move—

That the amendment be not insisted on.

Hon. J. A. GREIG: By not insisting upon the amendment, it will mean that we shall go back on a previous decision of this Chamber. I think we should adopt the same course as we did previously.

The Minister for Education: Suppose the Assembly adopt the same course?

Hon. A. Lovekin: Then we will have a conference.

Hon. A. H. PANTON: Regarding the earlier amendment, Mr. Lovekin and Mr. Stewart argued that I wanted to get something in the original Bill.

Hon. H. Stewart: I never put forward that argument.

Hon. A. H. PANTON: Mr. Stewart never remembers anything he puts forward. As a compromise, the House agreed to this provision last session when the Factories Act was passed. If the amendment is insisted upon by this Chamber, I hope the Government will drop the Bill and then we will retain what is in the present Act.

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

Ayes	7
Noes	10
Majority against ..	3

AYES.

Hon. H. P. Colebatch	Hon. A. H. Panton
Hon. J. Cunningham	Hon. A. J. H. Saw
Hon. E. H. Harris	Hon. F. A. Baglin
Hon. J. W. Hickey	(*Teller.*)

NOES.

Hon. J. A. Greig	Hon. J. Mills
Hon. V. Hamersley	Hon. J. Nicholson
Hon. J. J. Holmes	Hon. H. Stewart
Hon. A. Lovekin	Hon. Sir E. H. Wittenoom
Hon. C. McKenzie	Hon. A. Sanderson
	(*Teller.*)

Question thus negatived; the Council's amendment insisted on.

Resolutions reported, the report adopted, and a message accordingly returned to the Assembly.

MOTION—EDUCATION COMMISSION, REPORT.

Debate resumed from 11th October on the following motion by the Hon. Sir Edward Wittenoom:—

That in the opinion of this House the report of the Royal Commission on Education laid on the Table of the House is unsatisfactory.

Hon. A. J. H. SAW (Metropolitan-Suburban) [9.40]: The motion tabled by Sir Edward Wittenoom was for so long on the Notice Paper, that I expected a reasoned criticism of the findings of the Royal Commission. In that, I am sorry to say, I was disappointed. The hon. member started his speech by saying that he had no intention of being personal and, of course, I fully acquit him of any motive of that kind. The fact remains that he devoted considerable time during his speech to a criticism, and some abuse the the personnel of the Commission. I was astonished at the references which the hon. member made to Mr. Board, the chairman of the Commission. I take this opportunity of saying that a more practical, a more cautious or sagacious investigator could not have been chosen as chairman of this Commission. Mr. Board is a native-born Australian and he has gone through the whole range of the Education Department in New South Wales, finally arriving some 15 years ago at the position of Director of Education in that State, a position which he has very ably filled. He has had very considerable experience and has twice been to Europe to investigate thoroughly the educational systems there, and once he has been to America. He is a practical man whose enthusiasm is tem-

pered by caution. But Sir Edward says that Mr. Board was prejudiced, that he was not the right man and not fit because, as an enthusiastic educationalist, he was without practical ideas. Sir Edward was so obsessed with that opinion that he entirely misinterpreted an after-dinner speech made by Mr. Board the day before he left this State. Sir Edward quotes him as saying that education should be continued until the age of 21. I was present when Mr. Board made that speech and he said no such thing.

Hon. Sir Edward Wittenoom: It was reported in the papers.

Hon. A. J. H. SAW: Sir Edward is wrong. The report in the "West Australian" does not bear the construction Sir Edward placed upon it.

Hon. Sir Edward Wittenoom: Yes, it does.

Hon. A. J. H. SAW: I will read the report, which, on this point, was as follows:—

> He believed the object of education was not merely to give children a certain amount of knowledge with which to work their way through the world. There was a far bigger aim—the setting up in their young people of more correct habits of thinking. If they could establish in the young folk by the time they reached the age of 21 the habit of clear thinking, they would have done a great deal more for them than by giving them a certain amount of useful knowledge in certain directions.

Hon. Sir Edward Wittenoom: There you are!

Hon. A. J. H. SAW: No. Sir Edward twisted that utterance around and said—

> Mr. Board advocated boys continuing their education until 21 years of age when they would have a well-stored mind, at which age they would have the right to start to learn some useful occupation.

