

one occasion when I was at Rottneast a part of the foreshore was fenced off against the people who visited the island. That was the part leading from His Excellency the Governor's residence. I thought that was an unwarrantable interference with the rights of the people, and it was a step to which I strongly objected. People had to go up from the jetty and pass round the back of the residence, instead of taking a short cut, because the foreshore was fenced off in this way. I have every regard for the board, which I think is doing good work. At the same time, we need to be very careful before we give away any rights in our parks and reserves. I hope, if the House does pass the Bill, it will not extend the term during which the leases may be granted.

On motion by Hon. Sir E. H. Wittenoom debate adjourned.

BILL—BROOME RATES VALIDATION.

Second Reading.

The MINISTER FOR EDUCATION (Hon. H. P. Colebatch—East) [448] in moving the second reading said: On the 1st January last year the municipality of Broome was dissolved, and the municipal district became merged in the Broome road board district. In December of the previous year, 1918, the Broome municipality purported to levy rates for the municipal area in the year commencing the 1st October, 1918. On the dissolution of the municipality these rates, with all other assets of the municipality, passed over to the road board, which also took over all liabilities of the municipality. It has since transpired that the mayor of the municipality for the time being omitted to initial the pages of the rate book and publish a copy of the rate in the newspaper. These two things were omitted. Therefore, the road board when they took over found that they could not enforce the rates for that period, that was the period between the 1st October, 1918, and the 1st January, 1919. The purpose of this Bill is to rectify that omission and validate the rates for that period. I move—

That the Bill be now read a second time.

Question put and passed.

Bill read a second time.

In Committee, etc.

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

ADJOURNMENT—STATE OF BUSINESS.

The MINISTER FOR EDUCATION (Hon. H. P. Colebatch—East) [451]: In view of the state of the Notice Paper, I propose to ask hon. members to adjourn for a few days. With regard to the two motions,

the debates on which we have adjourned, it is desired that certain hon. members should be present to take part in the debates. I know that other hon. members wish to have an opportunity of reading the report of the Prices Regulation Commission before proceeding with the debate on that subject. The other Bills are not quite ready. It is the intention of the Colonial Treasurer to present his Budget during next week, probably on Tuesday, and in view of the position generally, I move—

That the House at its rising adjourn until Tuesday, the 21st September.

Question put and passed.

House adjourned at 4.53 p.m.

Legislative Assembly,

Wednesday, 8th September, 1920.

	PAGE
Questions: Industries Assistance Board ...	513
Charity Tax ...	514
Leave of absence ...	514
Motions: Forest Act Regulation, to disallow ...	514
Primary Industries, Customs duties ...	530
Railway project, Carnarvon-Killilli ...	533
Papers: Railway Workshops, Coolgardie, removal ...	529
Bills: Friendly Societies Act Amendment, 1A ...	539
Public Service Appeal Board, Message ...	539

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

QUESTION—INDUSTRIES ASSISTANCE BOARD.

Mr. JOHNSTON asked the Premier: 1, When will farmers working under the Industries Assistance Board receive statements of their accounts for the year ended 31st March last? 2, When will the distribution of moneys held by the Board on account of creditors and others for the same year take place?

The PREMIER replied: 1, On completion of the distribution of proceeds. 2, Distribution is now proceeding, and it is anticipated that it will be completed by the end of the present month.

QUESTION—CHARITIES TAX.

Mr. GREEN asked the Premier: Is it his intention to introduce a charities tax this session, and so do away with the present unsatisfactory over-lapping of public appeals?

The PREMIER replied: The matter has not been considered.

LEAVE OF ABSENCE.

On motion by Mr. ANGELO, leave of absence for four weeks granted to Mr. Durack (Kimberley) on the ground of urgent private business.

On motion by Mr. HARDWICK, leave of absence for four weeks granted to Mr. Teesdale (Roebourne) on the ground of urgent private business.

MOTION—FOREST ACT REGULATION, TO DISALLOW.

Mr. MULLANY (Menzies) [4.35]: I move—

That regulation No. 5 made under the provisions of the Forests Act, 1918, dealing with the taking or removal of sandalwood under fourteen inches in circumference, published in the "Government Gazette" of the 23rd April, 1920, and laid upon the Table of the House on the 10th August, 1920, be disallowed.

I must express keen regret that the Minister for Forests, under whose direction this regulation is sought to be enforced, is not to-day present in the House. Under the Forests Act it is provided—

Such regulations shall be laid before both Houses of Parliament within 14 days after publication, if Parliament is in session and, if not, then within 14 days after the commencement of the next session. If either House of Parliament passes a resolution at any time within one month after any such regulation has been laid before it disallowing such regulation, then the same shall thereupon cease to have effect.

The regulation in question was laid on the Table on the 10th August and, as the period of one month will expire during the next few days, I ask the Premier to agree to this discussion being carried to a conclusion to-day. Failing that, I should like an assurance that the expiration of the period will not prevent a disallowance of the regulation. I would like to know from the Premier whether that provision of the Act can be waived.

The Premier: Either one thing or the other will be done.

Mr. MULLANY: Immediately the regulation was laid on the Table, I gave notice of my motion, and this is the first opportunity I have had to discuss the matter. My object in bringing forward the motion is to prevent any injustice being done to a considerable section of residents of this State, more particularly those upon the northern goldfields

areas. The northern goldfields areas for a considerable time past have been producing a large quantity of sandalwood, and the history of the industry in this State has been interesting indeed. We have figures which show that the trade has been carried on for a period of about 60 years. As far back as 1860, we find the first record of sandalwood having been exported; the quantity sent away in that year having been 1,687 tons. The "Pocket Year Book" quotes the figures for one year in each decade up to 1900. In the year 1900 the quantity exported was 4,095 tons. In 1901 the quantity was 8,864 tons, and in 1902, 7,995 tons. The figures are given for each year since then. In 1919 the quantity exported was 8,988 tons, and the average export for the last 20 years has been over 6,000 tons a year. The total quantity exported from the State up to the end of last year was 132,000 tons, of a value of £2,827,035. The pamphlet just issued by the Forestry Department makes reference to the industry and gives the total quantity exported to the end of June, 1919, as 32,360 tons. This is obviously a mistake, as the total is 132,000 tons. I have some figures from the Menzies railway station, showing the importance of the industry during an unfortunate period of depression in the gold-mining industry in those northern areas. The quantity of sandalwood sent through the Menzies station was in November last 124 tons, in December 145 tons, in January 174 tons, and during the first three weeks of February 140 tons—a total of 583 tons for that period of a little over three months. It is hard to calculate the benefit of the trade to this particular district during that time. That quantity of nearly 600 tons covered a period of a little over three months and it was worth £10 per ton clear to that district. All the stations north of Kalgoorlie, namely Comet Vale, Kookynie, Laverton, and Leonora, and, lower down the line, Southern Cross, Bullfinch, and other old goldfields mining towns, have been carried through a very trying period of their existence owing to the fact that sandalwood has been available and has been bringing a reasonable price in those districts. The £10 per ton to which I referred is clear of all freight and royalty and other expenses. The exports for a number of years past have averaged 6,000 tons per year and, from information I have gathered, I believe Western Australia has now practically a monopoly of sandalwood. In years gone by Mysore, in India, and Queensland produced a certain quantity. The exportations from Queensland, however, have fallen so low that during the year ended June, 1919, they totalled only 500 tons, so that apparently supplies in Queensland and in other parts of the world have been practically depleted, and Western Australia has a monopoly. Many people, particularly those engaged in pulling the sandalwood in the bush, are agitating for the Government to consider the question of nationalising or taking control of this industry. While I believe it would be a sound proposition for the Government to nationalise the industry, I do not

propose to discuss that aspect at present. An alternative proposition has also been suggested that, failing nationalisation of the industry, a pool on the lines of the wheat pool should be established to control this commodity which, as we know, has not been used to any extent in Australia, but the value of which lies entirely in the overseas demand for it. We have been assured by the Minister for Woods and Forests that exhaustive inquiries are being made into this aspect of the sandalwood trade, and that there is a probability of something of the kind being done. However, even if the Government decide to take over the control of the industry altogether, or to form a pool, the object I have in view to-day would not be effected. My object this afternoon is to defeat the regulation which the Forestry Department desire to enforce limiting the size at which sandalwood can be pulled. My attention was first drawn to this regulation by an advertisement which appeared in the Press of this State early in February last, reading—

Tenders, endorsed "Tender No. 14/20," addressed to the Conservator of Forests, Perth, will be received up to 11 a.m. on Monday, the 23rd February, 1920, for a permit, under timber regulation No. 40, to cut and remove sandal wood on and from a large area of land in Western Australia. Tenders to be on a royalty basis per ton of marketable sandalwood obtained; between 250 and 500 tons of sandalwood to be obtained per month. Tenders to be accompanied by a deposit of £65. The highest or any tender not necessarily accepted. Further information and particulars of area obtainable from the Conservator of Forests, Perth, or the Forest Rangers at Kalgoorlie and Albany, or the Government Land Agent at Geraldton.

Some of my constituents being interested in the sandalwood industry, I called at the Forestry Department in order to ascertain the conditions of contract. This advertisement, calling for tenders for practically the whole of the sandalwood areas of Western Australia, struck me as most peculiar. In reply to my inquiry I was handed across the counter of the Forestry Department the following conditions of contract:—

Any permit which may be issued will give to the permit-holder the exclusive right to obtain sandalwood from Crown lands as interpreted in Clause 4 of the Forests Act, 1918, within the area bordered red on the map of Western Australia produced to tenderer.

The area bordered red upon the map comprises the whole of the sandalwood producing areas of the State. Therefore the proposal was to hand over to one firm or one individual, the successful tenderer, absolute control as regards who would and who would not be allowed to get sandalwood in the bush in any portion of the State. The conditions also state—

Any permit issued will be under timber regulation No. 14 in force under the provisions of the Forests Act, 1918, and will

be in the form of an agreement drawn up between myself—
"Myself" being the Conservator of Forests—

and the successful tenderer, who will be called the permit-holder. The permit-holder will pay a deposit equal to one month's royalty. Royalty will be increased by 15 per cent., provided that if payment be made within the current month in which accounts are rendered a discount equal to the increased royalty will be allowed. The permit-holder will engage to pay the sandalwood getters at least £9 per ton on rails Fremantle, free of royalty. This price will be subject to revision from time to time.

At that period, I believe, the price of sandalwood delivered at Fremantle was about £13 per ton; it was certainly not less. Yet here was a proposal to hand over to the successful tenderer the right to say who should be permitted, and incidentally who should not be permitted, to go on the forest lands of this State and pull sandalwood to be paid for at £9 per ton, the current price of the commodity being £13 per ton at Fremantle.

The Premier: But that was only the minimum price.

Mr. MULLANY: Yes, that was the minimum price; and here is the safeguard with reference to that minimum—

All books of account relating to the business of obtaining sandalwood, payment of cutters, and export of the wood overseas, will be open to inspection by a person authorised by myself.

A further clause of the conditions of contract says—

No sandalwood may be cut unless it is 15 inches at least in circumference three feet from the ground.