The "West Australian" report was very condensed. At the time Mr. Board was speaking, he was referring to the civic responsibilities imposed upon the citizens of Australia and he was bearing in mind not the age at which our youths should leave school but the age at which they exercised the franchise, because I remember perfectly well he followed those remarks up by saying that if they did attain the habit of correct thinking at the age of 21, it might go hard with some members of Parliament. But Sir Edward entirely misinterprets this. After all, a man of his experience should know that it is not altogether safe to trust to a very condensed report of a speech appearing in a newspaper, though I maintain that even the report in the "West Australian" does not bear the construction he put upon it. Sir Edward wrote to the newspaper —Mr. Board unfortunately had by that time left the State—and stated the view he has reiterated in the House. Although I had noticed the error into which he had fallen, I thought the matter of so little importance that I did not take the trouble to contradict it in the newspaper, as I did not think anyone else would misinterpret the remarks of Mr. Broad with reference to the age of 21, which obviously referred to the age at which people arrived at manhood and exercised the franchise. Sir Edward has also devoted a little attention to myself. I am loth to have to make any personal statement with reference to any qualifications I might possess as regards occupying a seat on the Commission, but I can assure hon. members that the appointment was not of my seeking. As I daresay some members may realise, any professional man who undertakes a seat on a Royal Commission does so at considerable personal sacrifice. If I may for a moment direct the attention of the House to my humble self, the reasons which prompted me to accept a seat on the Royal Commission, were these: Thirty-five years ago, through the instrumentality of the then State system of education prevailing in Western Australia, I gained a scholarship, and with that scholarship I was enabled to go to Cambridge. Any success I may have achieved in a small degree in life is entirely due to that fact. When I returned to this State the Government of the day appointed me one of the governors of my old school, the Perth High School, on which I have continued to serve ever since. When the idea of the University was first mooted, Sir Newton Moore appointed me on the original Commission to investigate the feasibility of establishing a University here. Subsequently, when the University was established, the Labour Party, who were then in power, did me the honour to select me as one of the Senate of that institution. Later, Convocation elected me as one of their representatives on the Senate, and they further honoured me by making me warden of Convocation, and I have continued to serve on the Senate ever since. Consequently, when I was asked by the Government to take a seat on the Royal Commission, I felt it was my duty to accept it.

Hon. Sir Edward Wittenoom: I think I said you ought to have been the chairman of the Commission.

Hon. A. J. H. SAW: Sir Edward Wittenoom said that, in view of Mr. Board having been appointed to the Commission, I should not have been appointed, that our ideas were so similar that either Mr. Board would be influenced by me or I would be influenced by Mr. Board, one or the other, I do not know exactly which. Anyhow, he maintained that the two of us should not have been on the Commission, and as Mr. Board had been appointed, I should not have been a member of it. That was the effect of Sir Edward's letter to the "West Australian" when the personnel of the Commission was announced. Sir Edward stated further that I should not have been on the Commission, because I am academic and also not practical. I am afraid I must disclaim any such epithet as academic. When I look up the dictionary I find it is used in two senses. The first sense in which it is used is of or pertaining to an academy, college or Univer-

sity, and the second sense in which it is used is classical and literary as distinguished from technical and professional. As I have had nothing to do with a University other than serving on the governing body since I left Cambridge, I can hardly call myself academic and, for a man who has been actively engaged in practice for some years to be called academic in the classical and literary sense as distinguished from technical and professional hardly seems to apply. If Sir Edward used the term in the sense of pertaining to an academy or school or University, he might equally have applied it to himself, because we have both been on the board of governors of the High School for a considerable number of years. As to whether I am practical or not is hard for me to say. I shall have to leave that to the opinion of members of the House, but I find that people versed in business are very apt to consider people engaged in other callings, in the professions or otherwise, as not being practical men. I maintain that there is no justification for such a view. A man in a profession meets with probably a wider range of people of different views and becomes conversant with many more matters than perhaps even the hon. gentleman himself. I should be sorry for a moment to compare myself with such people as I am about to mention, but possibly the hon. member may consider Lloyd-George as not being a practical man because he was at one time a solicitor, or Clemenceau as not being practical because in early life he was a doctor. Yet both of those men saved Europe. The greater part of the hon. gentleman's speech was devoted to reading the evidence which he gave before the Royal Commission. Sir Edward's opinions on education, I know, are worth consideration and especially on those points on which perhaps he and Mr. Underwood agree, but I was sorry that throughout the greater part of his speech, he did not devote some of his time to a discussion of the findings of the Commission. As a matter of fact, he only alluded to two of the findings of the Commission, those dealing with technical education and the establishment of an agricultural college. I understand that, on both of these matters, he agreed with the findings of the Royal Commission. He airly dismissed the report as a whole by saying that a State inspector could have written it. I am very glad to know that Sir Edward has such a very high opinion of the inspectors of our Education Department and that he considers they have the breadth of view and grasp of principle which I maintain are shown in the report, the main credit for which, of course, must be given to the Chairman, Mr. Board. I fancy that Sir Edward was really dissatisfied with the Commission (o not adopting the view he enunciated to them, namely, that of scrapping the State system of secondary education and establishing a system of bursaries. I am not sure that it was the province of the Commission to make any recommendation of that kind. It surely is a matter of public policy, which should be determined by Parliament, whether we should have State secondary education or not, but in any case, I do not think any member of the Royal Commission would entertain Sir Edward's views for the following reasons: In the first place, if we provided equal facilties for the same number of students who are already receiving State secondary education, it is obvious that it would not in any way minimise the cost of the Education Department. The Commission found out that the expense in one of the secondary schools in Perth was very analogous to the expense in the State secondary schools. Therefore, if we were going to give an equal number of secondary school facilities as at present, there would be no saving on the score of expense. Then, there would be another disadvantage. It would undoubtedly scrap the State secondary schools in the larger country towns and that I take it would be a most undesirable result. The boys and girls in a country town like Northam must be in closer touch with country life than if they were brought to the city, and as undoubtedly one of the greatest objects we have in view is to maintain the people in the country, it would be harmful to the State if these growing boys and girls were brought into the metropolis, instead of being given their education in one of the large country towns. Surely, too, it would have this disadvantage that the State would pay the piper but would not call the tune. It is not in the least likely that the Anglican Church with the Guildford Grammar School or the Roman Catholic Church with the Christian Brothers College, would relinquish their control over these schools in favour of the State. Consequently, the State would be subsidising them liberally by sending boys with bursaries to them, and would have no control whatever over the education given there. The proposal has not even the merit of being novel, because a system of this kind was in vogue in Victoria a good many years ago, and was discontinued. Sir Edward further complained of the system which the Commission adopted with reference to the witnesses called. The Commission advertised repeatedly asking persons qualified or anyone who had anything to say to come along and give evidence. In all there were 73 witnesses, of whom 31 belonged to the Education Department and 42 were not so connected. The method the Commission adopted was to select certain people connected with the Education Department who it was considered necessary to examine. Others connected with the institution came along, following the general invitation extended. Altogether eight members of Parliament gave evidence. Various bodies connected with social work in Perth volunteered and sent representatives. The University sent representatives. The Commission, hearing that certain people would like to give evidence but were rather shy of coming forward, sent

special invitations to those ladies and gentlemen to appear before them. There were certain people who had been keen critics of the Education Department and to them the Commission extended a direct invitation to attend and give evidence. Amongst the latter was one who had always been a very keen critic, Mr. James Gardiner. I noticed that recently he wrote to the newspaper, suggesting that the report of the Royal Commission should be scrapped and that both Houses should appoint a joint select committee to conduct an inquiry. Mr. Gardiner was repeatedly approached by the Commission; in fact, he was almost pestered to come and give evidence, but has continually put us off and finally he did not come forward to tender evidence. Yet he has been for many years a very keen critic of the Education Department. Sir Edward also complained that Mr. Board and myself acted as advocates and persistently cross-examined him when he gave evidence, and that in consequence he said certain things which he had no intention of saying when he came before us, and which I gather, he thought subsequently were rather injudicious. Sir Edward came before the Commission with a written statement of his opinion which he read to the Commission, and in that statement he said—

> My comment is that notwithstanding the extended period over which so large an expenditure has been spread, and notwithstanding that New South Wales has a system of education which is claimed to be almost perfect, we find at the present time that the State has a Parliament which no one can claim represents the best specimens of educated men.

Then he was asked by the Chairman a question to which he gave the reply which I will quote—

> Is that due to the schools?—I think it is. This system of education has been in vogue for 20 years and surely we may look to find its results reflected in the present Parliament. I maintain that neither in training experience, or education can the present members of that Parliament claim to be amongst the best educated men of the country. I am sorry to have to say anything against New South Wales, but I am merely taking that State as an instance. New South Wales for a long time has had an unfavourable reputation for larrikinism, and I may also say it has gained a reputation for disloyalty.

That was the deliberately written opinion of Sir Edward, and up to that time the Chairman had only asked him the question, "Is that due to the schools," while for myself I had not uttered a word.

Hon. J. W. Hickey: Was it a written statement or was it his evidence?