In an interview I had with the Conservator of Forests at the time, I pointed out the absurdity of this regulation as applying to goldfields sandalwood areas. I stated what I knew from personal knowledge and also from documentary evidence, that sandalwood does not attain such a size on the goldfields before it has reached maturity. The Conservator definitely assured me that no one need worry about the insertion of that condition. He told me what was news to me, that this limitation had been a condition of the issue of sandalwood licenses ever since sandalwood had first been taken from the forests of this State. His impression was that in the early days, when sandalwood was obtained in what are now the agricultural and pastoral areas of this State and in those areas attained a considerably larger size than on the goldfields, the restriction was necessary. He stated that so far as he knew it had not been enforced, and he again definitely assured me that there was no intention of enforcing it in the future. I accepted the Conservator's word; as a member of this House interviewing a departmental head I was entitled to do so. Travelling shortly afterwards through my own and adjoining electorates where sandalwood is obtained, I

informed the sandalwood getters that I had the Conservator's definite assurance that this particular regulation would not be enforced, it being merely a bit of obsolete machinery. I shall have more to say on that aspect later. As many members will recollect, public opinion was strongly impressed by the calling for tenders, and there was such objection taken to the letting of the proposed contract to any private individual or firm that the Government at the last moment withdrew from the business. In lieu of going on with the tenders, the Government decided to increase the royalty on sandalwood from the figure at which it had always stood, namely, 5s. per ton, to £2 per ton, which amount is being paid to-day. Most of those engaged in the sandalwood industry say quite frankly that 5s. per ton was probably too low, but they all say with equal frankness, and far more forcibly, that a royalty of £2 per ton is too high.

The Premier: That is not what I was told at Kalgoorlie.

Mr. MULLANY: I am telling the House what the men actually engaged in the industry have told me. I have at various times pointed out to them that there would be no need to worry about the royalty imposed if the Government would take steps to see that the consumer of the commodity in China was made to pay the higher royalty as an increased cost of production. I am unable to say whether that is being done or not. In fact, it is extremely difficult to say who is paying the royalty. I hear varying expressions of opinion on the point from people who profess to be conversant with the matter. Some say that the sandalwood getter, and no one else, is paying the royalty. Others assert that if the royalty were abolished to-morrow, there would be an immediate reduction in the price of sandalwood by the £2 per ton. I do not know for certain what would happen, but it seems to me that no serious attempt has been made by the Government, since imposing the increased royalty, to endeavour to pass on the amount of the increased cost to the consumer in China. We have some evidence, though perhaps not very conclusive evidence, with regard to the matter. When the royalty was raised in February last, the price at Fremantle was £14 or £15 per ton. It is now down to £12 per ton; £12 is the highest price obtainable. Who was paying the royalty I am, in the circumstances, unable to say. Unless the Government let the House know that they are taking effective steps to protect the sandalwood getter and make the consumer in China pay the royalty, that aspect of the trade might well form the subject-matter of another motion here. As regards the establishment of a pool, which some people advocate, I have here a long statement by the Minister for Woods and Forests, dealing with various methods to stabilise and organise the industry. The Minister strongly favoured at that time—I

am unable to say whether he does so now or not—the letting of a concession to some firm or individual who would take control of the sandalwood industry.

Mr. Green: When was the Minister's statement issued?

Mr. MULLANY: During February last. The Minister winds up this statement as follows—

If, under the proposed system, the permit-holder can be so controlled as to be practically in the position of an agent of the Government for the disposal of this national wealth, the benefits that will assuredly accrue to the State in general and the cutter in particular, are very great. The only method other than the issue of a permit by public tender so far suggested that would achieve the objects of the Government, is the establishment of a control pool. Further consideration is being given to this aspect of the question.

Some considerable time has elapsed since that statement was made—in February last—and as far as I am aware no further information has been given to the public regarding the steps being taken in this most important matter. Reverting to the statement I made previously, that the Conservator of Forests had given me his definite assurance that the department would not seek to enforce the regulation which is the subject of my motion—

The Premier: The stuff that had been cut and was at Fremantle was allowed to be shipped.

Mr. MULLANY: Quite so; but my just grievance against the Conservator of Forests is that when I pointed out to him the condition in the proposed contract, that no sandalwood should be cut unless it was at least 15 inches in circumference at a distance of three feet from the ground, he gave me definitely to understand that I could tell those engaged pulling sandalwood in the bush that there was no need to worry about that regulation because there was no intention whatever of enforcing it. I went through the districts and told the men what the Conservator said to me. When a member of Parliament interviews the head of a department, the member should be able to place implicit confidence in whatever statement the departmental head makes to him, more especially when that head occupies an important position like that of Conservator of Forests. Under the Forests Act, 1918, extremely wide powers are given to the Conservator, and I believe rightly so. Parliament was not able to see any other way by which the vandalism which was being carried on could be prevented, and it was for the purpose of stopping that vandalism that such wide powers were given to the head of the department. But whilst I have no objection to those powers being vested in the Conservator, having in view the desirability of securing efficient control of the

forests, we want a man in charge of the department who will use the powers given by Parliament with some degree of discretion. When a man deliberately attempts to mislead a member of this House in a matter such as this, then I have very grave doubt as to whether we have in Mr. Lane-Poole, the present holder of the office, the right man occupying the position of Conservator. To deal more directly with the subject matter of the motion, I may say that I have had letters from almost every centre on the goldfields protesting against the enforcement of the regulation. I have here the report of a meeting of the Returned Soldiers' Association held in Kalgoorlie some time ago, and at that meeting a vigorous protest was entered against the new regulations prohibiting the disposal of sandalwood of less than 12 inches in circumference, regulations which took effect from the 1st August last. The report states—

A lengthy discussion took place last night at a meeting of the Kalgoorlie branch of the R.S.S. Imperial League, regarding the new Government regulation prohibiting the disposal of sandalwood of less than 12 inches in circumference after the 1st inst. Mr. McGrath of Morgans, had sent a communication to the effect that hardship would be experienced by pullers who had about 200 tons of wood under the regulation size. This could not be carted in because of the shortage of teams, and furthermore, what had been carted in could not be carried over the railways because trucks were not available. The Laverton branch had also sent an emphatic protest against the enforcement of the regulation. Mr. Green moved and Mr. Campbell seconded that a letter be sent to the proper authorities in order to obtain an extension of time for one month to give pullers an opportunity to dispose of their wood. An amendment making the extension three months was carried. An opinion was expressed that the regulation, if rigidly observed, would only tend to throw a large number of returned soldiers and other pullers out of employment, and lead to the industry falling into the hands of a certain monopoly. At a later stage of the meeting it was decided to forward a recommendation for inclusion in the State conference agenda paper that the regulation size of sandalwood should be nine inches in circumference. It was thought that pullers would generally be willing to accede to this size for growing timber, seeing that they would be permitted to pull fully matured timber. Another resolution was that the Forestry Department be asked to issue licenses to all returned soldiers who wished to engage in the sandalwood industry. It was stated that no new licenses were being issued at present.

In regard to the accumulated stocks of under-sized sandalwood, I may say that through representations made to the Minister, he

agreed to extend the time. Instructions were first issued that on and after the 1st August last any under-sized sandalwood brought to railway stations for transport to Fremantle would be confiscated, and of course notice of this was given for some weeks before. Many men were unable to get their wood to the railway stations in time, through lack of transport facilities, and they were in a hole. The Minister, however, realised this, and extended the time. I do not know whether he has yet fixed any definite period, but the issuing of the instructions to enforce the regulation undoubtedly has had this effect upon the sandalwood industry: there were many hundreds, probably thousands of tons of under-sized sandalwood in the bush in the various districts. Notice was given that if this wood was not brought into the railway stations and forwarded to Fremantle before the 1st August the stocks would be confiscated. The result was that men holding stocks in the bush became afraid to continue to hold them and they sold to the agents at whatever price was offering. Those who are engaged in the work of sandalwood getting are firmly convinced that the action of the department had the effect of bringing the price of sandalwood down to the present figure.

Mr. Foley: The agents got very busy at that time.

Mr. MULLANY: Yes. They knew what sandalwood was cut and was lying alongside the railway line. That was their opportunity and they took full advantage of it. The position now is that the time has been extended, but it is still unsatisfactory in the extreme because of the regulation which prohibits sandalwood pulling in those goldfields areas of a size less than 14 inches in circumference and 16 inches from the ground. That regulation will prevent the carrying on of the industry altogether in the auriferous areas. Not 20 per cent. of the sandalwood trees in the goldfields areas ever attain the dimensions specified by the regulation. The trees mature and die and rot before they attain that size, and if the regulation is enforced it will mean that the sandalwood will be left there to rot. I am safe in saying in connection with the sandalwood that comes from the districts north of Kalgoorlie, that if the regulation is enforced, not 10 per cent. of the sticks that come from there will be of the regulation size. In reply to deputations at different times, the Minister stated that he wished to restrict the output of sandalwood because the market had become overstocked during the last year or two on account of the rates of exchange being so much in favour of the Chinese buyers. The Minister claimed that last year there were something like 11,000 tons of sandalwood exported from Western Australia. That quantity was considerably over the average, and as buyers had overstocked, it was his desire to restrict the output. Possibly this is one of his methods by which to carry out that desire. The

injustice of it, however, is apparent even admitting, which I am not prepared to do, that there is a necessity to restrict the output. Most hon. members have been over the goldfields areas and they know the character of the auriferous belts. Those areas are hard and stony country and the rainfall is very light. All the vegetation there is stunted. Sandalwood is found in the mulga belts, but not in the country that carries reasonably large gum trees. On the alluvial flats, interspersed as they are between the auriferous areas, patches of decent sized sandalwood trees are found, but in the auriferous areas where prospecting goes on, the tree does not attain the size set out in the regulation. The Minister has stated that it is his desire to cut out the casual sandalwood getter, the man who is attracted by the high price paid for the wood; he has stated his desire to be to preserve the industry for the man who goes out prospecting for gold, and who, as a sort of side line, to keep the pot boiling, pulls a few sandalwood sticks. That may be the Minister's object, but I think I can say that I know more about those areas and the prospecting for gold that goes on there than does the Minister for Mines, and I can declare that if the regulation is enforced it will absolutely prevent the man who is out prospecting for gold from doing anything at all in the way of pulling sandalwood. During the past few days I have taken the opportunity to visit Fremantle to see for myself what sandalwood was stacked there. There are many thousands of tons of sandalwood at the port to-day, and if hon. members have any doubt about this statement, I would advise them to go down there and see for themselves. They will see at Fremantle that the wood which comes from the goldfields areas, or perhaps 60 per cent. of it, has not attained the size specified by the regulations. I am credibly informed that the sandalwood which comes from the goldfields areas, though small in size, is richer in oil content than the wood from the wetter districts, where the tree attains a greater size. The trees from Esperance will be up to 12 inches in diameter, but they are not equal in quality to the trees which are obtained in the auriferous areas.

Hon. W. C. Angwin: Do you think that 20 per cent. of them come up to that size?

Mr. MULLANY: Not the trees that come from the goldfields. If the framing of the regulation is the method devised by the Conservator and the Minister to restrict the output of sandalwood from Western Australia, then the regulation will be most effective. Although prices are low at the present time, they are not always going to be low, and if the regulation remains in operation, it will cut out the goldfields area altogether. The Returned Soldiers' Association made a suggestion that a circumference of 9 inches would be sufficient. I be-

lieve that that would be satisfactory all round, but at the same time, it would not be necessary to have any regulation size at all, for the reason that on the goldfields most of the trees come to maturity when their circumference is nine inches and no more. And the younger sticks, of less than nine inches, are protected by their size, for the reason that this timber has to be pulled and barked and cleaned, and it would not pay the getter to pull the undersized tree, because of the trouble entailed in the cleaning and barking of it. Personally I believe we should be doing no harm to the sandalwood industry if we had no regulation size at all. While the proposed regulation will not tend to increase the output, it will inflict a positive injustice upon the men of the goldfields. However, I will leave it to hon. members to say whether or not this regulation should be disallowed.

Mr. GREEN (Kalgoorlie) [5.17]: I will support the motion. All will remember the notice published in the daily Press early in February last, which has been read by the hon. member for Menzies. It came as a bolt from the blue. It was one of the most absurd propositions ever put forward by any Government anywhere. It was claimed that in order to stabilise the industry it was necessary to create a private monopoly, to hand the whole of the sandalwood in the State to one buyer. No one could have raised any objection if, as I suggested three or four years ago, it had been proposed to create a State monopoly, which is the only logical thing to do in respect of the industry. Seeing that we control nine-tenths of the sandalwood of the world, if my proposal had been accepted by the then Treasurer, £50,000 per annum would have been secured to the State by a mere scratch of the pen, simply by a declaration in the "Government Gazette" that on and after a certain date sandalwood would be a State monopoly. The sandalwood getter would have secured a price which would have meant decent wages, and the Government would have had control of the market in China. However, no notice was taken of my suggestion. The first move was when we got this startling intimation in the newspapers, that it was proposed to hand over the industry to some private person, or big combination rather; because that combination would have required a good deal of money behind it. Naturally, the merchants were somewhat disturbed at the time. But the singular feature of it all was that nobody could discover the hidden object of the manifestly absurd proposal. The whole of the getters engaged in the industry, from Bardoc to Laverton and Leonora, were up in arms. There were nightly meetings of protest begging the Minister for Forests to reconsider the proposal. Deputations waited on the Minister, deputations composed of men who knew something of the industry and who, consequently, were

in a different position from the Minister, who, of course, knows nothing about it.

The Premier: He knows as much as does the hon. member.

Mr. GREEN: That is not so. I can speak from personal knowledge. From all quarters came protests, because it was thought that, underlying the proposal, was a sinister motive. I do not say that there was, but neither Mr. Lane-Poole, with his experience of forestry, nor the Minister was able to give any valid reason why the industry should be handed over to a private monopoly. True, some ostensible reasons were advanced, as for instance the stabilising of the industry, and the claim that the country should get more of the market value of its wood. There is only one way in which to attain that object, namely, by nationalising the industry. There were lots of ugly rumours afloat, because certain people in the State made an open boast, and through their agent in China wrote a letter to an agent in Western Australia declaring that they were going to get a monopoly of the sandalwood in this State. That letter was read before the Minister for Forests at the conference which was held.

The Premier: But tenders were called, so how could anyone say that he was going to get the monopoly?

Mr. GREEN: The conditions of the tenders precluded any but a certain firm from tendering, and that, coupled with the fact that at the time of calling for tenders the Minister for Forests was constantly in private consultation with the man at the head of this firm, led us to the conclusion that not everything was straight.

The Premier: I saw practically everyone engaged in the industry. Do you accuse me?

Mr. GREEN: No, the Premier was absolutely frank and fair; but he did not know all that was going on.

The Premier: Yes, I did.

Mr. GREEN: The Premier may have thought he did, but as a matter of fact he did not. However, without wishing to make charges against anybody, I feel that I should be failing in my duty if I did not state the position. If a Minister who is a shrewd man attempts to do something which is eminently silly—unless he is to get something for it—

The Premier: No, no, do not say that.

Mr. GREEN: Well the only stand we can take is to say that he must desist from doing that silly thing, or alternatively reasonable people must be excused for presuming—

The Premier: Not reasonable people.

Mr. GREEN: Reasonable people must be excused for presuming that money is changing hands.

The Premier: You would accuse anyone of anything.

Mr. GREEN: In the circumstances I am pleased that the Government did not go on with the proposal, thus saving us from what would have been a public scandal. I do not

for a moment think the Premier would be a party to anything unfair or unjust or in the least corrupt.

The Premier: Neither would any member of the Ministry.

Mr. GREEN: No, they are all angels.

The Premier: Neither would any member of the House.

Mr. GREEN: No, but outside of Western Australia we have heard rumours which substantiate the suspicion that there is corruption in Parliaments in Australia. In these circumstances our duty is to speak fearlessly if we see anything that may smack of it, and so save the Premier's Ministry from doing anything that might be construed into being unfair or corrupt. If there has been nothing of that kind, the time is not too late even now to furnish reasons for what was contemplated. The Press of the State is at the Premier's command. Every word he desires to utter can be construed by clever journalists prepared to say, not only what the Premier has said, but what he should have said to make his point effective. In those circumstances I invite the Premier to put up valid reasons for the proposal which has since been withdrawn.

The Premier: Those reasons have been published.

Mr. Munsie: No, not yet.

Mr. GREEN: The Minister for Forests, when confronted by various deputations on the subject, was not himself. I was one of a numerous deputation from both sides of the House which waited on the Minister and tried to point out to him and to Mr. Lane-Poole how absurd the proposal was, and how little it would benefit the sandalwood getter, in whose interests it was supposed to have been designed. I never saw the Minister for Forests in a more unhappy position than he was at that interview. If he has but the shadow of a case he can take good care of himself, but on that occasion he did not attempt to put up any defence at all. Neither did he promise the deputation one thing which could have led those present to suppose that their arguments had the slightest weight with him, or had even been listened to. At that interview, when I mentioned that one absurd proposition contained in the agreement was the prescribed 14-inch circumference, and pointed out that not one stick in 50 from the goldfields was of that size, Mr. Lane-Poole passed it off with a wave of the hand as being of no moment, saying what in effect he had said privately to the member for Menzies, namely, that that was an old regulation of which no notice had been taken for years, and which was regarded as being impracticable. The Minister for Forests, when pressed in regard to that point, said, "I will see that it shall not apply to the goldfields." Yet we have that regulation on the Table to-day, a breaking of faith with the member for Menzies in his interview with Mr. Lane-Poole and a breaking of faith on the part both of the Minister for Forests and the Conservator of Forests with that deputation. In the circumstances it is

the duty of the Government to give the member for Menzies the assurance he has asked for, namely, that advantage will not be taken of the time limit for the disallowing of the regulations on the Table, since it was impossible to move for the disallowance of this particular regulation at any shorter notice. Let me say something regarding the size of sandalwood. In the old days there might have been some reason for stipulating a circumference of 14 inches. As to the restriction of the size to 14in., even the Conservator of Forests changed his mind. He issued a regulation on the 16th April and then, after reconsidering the position, he issued another regulation on the 23rd June providing that clean sandalwood 12in. in circumference should be deemed to have been 14in. in circumference.

Mr. Mullany: That leaves the position just as it was.

Mr. GREEN: Yes. Mr. Lane-Poole is the head of the Forestry Department and I do not doubt his special knowledge for one moment.

Mr. Underwood: He has no knowledge with regard to sandalwood.

Mr. GREEN: Apparently not.

Mr. Underwood: He has none at all.

Mr. GREEN: Then this regulation must be due to his ignorance or to something worse. I am prepared to take the assurance of the member for Pilbara (Mr. Underwood) that the Conservator is ignorant of the sandalwood industry. He found out that sandalwood had to be "cleaned." He did not know this on the 16th April, but by the 23rd June it had dawned upon him that sandalwood for the Chinese market had to be "cleaned," and he altered the regulation accordingly. In the early days, when sandalwood was got exclusively from coastal areas such as York, Toodyay, and along the Great Southern line, the size of the wood in those comparatively damp areas was larger. We have seen that this applies also to wood now received from Ravensthorpe, from Esperance, and from Starvation Boat Harbour west of Esperance. In the trade such sandalwood is known as "show" wood. It attains a diameter of 14in. in many instances, but the Chinese are not keen on that kind of wood. It has a sap as much as 1in. in thickness, which has to be adzed off just the same as the sap on the goldfields wood; but the latter does not exceed one-eighth of an inch in thickness. The quality of the oil obtained from the small sandalwood of the goldfields, the average of which does not exceed 3in. in diameter, makes that wood infinitely superior on the Chinese market to the large logs secured from the Esperance and other coastal districts. The poorness of the coastal wood, notwithstanding its size and fine appearance, is proved by the fact that sandalwood merchants will not take it unless there is a scarcity of other wood. The best sandalwood comes from Carnarvon. It is similar to the goldfields wood, but the oil obtained from it is higher in percentage and better in quality than that obtained from the goldfields wood.

Mr. Underwood: That would follow, just as you get good wheat in a dry climate.

Mr. GREEN: Quite so. I had an interview with Mr. Lane-Poole and pointed out to him that, in the heaps of sandalwood at Fremantle—and there are hundreds of tons there at present—not one stick in ten would reach the circumference specified by him. Sandalwood getters have to go 60, 70 and 80 miles to get into the maiden bush and, if they are to be restricted to pulling one stick in ten, we shall never be able to do any trade with China. Wood of that size could not be profitably landed in Fremantle for £40 per ton. To-day we have to draw supplies of sandalwood from the goldfields areas. It is astonishing that those dry areas along the trans-Australian railway and on the Eastern Goldfields have been providing the main supplies during the last 15 or 16 years. True, some comes from Bencubbin and Wubin, but from those centres the getters have to go out 70 or 80 miles. The same applies to Westonia, from which place the getters have to travel a similar distance in order to reach the forests. Considering that the getters are to-day indisposed to sell their sandalwood at £12 a ton, f.o.r. at Fremantle, the inevitable result, if they are restricted from pulling it in the sizes in which they find it in the maiden bush, will be that the industry will disappear. I should like to know the reason for this regulation.

The Premier: I am beginning to wonder what is the use of all this talk if the regulation is not enforced.

Mr. GREEN: If it is not intended to be enforced, let it be disallowed and we shall know where we are. There has been too much uncertainty about it. If anyone approaches the Minister for Forests or the Conservator of Forests even now, he will be informed, with an ominous shake of the head, that something is about to be done, as much as to say, "Look out, or by God I'll visit you with something if you kick up any row about this." Let me at this stage protest against the action of the Government in finalising important matters when Parliament is not sitting. If the Government are determined to do things which will bear the light of day, or which will have such far-reaching effects as this regulation, let them bring forward their proposals while Parliament is sitting and not in recess behind the backs of the representatives of the people. I asked the Conservator of Forests why he did not undertake reforestation of the sandalwood areas, as I understood he believed in reforestation. His reply was that a sandalwood tree on the goldfields would take 200 years to mature. I do not know where he got that data, but let us take him at his word. Presumably, a tree that should not be pulled at the present time, because it is not big enough, will be ready to be pulled 200 years hence. Surely there is some method of carrying out reforestation other than by preventing sandalwood getters from pulling wood in the maiden bush which will take 200 years to mature.