Hon. A. J. H. SAW: It was a statement which he read. Subsequently, it is true, I did ask Sir Edward certain questions, and as he has referred to my cross-examination as having been persistent, and consequently inferred that it was not fair, at the risk of wearying the House I will quote all the questions I asked him and the answers which he gave on the subject of disloyalty and larrikinism and members of Parliament. These are the questions and answers—

> If the electors were less educated do you think they would return a better class of members of Parliament?—That is not the point. You already see the result of 24 years of large expenditure on education in New South Wales, and with the same amount spent on elementary education you would probably get a better result.
>
> You attribute the failure on the part of Parliament to the fact of the electors being educated to the standard they are?—No, I do not. You put it the wrong way.
>
> Do you think there would be less larrikinism and disloyalty if the people were less educated?—I do.

These are all the questions I asked him bearing on the subject of larrikinism and disloyalty in New South Wales. Subsequently I did ask him further questions with reference to the influence of higher education on agricultural pursuits and as to the effect his proposal would have in limiting educational facilities to the well-to-do. I maintain that these were perfectly legitimate questions arising out of his evidence, and I regard it as peevish of him to come here and declare that Mr. Board and I asked him unfair questions, and say that we were persistent in our cross-examination. Sir Edward himself is a keen critic. His criticism of the Education Department has been loud, long, and persistent. Himself a keen critic of other people, he rather resents, I am sorry to say, criticism of his own doings. I regret to say also that I think he exhibits a rather thin skin for a public man.

Hon. Sir Edward Wittenoom: I was complaining of being misrepresented.

Hon. A. J. H. SAW: There was no misrepresentation at all. I think the divergence between the views of the Commission and the views of Sir Edward are really due to different conceptions of the functions of the State. Sir Edward Wittenoom I take it is a marked individualist. I maintain that just as citizens owe a duty to the State, so does the State owe a duty to its citizens, and especially to the young in regard to education, health, and their moral welfare. For the State merely to teach the youth the elements of education is, I maintain, not enough. More is required of us as we grow than mere success in life. To ensure success in life it is necessary that the State should impart knowledge, skill, habits of concentration, and diligence to the children, but education has a higher motive than that. It is intended to form character, to implant taste; it is intended to cultivate the imagination and emotions, and above all that we should learn to enjoy the delights of hours of leisure, when we are lucky enough to get them. When we really educate our people we shall cease the striving after the glittering unrealities of life

which we see at present. I do not suppose it will be possible to abolish that altogether, but I am sure that in the cultivating of the higher faculties a great deal can be done towards getting rid of all those spurious notions which seem to guide so many people through their lives. I regard higher education as the magna charta of the poor whereby they are enabled not only to improve the material status but also whereby they can gain admission to the higher democracy of knowledge, which also I am glad to say is free. Sir Edward in his evidence and in his speech, is very keen on impressing on us the importance of the material comforts of life. They are not to be despised, but Sir Edward is not the first to bid us fall down and worship the golden calf. I may remind him that Nebuchadnezzar preceded him, and his fate was like that of the French peasant in the reign of Louis XV. who wandered to the fields and ate grass. Sir Edward is also keen on keeping the youth in the country. On that we are all agreed; but the problem is not one of education. That desire has been manifest throughout all the ages, and throughout all the ages we have had critics, philosophers, and writers who have complained of the crowding into the cities and of the denudation of the country. In the middle ages they tried to get away from it by attaching the serf to the soil. That system was fortunately done away with. The problem is not confined to Australia. Even in America where they have these communities established in the country and where they have the advantages of motor cars and educational facilities, and in fact so many things done for the people in the country the same problem exists. In 1880 the population of America residing in the large cities was only 15 per cent. of the whole. To-day it is 52 per cent., so that we see even there they are faced with the difficulties which confront us here, difficulties which in fact exist all over the world. These difficulties are not to be solved by lessening educational facilities. The only way to my mind to keep the people in the country is by making the country pursuits more profitable, more pleasurable and more comfortable. If we deprive children of educational facilities it will drive people off the land instead of keeping them there. I was sorry in this regard that Sir Edward did not have some criticism to offer on the recommendations of the commission that types of schools such as that existing at Toodyay should be established. There they are striving to co-apt the pursuits of the country—farming, horticulture, and so on, with the education which is given in the schools. The Commission were much impressed with that idea and also with the success, at any rate, in that centre, that was achieved. The Commission advocated that that type of school should as far as possible be extended to other country centres. I do not for a moment think that a good education is going to make a bad farmer. It is true that if you only educate a small percentage of your population, that those higher educated people will remain in the cities and fill the professions and higher walks of commercial life. But if we extend education facilities, if we educate a much larger proportion of our children, then those people, or some of them, will gravitate back to the country, and we will then have the advantage of a more scientific man on the land which I maintain will make for success.

Hon. Sir Edward Wittenoom: The work is not congenial to them.