Notwithstanding Mr. Lane-Poole's technical knowledge of the matter—

Mr. Underwood: He has no technical knowledge of the matter.

Mr. GREEN: It is an interesting fact that a large quantity of the goldfields wood which is being pulled is dry, dead wood, and if the wood is not actually rotten—it takes a long time to rot even after it is dead—it is just as suitable for the Chinese market as is the green wood. Surely the fact that the wood has died shows that it has attained its maximum growth.

The Premier: Bush fires would kill it, of course.

Mr. Munsie: It is not often that we have bush fires on the goldfields.

Mr. GREEN: Will the passing of this regulation mean that the Conservator says that henceforth bush fires are warned off the sandalwood areas of the goldfields? If members can be brought to believe that a regulation issued by a powerful Government with a large number of supporters is likely to settle the fire question, we shall be able to deal with the fire insurance offices on similar lines.

The Premier interjected.

Mr. GREEN: I shall get no peace until the Premier goes to sleep. He was asleep when the accident happened to the Royal train, and even my shouting is likely to prove no more than a lullaby to him. A peculiar feature of the goldfields sandalwood is that in nine cases out of ten one side of each tree is dead. Particularly does this apply to the mature wood. If we are to wait until the sandalwood on the goldfields attains a circumference of 14 inches we shall have to wait a mighty long time, because the growth is so slow. Anyone who has travelled in the eastern districts knows that the ordinary forest, gimlet, and other bush along the wood lines, which was cut down 25 years ago, has through the process of natural reforestation during all those years attained only the size of saplings, notwithstanding that this is timber of comparatively rapid growth.—The peculiar, stunted sandalwood tree, however, might grow to maturity in 200 years or it might take even 400 years.

Mr. Pickering: Would you suggest reforestation?

Mr. GREEN: I believe in reforestation in the coastal areas. The Government have exacted from sandalwood getters £2 per ton by way of royalty. It is the duty of the Conservator of Forests to devote a portion of the money derived from royalties to sandalwood-growing in the coastal areas, where this timber will grow fairly rapidly. I believe such work could be well carried out on lands which have been proved to be of little value for other purposes, as well as on the stony rises of the coastal areas. So far nothing of the kind has been done. Some years ago the Government of the day made an experiment at sandalwood growing in the coastal areas and, in the next eight years the trees made very substantial growth. Un-

fortunately, some farmer who knew nothing of sandalwood came along and asked for that particular land for a farm, and the Government of the day were lackadaisical enough to give it to him. It is the bounden duty of the Government to see that portion of the money exacted from the sandalwood getters is devoted to this purpose.

Mr. Pickering. Hear, hear!

Mr. GREEN: The Premier, by way of interjection to the member for Menzies (Mr. Mullany) said that the proposal to give a company control of the industry would lead to the sandalwood getters receiving a minimum of £9 per ton. In the past we had private monopoly and, to the sandalwood getter, it proved a very costly experiment. For 30 odd years the price of sandalwood to the getter never exceeded £8 7s. 6d. per ton and, during slack periods, such as are recurring now, the price went down to £6 per ton. Those who controlled the industry said to the sandalwood getters, "Our price is £6 per ton. If you do not like it, you need not take it." The men with the sandalwood had to pay for horse feed and other expenses and had no alternative than to sell to the people controlling the industry at the price which they had fixed. It has been generally understood by scores of people, that the Government proposed to give this monopoly to the very people who had the monopoly before a larger number of small buyers came into the business three years ago.

The Premier: That is not true.

Mr. GREEN: I honestly believe it is true. I have never made a statement in the House which I did not believe to be true. To-day I believe it is true, and I have evidence that it is true.

The Premier: You have not.

Mr. GREEN: I will endeavour to convince the Premier again. At a meeting of sandalwood merchants, one of them, Mr. Stewart, produced a letter from Hong Kong, from a buyer there, who said that Mr. Paterson had told him that the Government of Western Australia were going to give them, Paterson & Co., the control of the sandalwood industry of the State.

The Premier: What has that to do with it?

Mr. GREEN: That was just the time when the Government proposed to give a monopoly of the sandalwood trade of Western Australia to a private firm.

The Premier: Were not tenders called?

Mr. GREEN: Yes, but it would have been impossible for any firm, except that big firm, to have had a monopoly of the sandalwood of this State. Synchronising with that statement we have the fact that the Minister for Woods and Forests was in daily contact, cheek by jowl, with Mr. John, the manager for Paterson & Co.

The Premier: You have no right to impute motives.

Mr. GREEN: I am not imputing any motives. I am making a statement of fact,

namely, that the Hon. J. Scaddan was daily in consultation with Mr. John. I leave it to hon. members to say whether there may have been something at the back of it. Let them draw their own conclusions. During the time that Paterson & Co. had the monopoly of sandalwood in this State, the getter, even in boom time, never received more than £8 7s. 6d. per ton. I went to China at the time when Paterson & Co. had this monopoly. There were 2,200 tons of sandalwood on the boat, the State steamer "Kwinana," and the Government carried it for £2 per ton. The profit that Paterson & Co. made on that one shipment of sandalwood was £22,000. The whole of the getters in the State, for their work, received £15,000 for getting this wood over a period of five months. In these circumstances we have to rejoice that there was an agitation here to see that no private monopolist got control of the sandalwood. Such a proposal of farming an industry to a private monopolist has never before been considered by any representative Government of any British community that I know of. Such a thing is proposed in China where the country is after all only a barbaric one. In the Straits Settlements, where there is no government worthy the name, and affairs are controlled by a few firms, there is an opium monopoly, but it has remained for the Government of this State to put up a record so far as the self-governing British Dominions are concerned, to propose to hand over one of their greatest assets to a lot of private boodlers. That, however, is not the question before the House, although it is a matter which requires very great stressing.

The Premier: I will give you something.

Mr. GREEN: At present it is true the market in Hong Kong is depressed. Mr. Lane-Poole's contention that the reason for the depression in the sandalwood industry is because the exchange is in favour of the Chinaman, is incorrect. As a matter of fact, the position would be the very opposite to that which he desires to set forth. If the Hong Kong dollar is high in value and the exchange is in favour of the Chinaman, he is able to buy more tons of sandalwood with his dollar than he could do if the dollar was low in value. That is one reason why some time ago there were big prices being obtained for sandalwood. The Minister has said that the quantity of sandalwood in China at present, so far as their needs are concerned, will tide them over for a period of three years. There may be a two years' supply, but no more. The Hong Kong dollar has dropped in value; there is trouble in China, where revolution is continually threatening; the Japanese are prepared to annex a portion of that country, and a large number of the big merchants in Hong Kong have recently become bankrupt through having gambled in rice—it is because of these things that very few sales of sandalwood are taking place, and as we have no

private monopoly, but have seven or eight buyers competing against each other, the price of sandalwood to-day is only £12 per ton. I trust the Premier will see that this regulation is disallowed, and that Western Australia will be permitted to retain the foremost place she now occupies in the industry by keeping open those areas from which at present she draws the greater portion of her supplies. I have much pleasure in seconding the motion.

Mr. FOLEY (Leonora) [5.50]: One must think from the tone of the remarks of the previous speakers that there is something wrong in the mode of dealing with our sandalwood. I do not subscribe in any way to certain remarks made by the member for Kalgoorlie (Mr. Green). From the very inception of the matter I have been, with the member for Menzies (Mr. Mullany), associated with it, and so far as I can see nothing has happened that is not fair and above board. There is one thing that this State is concerned about, and that is in getting the full value for the sandalwood that is produced here, and in his statement of the case the member for Menzies has dealt with that in a very ample way. Under present conditions we do not get the full value. Everyone who attended the deputation to the Minister said he would be prepared to listen to the Minister if he could show any good reasons why the Government should take over the industry. I have never heard any good reason why the Government should not take it over, but there is a very good argument why they should do so. No one who has been on any of these deputations to the Minister has ever had one statement from him or the Conservator of Forests as to the price that the merchants, who now control the industry, get for the wood when it reaches China. Many of us would like to find out what they do get.

Mr. Green: To-day they are getting 15s. per ton on their purchasing price, if they can sell.

Mr. FOLEY: We are not concerned about what the Chinaman, who uses it, pays for it, but we are concerned about the profits that these people make out of it from the pullers. If the member for Kalgoorlie will compare the figures he quoted recently in connection with the Hong Kong shipment for Paterson & Co., with the price the pullers got, he will find that the difference is a long way beyond 15s.

Mr. Green: They bought the sandalwood for £7 a ton and got freight at £2 a ton. Now, sandalwood is bought for £12 per ton, and the freight is £14.

Mr. FOLEY: Several goldfields members who made up a deputation to the Minister were told by him that this regulation would not be applied until some indefinite date. We want something definite as to the time when it will apply. If we stop the control

of the industry under present conditions and the Government take it over, every point stressed by the two members who have spoken can be turned to the advantage of this State. The Conservator of Forests must have received his information from those who know. Those of us who have been in the bush realise the varying conditions of the industry and the growth of the sandalwood. In some instances the sandalwood has been of a very large size. I remember that some 20 years ago, when the price was looked upon as good, pullers were getting exceptionally big wood around Broad Arrow, and were only going out about 30 miles for it. To-day the puller has to go a great distance for his sandalwood. There can be little doubt that even if the price is low to-day the merchants have more in their favour than the Government, who are getting very little out of the industry. If it is a good thing for merchants to deal in sandalwood, then it is a good thing for the Government to take it over. Not only can the Government regulate the price of wood, but they can grade the wood. It has been stated that the smaller wood grown here is much more valuable than wood of larger dimensions. If it is true that there is a three years' supply in China, that is being manipulated by merchants in China and Japan, then if the Government take over the industry they will be able to say to the cutter, "We will give you the fullest result of your labour in the matter of price, because we are able to get a great deal more for the wood that we are selling on your behalf." We were told at the deputation by the gentleman who was advising the Government, that it was the intention to go in for reforestation of sandalwood. We were also told it would take about 15 years to place the industry on a payable footing. If the Government are able to accomplish this in 15 or 20 years by reforestation, will it not be a good thing? If, as has been said, the merchants have been able to make big money out of the industry for a number of years, the industry must be a valuable one. Should the Government take it over, they should see that the profits from the industry are put into reforestation in the southern areas, where it should be possible to grow bigger wood, and wood of a greater weight than can be grown on the eastern goldfields. Very few people can control either the supply of or the demand for sandalwood, but as long as the merchants have control those who are working to get the supplies will not get the fullest results of their labour. Irrespective of whether the royalty is 5s. per ton or £2 per ton, the getter of the sandalwood pays every time. The Government could make the position more equitable by assuring the getter a better price than he is now obtaining. Reference has been made to a minimum price of £9 per ton. While the sandalwood industry of this State remains in the same hands as at present, that minimum price of £9 will also be the maximum. Tak-

ing into consideration the cost of pulling, gathering, and cleaning, carting into the town, and railage—in respect of which there is, and quite justifiably, no back loading charge—that price leaves very little for the getter. The Government could regulate the trade so that our production of sandalwood, which is equal to nine-tenths of the world's production, would be sold to the best advantage. The Chinese must have the sandalwood for ritual purposes, and therefore our Government might well withdraw the regulation objected to and make the sandalwood trade a State monopoly. Every journalist in the State with any knowledge of the subject knows, and various hon. members know, that the sandalwood trade has been the means of keeping the pot boiling for many prospectors outback. Let the Government regulate the men engaged in the industry, and let them regulate the conditions of working. Let them take pretty well all the sandalwood got in the next three years, and then reassert the sandalwood areas. I trust the Government will be guided in this matter by members of this Chamber who have a knowledge of the sandalwood trade and who are aware of the great amount of good which the money earned in sandalwood getting has done to this State.

The PREMIER (Hon. J. Mitchell—Northam) [6.5]: As this discussion will not close to-night, I promise that the regulation referred to in the motion will, notwithstanding that 30 days will have expired before the debate is resumed, be withdrawn if the House carries the motion. I promise that nothing shall be lost in that respect.

Hon. T. Walker: Is there any power to do that in such circumstances? It is the lapse of time and our rules that make the difficulty.

The PREMIER: No one knows better than the hon. gentleman that the regulation can be cancelled.

Mr. Underwood: It can be withdrawn by the Executive Council.

The PREMIER: The matter is of great importance, and I think it ought to be discussed fully, and that the Minister for Woods and Forests should be present. Much good may come from this discussion, which perhaps will result in the issue of regulations that will prove very useful. I desire to thank the member for Kalgoorlie (Mr. Green) for so definitely pointing out that the regulation objected to is at present not observed. But if the regulation is not observed, I do not know what all the fuss has been about to-night. Some hon. member has said that hardly any of the sandalwood stacked at Fremantle is above the minimum size.

Mr. Green: That is because such wood was purposely held up.

The PREMIER: If the regulation has so far not been enforced, I do not know why it has not been. In my opinion the preser-

vation of the sandalwood industry is most important. We have been told that Queensland has lost her sandalwood industry because she did not protect the young trees, and we ought to take fairly drastic steps to prevent anything of the kind occurring here. I believe that hon. members who have spoken on this motion have far more knowledge than I personally possess of the sandalwood industry, but I have also discussed the matter with various people who know quite as much of the subject as do those hon. members. All I want is to do the best for the industry, and primarily for the men who work in the uncomfortable surroundings in which sandalwood is found—always at considerable distances from the railway. The sandalwood getter's life is a fairly hard life, and I have always wanted these men to get all they possibly can out of the industry. On behalf of the State I certainly want far more royalty than has been obtained in the past. The fact that Western Australia possesses 90 per cent. of the world's supply of sandalwood justifies the Government in doing all they can to see that the highest possible price is paid for the wood by the Chinese. We should, so far as we can, assist in getting for our producers the highest possible prices for whatever they export. With regard to pearl shell, the Government recently took some steps to protect the pearlers; and similarly, I think, we would be justified in taking steps to protect the sandalwood getters. Some time ago we thought there should be some limitation of export. We knew there was far too much wood going away. We know that to-day there is two or three years' supply of sandalwood in China. We know that to-day the price of sandalwood is maintained here because the wood has cost so much to get. The sandalwood in China cannot be sold immediately, and our getters are obtaining a better price to-day than otherwise they would.

Mr. Foley: Are the Government taking any steps to find out what the supply in China actually is?

The PREMIER: Yes. The Minister for Woods and Forests has been busy on the matter for some time. However, it is not easy to get information about trade with China. Mr. Lane-Poole has been away from the State, but the Minister has been going into the question and has been endeavouring to ascertain what the market conditions are and just what may be expected, so that we may do such things as are necessary to protect the industry.

Mr. Foley: When you get that information, will you give the House an opportunity of discussing the matter?

The PREMIER: Hon. members may have as many opportunities of discussing the question as they please, of course.

Mr. Foley: It is no use doing so without some definite information.

The PREMIER: I promise that when the information is available and the Govern-

ment's proposals are finalised, the House shall immediately know and shall have an opportunity of discussing the question. I know it is very difficult for members to discuss this subject without some display of feeling, because their own districts are specially affected. The member for Menzies (Mr. Mullany) is closely concerned, but he has discussed the matter with great moderation. Evidently, he has given the subject a great deal of consideration; he produced to the House much useful information. No one could have discussed the subject with a more evident desire to benefit the industry than the member for Menzies showed. The member for Leonora (Mr. Foley) has debated the matter in the same way. He plainly desires the question to be considered quietly and calmly. I wish I could say the same thing for the member for Kalgoorlie (Mr. Green), who took the opportunity, in discussing the motion, to make a violent attack upon the Minister for Woods and Forests. I want to tell the member for Kalgoorlie that it is a very wrong thing to impute motives. Before one suggests that a man is not quite honest, one should be very, very certain. It is easy to say hard things of the other fellow. It is so easy to assert that another man is not honest and is not fit for his position. But I think we should be very careful before we say such things. Very seldom have I heard the member for Kalgoorlie talk as he talked to-day. I regret it, and I think he ought to withdraw what he has said.

Mr. Green: I am satisfied I was speaking the truth.

The PREMIER: I am satisfied that the hon. member was as far from the truth as it is possible to get. He says that because a letter was written from China to Perth stating that a certain firm would have a sandalwood monopoly, we are to believe that that firm had to have a monopoly, that the Government had promised them a monopoly. And then the humbugs called for tenders, so that apparently all and sundry might participate! The member for Kalgoorlie himself might have tendered.

Hon. W. C. Angwin: I know of a case where tenders were called for handling wheat, and yet the work was given to one particular firm.

Mr. Green: That has happened before in Australia.

The PREMIER: I know nothing about that. The member for Kalgoorlie has asked the House to believe that because somebody or other wrote to someone in Perth stating that some firm was to have a contract, some underhand business was at work, and that this right to get sandalwood was to be bargained away.

Sitting suspended from 6.15 to 7.30 p.m.

The PREMIER: Before the tea adjournment I was discussing the question of the

calling of tenders for the conduct of the sandalwood business. The member for Kalgoorlie (Mr. Green) mentioned that the Minister for Forests had been seen in the company of Mr. John of the firm of Pater-son & Coy. Ltd. There was nothing remarkable in that. We are all frequently seen in the company of people who are our friends. The hon. member selects his friends just as the Minister for Forests will select his. I know Mr. John very well, and I know him to be an agreeable man, and it is going too far to say that because I may happen to meet a trader who subsequently may desire to tender for some Government supplies, that there is something wrong about the meeting.

[The Deputy Speaker took the Chair.]

Mr. Green: It was very indiscreet to meet him while tenders were being called.

The PREMIER: There was nothing indiscreet about it at all. The hon. member's remarks were uncalled for and I think he will admit that. I have no objection at all to the Minister for Mines meeting Mr. John or anyone else as often as he likes, and I have no objection either to the member for Kalgoorlie meeting anyone he likes. I hope that this will be the last we shall hear of the matter. I am sure the hon. member regrets having made the remarks he did; it is absolutely unfair to accuse any hon. member of evil unless there is positive proof to support the accusation. We have no right to make an accusation unless we know that it is demanded in the public interest.

Mr. Green: That is the point.

The PREMIER: Unless such statements are absolutely true they do an incalculable amount of harm. Were tenders ever called for anything in any better form than the tenders which were called on the occasion referred to? The workers were never better protected; the tenderers had to pay such wages as were determined by the department with a minimum of £9 per ton. The member for Kalgoorlie knows that sandalwood is sold at high prices in China, and under the method which was adopted of fixing the price the puller got far more than he otherwise would have received.

Mr. O'Loughlen: Was there any necessity to fix the price for the pullers?

The PREMIER: I think so. If the trade has to be of value to the State and the puller it has to be controlled. If a market can take 6,000 tons and we supply 7,000 tons for the year, naturally the price must fall. If we have 90 per cent. of the supplies of the world, then of course it is possible to regulate the price, but I do not see how we can get any price we like to ask. We cannot however get a higher price if one puller is in competition with another for the sale of the stuff to the Chinese. We have been competing for years for the Chinese trade. Let us see what happened in regard to the ten-

ders. They were publicly called; there was no hole and corner business about it. We invited all and sundry to come along and we protected the puller.

Mr. Green: You offered him £3 a ton less than he has received since.

The PREMIER: The hon. member said the average price was £9.

Mr. Green: Under the old firm.

The PREMIER: The hon. member was perfectly fair. We declared that at any rate the puller should not in the future get less than £9. Of course there is a limited quantity of sandalwood and unless the trade is protected the life of the industry will be limited. Hon. members have stated that in certain areas the tree matures when it reaches a circumference of nine inches. If what has been said to-night is correct, the matter should be inquired into, and regulations framed to meet the requirements of a particular locality. There is no desire that sandalwood should rot in the bush. What we did attempt was to protect the interests of all concerned in the fairest possible manner, and I cannot understand any hon. member objecting to the manner in which the tenders were invited or to the wording of the call for tenders. It does happen that when one endeavours to meet a situation which is seen approaching and sometimes approaching rapidly, one is liable to be misunderstood. To-day there is a demand for the very thing we are seeking to do, though I admit in another way, but the same object would have been achieved by those means as can be achieved by organisation in the manner suggested by hon. members. I know that we should have had a higher royalty in the past and that we should have it for all time. I know also that we cannot get it unless we organise the trade, and make the selling price in China better. If we sell the wood at £7 or £9 in Perth and the royalty has to be paid by the puller, that will create a serious position, but if it is to come out of the pockets of the Chinese buyer, that is another matter. That, however, is where it must come from.

Mr. Chesson: It will come out of the pockets of the pullers every time.

The PREMIER: I do not agree with my friend.

Mr. Chesson: There is no doubt about it.

Mr. O'Loughlen: Instances have been given.

The PREMIER: If the trade can be organised the buyer at the other end can be made to pay. The trade to-day would not be in the precarious condition in which we find it if what was attempted to be done had been done. Did not the member for Kalgoorlie know well what the conditions were; did he not have an opportunity to tender?

Mr. Green: No hope. There was only one firm in Perth that had any chance.

The PREMIER: The hon. member does not mean that. Perhaps he means that there was only one firm that had the organisation and the capital. Of course the hon. member

is justified in saying that if he thinks it. But I do not know what capital would have been required. I was told about considerable sums of money having been put into the trade by other people. The hon. member is aware that a good deal of money came into the Treasury from our own people, not Paterson & Coy., but others.

Mr. O'Loughlen: Are there any Chinese shareholders in Paterson & Coy?

Mr. Green: Yes, a big one in Canton.

The PREMIER: I am not aware of any.