Hon. A. J. H. SAW: We need not all be hewers of wood, and undoubtedly with the facilities which exist now, a considerable amount of the hardest work can be done by other methods, and with the expenditure of less labour. But whether or not we agree with that point we must face the fact that our people must be educated. If Australia is to maintain its position in the world, a broad foundation of knowledge must be laid, capable of bearing the superstructure of a man's career, whether it is to be that of an artisan, a commercial man or a professional man. Our numbers are indeed small. All the more reason why our people should be highly trained. We must make our people realise that they not only have privileges, but that they also have duties, and I do not agree in the least with the idea that the youth of Australia is over-educated. As a matter of fact only 10 per cent. of the youth of Australia get the opportunity of secondary education. Nor do we spend, relatively to other States and other countries, a large sum per head on education. Western Australia, at any rate at the time when the Commission sat, was expending on education a sum of £1 9s. 4d. per head of the population. Germany has a most excellent system of education; and it was through that, and also her devotion to science, and, further, the respect paid there to expert authority, that she occupied the position she had in the world before the war. So far as I can gather, the Germans are not relinquishing those methods to-day. If we do not keep pace on parallel lines, we shall find ourselves left behind. In America, as the Leader of the House has often pointed out, New York spends £4 per head on education. Scotland has always had a very fine system of education, and for many years a free system of secondary education. London to-day spends twice as much per head on education as we spend here. New Zealand spends £2 3s. 4d. as against our £1 9s. 4d. Japan, I read some 12 months ago, has an even better system of education than prevails in the United Kingdom. Is Australia to be the only country to lag behind? A few days ago I saw an article by acting Professor Wood, of our University, pointing out that whereas in 1914 England was spending only some 35 millions on education, she is this year spending 89 millions on education, which sum works out to about £2 per head

of the population. Sir Edward Wittenoom stressed the point that the youth of Australia are educated above their opportunities. To me that seems an old idea dressed in modern phraseology. I seem to remember in years gone by a somewhat similar phrase to the effect that boys and girls were being educated above their station. Sir Edward's words have a more modern sound, but when I listened to them I could hear the voice of the parson of my boyhood teaching me my duty my duty towards my neighbour, to comport myself humbly and reverently towards all my betters, and to do my duty in that state of life; to which it should please God to call me. Who can say what opportunity is going to unfold itself to the young life? Did Wolsey the butcher ever dream of his son becoming the King's first Minister and the most important man in England? Did Lloyd George's uncle, a village cobbler, when giving the boy a home, imagine that he was rearing a man who would one day save England? I maintain that every boy and every girl has an inherent right to equal opportunities along the road to knowledge. I am aware of the necessity at the present time for rigid economy; but on all sides I see a most wasteful expenditure on luxuries. Let us apply our knife to this before we cut down the fruitful tree of knowledge. Let us prune our luxuries before we starve our souls. One word with reference to the few remarks that fell from Mr. Dodd. The hon. member lamented the fact that our system of education often trains boys for a life in which there is no opening in this State, so that the boy thus trained has to seek opportunities of advancement elsewhere. That, I am afraid, is unavoidable. It must always be remembered that if we lose a few in that way, we are continually deriving advantage from people who have obtained an education in some other part of the world, and who come to this State. There is no system, so far as I can see, which will prevent a few boys who have been educated here, and who do not readily find an opening here, from going elsewhere. But I maintain that we have a greater advantage from the immigration that comes to this State, as compared with the loss of those few. Mr. Moore made reference to the lack of teaching in drawing and applied geometry. So far as ordinary drawing goes, we found that very wise provision was made for that in the schools. I was impressed and pleased with what was done. I think it highly desirable that children should be taught to draw in the way they are in the schools. In my opinion drawing is of great use in after life, no matter what career one takes up. As regards applied geometry, however, I am afraid we found that those who were taking advantage of the technical schools would not trouble to apply themselves to learn those higher branches of their work which a study of applied geometry would have facilitated. But I maintain that on the whole the educational system of this State is a good one. Moreover, I was very pleased with what I saw of the personnel of the teachers. I believe that if members of this House, instead of criticising the Education Department, would exercise their privilege of going amongst the schools and seeing what is being done there, they would be astonished. In that case, too, we would not hear so many baseless criticisms of our Department of Education.

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

The House adjourned at 5.22 p.m.

Legislative Assembly,

Wednesday, 7th December, 1921.

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

QUESTIONS (2)—JUVENILE GAMBLING.

Carnival Square, Charitable Appeals.

Mrs. COWAN asked the Colonial Secretary: 1, Is he aware that gambling is said to be freely indulged in by young people and children per medium of spinning jen-