Mr. O'Loughlen: Are there any other companies with Chinese shareholders who are operating?

The PREMIER: Our desire is to get what we can out of the industry and to protect it to the fullest extent. If we are to protect it we cannot allow growing trees to be destroyed. This House is hardly the proper tribunal to decide just when a tree should be marketable. I am perfectly certain there are hon. members who are willing to tell us, and I think we should know what can happen to these trees, how long they will grow and to what size they will grow. Of course, the information on which I suppose the Conservator of Forests has to act is not very complete.

Mr. Jones: Hear, hear.

The PREMIER: I am not referring to his knowledge; I believe he is a first class man.

Mr. Jones: A pure theorist.

The PREMIER: Would we set a theorist against a theorist? I have given my word that no advantage will be taken of the fact that the time limit for the disallowing of the regulation has been exceeded. The matter will be again discussed, and nothing that is likely to happen in the meantime shall be permitted to prevent the alteration or withdrawal of the regulation if it is decided that it ought to be withdrawn or amended.

Mr. Green: But will it be withdrawn?

The PREMIER: Not at the present stage, but we shall have the matter further discussed. And as I have said, the fact that the 30 days have elapsed will not be allowed to make any difference to the control which hon. members undoubtedly have over regulations. The regulation is placed here for their information, and they are perfectly justified in discussing it and moving for its withdrawal.

Mr. Mullany. Will that promise of further discussion be fulfilled at an early date?

The PREMIER: Yes. All that we desire is to do the best we can for the industry. We want those members who come from districts where sandalwood is found to give us their advice and help.

Mr. Mullany: Had that been the attitude of the Government in the past there would not have been so much trouble.

The PREMIER: I ask hon. members to believe that what was done appeared to us to be right. In my opinion, if the tender had been accepted, subject to the control of the amount to be paid to pullers, the posi-

tion would have been very much better today than it is. However, that milk is spilt, the opportunity has gone, and we have now to create another for dealing with the industry.

Hon. G. TAYLOR (Mt. Margaret) [7.47]: It may seem strange to hon. members that I should thus address the House, but, as this question affects my electors more closely than those of any other part of the State, I offer no apology. When in my electorate last May, I received deputations of sandalwood pullers, cutters and cleaners in each of the centres, starting at Laverton and continuing at Mount Morgans, Kookynie and other towns, deputations comprising representatives of all parts of the electorate. Their difficulty was that the Government had imposed a royalty of £2 per ton on all sandalwood, which they felt was an injustice to the cutters, since the royalty came out of the money received by them for their product. I believe it was the intention of the Government, when imposing that royalty, that it should be paid by the exporters. But the exporters, of course, shirked that responsibility, and so the imposition has fallen on those who gather the sandalwood. My object in speaking is to emphasise the necessity for giving this regulation due consideration. I want hon. members to accept my remarks as being made without any undue feeling or desire to injure any section of the community. This regulation will press most heavily on the goldfields, especially north of Kalgoorlie. When one gets up towards Menzies, one finds the country entirely changed. All the way from Southern Cross to Kalgoorlie, and part of the way to Menzies, the country carries gimlet wood and salmon gum, with large open saltbush plains, the soil is highly fertile and in consequence, the timber is large in circumference and grows to considerable height. When one gets into the more auriferous areas one finds a hard ironstone country, with the cement almost on the surface. The timber is mulga, with odd quondong and sandalwood. In that hard, diorite, ironstone country the timber matures when very small. I have been on the fields for 26 years. There is sandalwood growing in front of camps that I was on 20 odd years ago, sandalwood which has not since increased one iota in size. In those districts sandalwood matures, in point of circumference, at from 9in. to 14in. Odd sticks may go 18in. If one leaves those hard ironstone ridges and goes down into the lake country, where the soil is good and the mulga as high as the roof of this Chamber, one finds all the timber, including sandalwood, large. In those areas, perhaps, this regulation would appropriately apply. But where the regulation is now affecting the people is about the mining townships, where for 14 or 18 miles around the prospectors are carting in sandalwood. The high prices induced them to enter into the industry, but this regulation will put them out of it, and ruin an industry

profitable to the State if only for the reason that it employs so many men. For freight on the railways sandalwood pays £2 12s. 6d. per ton from Laverton to Fremantle, and thus supplies back loading. If the regulation be not disallowed, the industry will be knocked on the head. I am prepared to assist the Government in protecting the sandalwood where protection will be of any value, but not in protecting it by imposing a prescribed circumference which it will never reach. With all due respect to the Conservator of Forests, I am confident that if he had my experience of the goldfields he would realise that there is no necessity for this regulation, or not, at all events, in respect of the goldfields beyond Kalgoorlie. Hon. members who have been through that country will realise the truth of what I have said. When one gets out of the gimlet wood and big saltbush flats into the hard ironstone belts, one finds difficulty in getting a stick of any timber six or eight feet long and four inches through. To get such a stick one must go down into the lake country. There was no necessity for any warmth in the debate. I am not concerned about what appeared in the advertisement, which, by the way, I did not see until I returned from the Eastern States. That is all past. What I am concerned about is impressing the House with the necessity for carrying the motion, in the interests, not only of those people engaged in the industry, but of the State as a whole. At those meetings which I attended in my electorate last May, after the subject had been discussed at considerable length, it was unanimously resolved that the Government ought to fix a standard price of £20 per ton for sandalwood delivered at Fremantle. It was declared—and I have never heard this contradicted—that Western Australia supplies 90 per cent. of the sandalwood of the world. If that be so, can there be any difficulty in the Government handling the product, since we have virtually a monopoly of the world's sandalwood, and supply it to a people who must and will have it? In China sandalwood is used for medicinal purposes and also in religious ceremonies, and in consequence the poorest of the Chinese must have it. Therefore it is idle to suppose that the organisation of this industry presents such difficulties that the Government could not grapple with in a very short time. We have heard it stated that the market in China has not more than two years' supply. The Minister for Forests quoted figures collected by the department which showed that the sandalwood in China and on the water, and stacked in Fremantle and at various railway sidings, represented at least three years' supply, without another stick being cut or pulled. On those figures was based the contention that it would be unprofitable to take over the sandalwood industry at the present juncture, since the market was flooded. Even if that were so, we should have only to wait for the market to come again, since we are the only State that can supply it. If there is no market now for what the Government might take over, there certainly will be a

market again in a year or so. It is curious to reflect that, while the world was crying out for ships to remove products urgently need for human consumption, the statistics supplied by the Government department show that the shipments of sandalwood which left Western Australia during the last three years were larger than those despatched in the preceding three years.

Mr. Willcock: They were sent by foreign boats.

Hon. G. TAYLOR: It is remarkable that we should have been able to send away sandalwood when we could not send away other products.

Mr. Willcock: It was wanted by foreigners who controlled the boats that carried it.

Hon. G. TAYLOR: However that may be, it is the clear duty of the Government to control the sandalwood industry. In my opinion the Government ought not to be satisfied with getting £2 per ton royalty on sandalwood, for there is much more in it for the Government and the State. There is no risk. We have the product, and it is needed in another part of the world. No other country has the supply, so what risk or difficulty can there be about it? It is too absurd for words, and I hope the Government will realise that, unless this regulation is disallowed, they will put the whole of the eastern goldfields out of the sandalwood trade. In my district sandalwood is being carted 90 miles.

Mr. Foley: Over 100 miles in some cases.

Hon. G. TAYLOR: And cutters are paying £5 for cartage, £2 for cleaning, and £2 12s. for railage to Fremantle. This makes a total of £9 12s. exclusive of the cost of pulling. When sandalwood was bringing £16 and £17 a ton, the men engaged in pulling were able to make it pay, but it will not pay them at present prices. If the sandalwood industry were properly and thoroughly organised, this State could demand for the cutter and puller anything from £18 to £20 per ton landed at Fremantle. I hope members will not be carried away by any statements regarding the attitude of the Minister for Forests. Those statements having been made, I suppose the Government will not allow the motion to be disposed of until the Minister accused has had an opportunity to explain himself in this House. A public meeting was held at Laverton last week to consider the matter of the sandalwood industry. I received a letter this morning, urging me to move in the direction of the hon. member's motion, and to call upon the Government to take over and make the sandalwood industry a State monopoly.

Mr. Lambert: It is a State monopoly in India.

Hon. G. TAYLOR: Unfortunately, there is not a very large supply in India.

Mr. Lambert: Fortunately for us.

Hon. G. TAYLOR: In that sense, yes. It seems to be difficult for the Government to ascertain the position of the market in

China, but that is the only difficulty I see in the way of them, taking over the industry. If the Government had someone in China to acquaint them with the pulse of the market, there would be no difficulty in handling the industry as a State concern with every degree of success, not only to the State but to those engaged in the industry. I regret that so much warmth has been imported into the debate. Had the motion been discussed more calmly, we might have got the decision of the House to-night. Putting all party feeling on one side, I feel that the House will see the justice of carrying the motion, if only because of the effect it will have on the portion of the State to which I have referred. The regulation will do no good in the way of preserving the sandalwood on the fields. Sandalwood matures before it reaches the size stipulated in the regulation. Take the sandalwood which comes off the ironstone ridges of which I have spoken, at least 75 per cent. of it is dead wood. What is the use of having a regulation to prevent anyone putting that sandalwood on the market, with the idea that if it is left, it will grow? If the Conservator of Forests can convince me that dead sandalwood will return to life under his regulation, I shall back down, but I can see no reason why we, by regulation, should preserve sandalwood which has ceased to grow. The white ants gradually eat into the dead sandalwood, which decays and fritters away, but I believe that even dead sandalwood is as valuable on the markets of the world as that which is cut in its green state, and in some instances more valuable. I hope the motion will be carried.

[Resolved: That motions be continued.]

Mr. WILLOCK (Geraldton) [8.5]: I am pleased with the assurance given by the Premier that the regulation will not be given effect to until the House has had an opportunity to give a decision on the motion. The Premier said he could see no harm in the regulation as promulgated. I can see great harm in it. Men who have been engaged in cutting sandalwood during the last 12 or 18 months have informed me that, owing to the uncertainty created by the regulation, they are afraid to continue cutting. This is one of the bad effects which has followed the gazettement of the regulation. All around the Murchison fields, from Mullewa to Meekatharra, cutters are under the impression that no sandalwood could be sold after the 1st August unless it was of the size prescribed. Mr. Taylor has referred to the matter of dead wood. The regulation is strangely silent regarding dead sandalwood.

Mr. Mullany: The regulation would not apply to dead wood.

Mr. WILLOCK: The regulation only stipulates sandalwood of a certain circumference.

Mr. Mullany: But it would not apply to dead wood.

Mr. Green: But it does not say so.

Mr. WILLOCK: My complaint is that the regulation does not definitely exclude dead wood. People are under the impression that it is necessary to sign a statutory declaration setting forth that the sandalwood in their possession was cut before a certain date. As a justice of the peace, I have been asked to sign a declaration of this description so that the sandalwood in hand could be sold. A number of men have gone out of the industry on account of the uncertainty, and because they were under the impression that they would be unable to sell any sandalwood after the prescribed date if it were below the circumference set forth in the regulation. I think the amount of the royalty is too high. I do not know whether the Government were serious in their intention of giving a monopoly of the industry to one firm but, if they had desired to create an uproar, they could not have been more successful. We know the practice with traders; if they wish to increase the price of their commodities, they first of all put on an increase of 10 per cent. and, after an uproar has been created, they gracefully reduce the price by 7½ per cent., which leaves them 2½ per cent. If the Government, in imposing a royalty of £2 a ton on sandalwood, had not adopted some other subterfuge, there would have been an uproar; but, having promulgated some scheme which would make a big difference to the sandalwood cutters, the Government acceded to their wishes in the latter respect and attained their own object of increasing the royalty by 100 per cent. without serious opposition. We have not heard any member of the Country party on this question, but if the product of the farmer was subjected to a royalty of 16 per cent. over and above the ordinary charges, how would they view the matter? If, with wheat at 6s. a bushel, the Government had imposed a royalty of 1s.—after all, the getting of sandalwood entails as much labour as wheat growing and is not by any means so profitable as is wheat growing at present—this Chamber would not have been big enough to contain members in their indignation.

Mr. Money: The farmer grows his produce, but Nature grows the sandalwood.

Mr. WILLOCK: The toll on the sandalwood industry is altogether too great. If the Government could guarantee a certain price to the getters, it would not be so bad. It has been suggested that the royalty should be fixed on a sliding scale according to the price ruling for the sandalwood. If the price went up to £20, a royalty of £3 or £4 might be charged, but when the price receded to the level that generally rules—about £8 a ton—the amount of the royalty should not exceed what was imposed in years gone by. The cost of sandalwood has increased because all the sandalwood in close proximity to the railway lines has long since been pulled and,

unless a good price is obtainable for the commodity, the industry must cease to exist. What applies to the eastern goldfields districts applies also to my own district. The wood grows to a certain stage, and then a drought or a bad season stops the growth and, if the drought lasts long, the trees die off. People in the industry are under the impression that no matter whether the wood is dead or in any stage of dying, it must not be cut unless it reaches the standard measurement of 14 inches circumference. I trust that if the motion is carried, the Government will see that the same conditions which prevailed formerly are reverted to. It has been said that there is in existence another regulation which might be put into operation.

Mr. Pickering: If this motion is carried that will be the intention of the House.

Mr. WILLCOCK: Yes. The regulation has been in existence for a number of years, but has been allowed to go by the board. I hope that the motion will be carried, and that this regulation which has been in existence for some years will not be put into effect.

On motion by Mr. Pickering, debate adjourned.

PAPERS—RAILWAY WORKSHOPS, COOLGARDIE, REMOVAL.

Mr. LAMBERT (Coolgardie) [8.15]: I move—

That all papers in connection with the removal of the railway workshops, Coolgardie, be laid upon the Table of the House.

* There are features in connection with the removal of these workshops that are very questionable. I do not wish to say anything under privilege that I could say from the confidential information I have received regarding the reasons which prompted the district engineer to recommend that these workshops should be removed from Coolgardie to Kalgoorlie. The fact remains that he acted, to say the least of it, in an indiscreet if not unscrupulous manner. I do not in the slightest degree blame the Commissioner of Railways. In adopting the recommendation of the district engineer I think the Commissioner was prompted by the belief that a considerable saving would accrue to the Railway Department. If that were the case I would not be justified in saying a word against the district engineer in making that recommendation. I believe, however, that he rather desired to live in a more congenial locality than Coolgardie, and that this was what prompted him, soon after his arrival in Coolgardie, to recommend this removal.

The Premier: Surely there is no better place than Coolgardie to live in?

Mr. LAMBERT: Not at certain times of the year. The district engineer was new to his surroundings, having recently arrived

from Geraldton, and probably the glamour of such an attractive town as Kalgoorlie, with its picture shows and other recreations of a harmless nature, made him think it would be more to his liking to live there than in Coolgardie. That at all events is the accepted belief. I hope I am not doing him an injustice in saying so. His actions after the Commissioner had given his formal approval to the removal of the workshops lent a good deal of colour to this suggestion. Not only did he get down a special body of men to have the work of removal carried out, but he also worked them overtime on Saturday. Moreover, when I suggested that his hand should be stayed until I could discuss the matter fully with the Commissioner he practically suggested that it was too late then for anything to be done that would retain the workshops in Coolgardie. If the district engineer had been prompted by a consideration for the requirements of the department, and had in view the better and more economical working of our railways, he would not have made that suggestion. I have never met the district engineer, Mr. Sargent, but I believe that he acted hastily in this matter. I would not be one to take a parochial view of anything that was in the interests of the State, and I do not stand here as a member to speak in any parochial sense, but in moving this motion I am actuated by a desire to see from the papers whether this action, which led up to the sudden removal of these workshops was justified. I am prepared to accept, without any qualifications, the statement of the Commissioner of Railways that he felt this would contribute to the more economical working of the system. It is my belief that the Commissioner in all his acts has had that desire in view. In this matter, however, I think he has been misled, and until we can peruse the papers and see in what manner the district engineer proposed to effect a saving, I shall not be satisfied that he acted judicially, or in the interests of the department or the State. In Kalgoorlie we have certain bungling bumbles who represent the people in the municipality, and are always clamouring for things to be removed to Kalgoorlie. Some of these do not possess the attainments of a blackfellow or any conception, idea, experience or knowledge beyond the extreme points of Hannan-street.

[The Speaker resumed the Chair.]

Mr. Pickering: Is that the opinion of the member for Kalgoorlie?

Mr. LAMBERT: That is a meagre conception of the opinion the hon. member possesses, if he will only give expression to it.

Mr. Green: I have told them pretty often my opinion of them.

Mr. LAMBERT: I know the hon. member has justifiably expressed his opinion of the narrow view of those people upon a ques-

tion of this kind. The other day a member of the Kalgoorlie Road Board, an obscure concern that is delegated with the right to look after some footpaths in Hannastreet—

Mr. SPEAKER: The hon. member is not in order in discussing road boards on this motion.

Mr. LAMBERT: I desire to show what agitations have occurred in this and other respects, which have led up to the centralisation of departments of this description in Kalgoorlie. If you, Sir, think it is foreign to the motion, I will not continue in this strain.

Mr. SPEAKER: The hon. member can proceed by way of illustration.

Mr. LAMBERT: By way of illustration, I wish to say that if these bungling bumbles were permitted to have their way, the Parliament of this State would be sitting in Kalgoorlie. This House has expressed a certain view with regard to our railway system and its development. Embodied and embraced in that expression of opinion is the desire to see the Esperance Railway built.

Mr. Smith: Is it not finished yet?

Mr. LAMBERT: It will not be finished until the outraged electors of this country have had something to say, and then it will be begun. When our railway system is more complete than it is to-day, Coolgardie will I hope be an important centre, particularly an important railway centre. It is passing strange that on the eve of the construction of the Esperance Railway, involving as it will the question of maintenance and administration, these railway workshops should be removed.

The Premier: It is not far from Widgiemooltha to Kalgoorlie.

Mr. LAMBERT: Some of the wise heads in Kalgoorlie, to whom certain powers have been delegated, have already suggested that we should pull up the railway from Widgiemooltha past their own tin-pot stores and other things to Kalgoorlie.

Mr. Green: Do not be too hard upon them.

Mr. Munzie: It would be a better paying proposition than where it is now.

Mr. LAMBERT: If I were to make all the indiscreet remarks the hon. member makes at times, I do not think I could be too hard upon some of those bungling bumbles. It is sometimes a wholesome thing to put them in their proper place.

Mr. Green: I think you are indiscreet now.

Mr. LAMBERT: I know the hon. member does not speak as he feels. I do not know the attitude of the Government on this motion, but cannot see that there can be any serious objection to it.

The Premier: No, you can have the papers.

Mr. LAMBERT: In that case I will not detain the House any longer, and have pleasure

in moving the motion standing in my name.

The PREMIER (Hon. J. Mitchell—Northam) [8.26]: I am sure the hon. member for Coolgardie has treated the district engineer a little unfairly. Whatever has been done in this matter has been done in the best interests of the railways. The hon. member must realise that. I know the engineer in charge very well, and I am sure he would not be actuated by any such motive as is imputed to him. It may be that as an energetic man he was anxious to have the workshops removed as quickly as possible. When a removal of this sort takes place, it must be done speedily otherwise the department would be inconvenienced for want of the workshops, and in respect to rolling stock. I hope the hon. member does not think ill of the engineer simply because he decided that the removal should take place. I have no objection to the papers being laid on the Table of the House.

Question put and passed.

MOTION—PRIMARY INDUSTRIES, CUSTOMS. DUTIES.

Mr. PICKERING (Sussex) [8.28]: I move—

That in the opinion of this House the duty on all commodities essential to the development of the primary industries of this State should be removed.

As one member representing the primary industries of this State, it falls to my lot to move this motion, which I think is in the interests of these industries. Until 1914 it was generally recognised by all Governments that so far as possible all the industries of a primary nature should be exempt from any undue handicap. More especially was this considered so with regard to the tariff. The fiscal policy was generally so arranged as to interfere as little as possible with the primary industries. In the States of Western Australia, Queensland, South Australia, and New South Wales, prior to Federation no attempt was made to raise taxation at the expense of primary industries. One of the most important industries of Western Australia is that of mining, and it must be evident to the people of this State that if there is one industry which more than another is in a parlous condition to-day, it is mining. It is indeed difficult to conceive the great value which the mining industry of Western Australia has been, not only to the people of this State, but to the people of the Commonwealth as a whole. At the time of the Western Australian mining boom the Eastern States were languishing; we came as their salvation, and we became the dumping ground of everything they had to dispose of, and they in their turn became the savings bank of Western Australia. Nowadays we hear members on all sides of the House representing the mining industry crying out about the difficulty of mining

at a profit. They say—and I believe it is true—that the position is fast approaching when it will be impossible to continue our larger mines, and even many of the smaller mines, owing to the depth to which mining has gone and the low grade of ore which has followed in the train of that. If this is so it, behoves members representing mining constituencies to endeavour to evolve some means whereby the position with regard to mining may be relieved. We cannot alter the conditions that nature has imposed on the mines; those matters are beyond our control. We cannot reduce, nor do we desire to do so, the wages of the men working in the mining industry, or to make their condition harder. That being so, what other course have we than that of redeeming the industry by taking off taxation from everything that is essential to mining? I shall deal in detail with certain items particularly affecting mining, the pastoral industry, and the farming industry. I shall adduce figures collected from Commonwealth and State returns, which will illustrate to hon. members the exact bearing which the tariff has to-day and which it will have in the year 1922, figures which will show the incidence that the tariff is going to have upon the primary industries of Western Australia. The agriculturist, owing to abnormal conditions, is in a more flourishing state to-day than he otherwise would be. That I am glad of, because it is necessary for the State that some at any rate of its producers should be prosperous. But advantage is being taken of that prosperity by the Commonwealth Government to increase the tariff in every conceivable way as against the farmer. As it is with mining, so it is with agriculture. Turning to coal mining, we find that the implements required in working and developing coal mines are also being penalised through the tariff. Again, with regard to the timber industry we find that everything required for the working of the forests and the running of the mills is heavily taxed by the Commonwealth through the tariff. The whole prosperity of Australia is dependent upon our primary industries.

Hon. W. C. Angwin: And upon population.

Mr. PICKERING: I thank the member for North-East Fremantle for that interjection. The population which not only Western Australia but also the Commonwealth as a whole desires is population that will go into the country. We are not anxious to import town dwellers.

Hon. W. C. Angwin: Yes, for the secondary industries.

Mr. PICKERING: If this country is to develop, the population must go into our vacant spaces. We must open up those areas which will support additional population, and the only way we can do that is by making conditions in those areas such as will enable settlers to earn a prosperous living.

Mr. Chesson: The only way to do that is by increasing the secondary industries also.

Mr. PICKERING: On the contrary, our secondary industries will develop as the country develops. We now require population, which will develop our primary industries, because then we shall have our cities developing secondary industries commensurately with the development of the State. The policy of fostering the secondary industries at the expense of the primary industries is the most suicidal ever introduced into the Commonwealth. The prosperity of Australia has been not because of our secondary industries but in spite of them. If we have not that coming from the soil which will support the population, it is futile to think of developing the secondary industries. Figures are the best means of convincing members of the position as it is to-day. The figures which I am about to give have been collated from Commonwealth and State returns, and they have been obtained by a competent authority at the request of associations of pastoralists, agriculturists, and men interested in the mining industry. Let me deal with the farming position first. In 1914 mowers were free; it is the intention of the Commonwealth Government to put on mowers, in 1921, 48s. or 30s., or 30 per cent. or 45 per cent., whichever yield the highest duty. On metal parts and spare parts of mowers the duty is to be 1½d. or 2¼d. or 30 per cent. or 45 per cent., whichever may be the highest. Reapers and binders after the 1st January, 1921, will pay a duty of 130s. or 200s. or 30 per cent. or 45 per cent., whichever may be the highest. With regard to spare parts the position will be the same as in the case of mowers. On hay rakes the duty on and after the 1st January, 1921, will be 35s. or 60s. or 30 per cent. or 45 per cent., whichever may be the highest. In the case of harvesters and strippers, which at present are free of duty, the duty in 1921 is to be £12 or £15 or 25 per cent. or 40 per cent., whichever may be the highest.

Hon. W. C. Angwin: Harvesters have not been free for many years.

Mr. PICKERING: According to my information they are free if from the United Kingdom. The additional amount of duty which will be collected is estimated at £15,862. Churns of all kinds, at present free, will be dutiable at 27¼ per cent. or 40 per cent. as the case may be. On corn shellers and implements required in dealing with Indian corn, on stump jump ploughs, winnowers, etc., the tariff rates of 1914 were 25 per cent. and 30 per cent., and the new rates will be 40 per cent. and 27½ per cent. On chaff cutters, horse gear, etc., the present rate of 20 per cent. is increased to 22½ per cent. or 35 per cent. With respect to agricultural implements and machinery, including testers, pasteurisers, cotton gins, fibre machinery, horse rakes and so on the present rate is nil, and the new rate will be 20 per cent. Practically in every item required by the agriculturist there is an increase—in some cases larger, in some smaller. Wire is a very big item for the agriculturist. In 1914 the duty on wire was 5 per cent. In 1920 it is 52s. and 90s. per ton, and on and

after the 1st January, 1921, the rate will be 70s. and 95s. Wire is a commodity absolutely essential to the development of our farming lands. Without wire we can do practically nothing. If we cannot fence our properties, we are unable to run stock or cultivate crops. Therefore wire is an absolute necessity; and it is an utter impossibility for any Australian State to-day to meet the current demand for wire all over the Commonwealth. In my opinion it is quite impossible for us to handle the position as regards wire. In connection with our policy of land settlement and immigration wire is one of the great essentials; and this also applies to wire netting. A very high duty indeed is put on wire netting. I can assure hon. members that the duty on wire netting is greater than it ever was and wire netting is absolutely necessary if we are to develop our wheat country on proper lines. It is necessary that farmers should have it to enable them to run sheep. If we are in earnest about affording settlers a full opportunity to use the properties they hold to the best advantage, it is necessary that wire netting should be made available to them at once. If we recognise that the Commonwealth is unable to supply the netting in anything like the quantities desired, it is an unjust and iniquitous procedure to impose upon farmers an additional cost for no other purpose than to bolster up an industry which does not exist. It is placing a big sum in the pockets of the people who handle wire netting, and they are the only one who derive any benefit. When I first took up land in this State about 18 years ago, I bought No. 10 galvanised wire at £9 10s. a ton. That same wire to-day costs nearly £90 10s.

The Premier: That is not on account of the duty.

Mr. PICKERING: No, but in addition to that cost the Commonwealth are going to levy an extra duty on the wire.

Mr. Chesson: We are not getting it from overseas now.

Mr. PICKERING: We are getting very little in Australia. Another matter I desire to deal with is locomotives. I do not think we are turning out too many in Australia to-day. In 1914 the duty on locomotives was 25 to 30 per cent.; now it is 27½ to 40 per cent.

Hon. W. C. Angwin: We could make them at Midland Junction cheaper than we could import them.

Mr. PICKERING: But we are not making them at the present time.

Hon. W. C. Angwin: Wages and material have gone up so much.

Mr. PICKERING: There are one or two other items to which I would draw attention, items connected with mining. I have referred to wire at some length in connection with agriculture; this article is also used extensively in connection with mining. The difference between what was collected on wire in 1914 and what will be collected under the 1920 tariff is £175,517. That sum of money will come out of the pockets of the producers. Suppose we established a factory in which

to make these different requirements, where would that factory be? In Western Australia? I doubt it very much. If anyone can produce the capital required for the establishment of such an industry, I doubt whether that capital would find its way to this State. With regard to corrugated galvanised sheet iron, the present duties are 20s. and 30s. per ton, and under the new tariff the duties will be 72s. and 110s. On corrugated iron not galvanised the duty in 1914 was the same as that on the galvanised iron. Two other items are water bore casing tubes, and wrought iron and steel pipe. In 1914 it was free and 10 per cent., and under the new proposal the rate will be 27½ per cent., or 40 per cent. either for the preferential or general tariff.

Mr. Munsie: It is a pity they do not reciprocate and give Australia preference for some of our commodities.

Mr. PICKERING: I would draw attention to the items, coal cutting machines, rock cutting appliances, rock boring machinery, etc. In 1914 the duties were 25 and 30 per cent. and in 1920, 27½ and 40 per cent. It must be remembered that these implements are used in many instances in connection with prospecting ventures, and it must be borne in mind that these implements may not develop what is required. In prospecting one may not get what he expects. Everybody connected with the development of mining knows that it is most important that mining machinery should be of the latest possible type in the direction of labour saving and in the way of safety. All these matters have to be taken into consideration, and no matter what the protective duty may be on particular implements, countries like America, from which the machines come, are always evolving implements of a more advanced nature, and in order to be up to date it is necessary to import the latest appliances. If high duties are placed on these articles, the position is made more difficult for those engaged in mining. It should be the business of the Commonwealth Government to relieve an industry of every possible handicap. In that way only can we hope to assist in the development of the industry.

The Premier: Do you want the whole of the duties removed?

Mr. PICKERING: I am not asking that the House should endorse a motion for the removal of the whole of the tariff; I am merely asking for the removal of the duty on those commodities essential to the development of the primary industries. At the present time the duty on many implements required underground is free for British and 10 per cent. for foreign, but under the new proposals the duty will be 27½ and 40 per cent. With regard to chain blocks and travelling blocks, pneumatic elevators and conveyors, rotary blowers for smelting, etc., I would like to read this paragraph—

The material enumerated in statistical No. 384 had a special classification under Tariffs 1908-11 and 1914, viz., Rate F.

5 per cent., F. 10 per cent. Only one item is now specially mentioned and included in Item 175. Other enumerated items will now fall under classification according to the view of the Minister of Customs. Judging from the character of material, it is likely that most will come under Items 178 (c) or alternately some may be determined to be manufacturers of metal, n.e.i., not having the characteristics of machinery as defined by the department. It would be well to ascertain from the Minister the item number which he proposes to place on the goods. The class of goods involves a large value, and it is a question whether such can be profitably manufactured in Australia. Seeing that these goods up to the present time have been on the free list from United Kingdom and 5 per cent. and 10 per cent. only general tariff, it is a very heavy impost now proposed, viz., 27½ and 40 per cent. Patent portable hoists for underground use in mines should certainly be freed from such a very heavy impost, being one of the essential necessary articles used in various sections of work, where other classes of machinery cannot be effectively worked to advantage.

And I could go through the list of nearly everything that is required in the mining industry. There are, however, hon. members who represent the industry who can throw more light on this particular subject. Before concluding my quotations I must refer to barbed wire. The tariff on barbed wire for 1914 was 10 per cent. and 20 per cent. Under the 1920 proposal it is going to be 68 shillings per cent. and 105 shillings per cent. Wire netting in 1914 was free and 10 per cent. Under the 1920 proposal it is to be 68 shillings per cent. and 105 shillings per cent. The item "Wire" includes woven wire, measuring over 20 holes to the lineal inch, and the rates are, United Kingdom free, general 15 per cent. Battery screens must be made from the finest and best steel, being subject to such heavy strains when the ore is passing through, and consequently there should not be any limitation to the size. The principal imports are from the United Kingdom and the United States of America. The tariffs pressing on the primary industries are very heavy indeed. Then there are the traction and portable engines, and the motor engines; every conceivable power that is used in our primary industries is being heavily taxed. On engines, gas and oil, the duty has been raised by 25 and 40 per cent. Gas and oil engines are used in all branches of industry. The proposed duty on these engines will be a very heavy tax, as they are being used throughout Australia when other engine power is not available. The farmer, agriculturist, and other settlers have them installed for many varieties of work. It is clear that the proposed tariff, additional to that of 1914, justifies me in asking members to support my motion. I have always been a disciple of a revenue

tariff, and I am convinced that the policy which will best help Australia is not that of prohibition. If I am unable to obtain any more for the primary producers than the removal of the tariff from their tools more light on this particular subject of trade, it will at all events go far towards strengthening the hands of members of the Federal Parliament who are anxious to afford that very necessary relief. I feel sure that I can count on the support of members opposite, who more or less directly represent the important mining industry. There are also on this side members who represent that industry, but I do not feel that I need appeal so strongly to them, because I know they are entirely in sympathy with me. I hope hon. members will view this question seriously, and appreciate the great bearing the tariff will have on our primary industries. In view of their motto of produce, produce, produce, it is, in my opinion, the duty of the Government to support the motion.

On motion by the Premier, debate adjourned.

MOTION—RAILWAY PROJECT: CARNARVON-KILLILI.

Mr. ANGELO (Gascoyne) [9.5]: I move—

That in the opinion of this House the time has arrived for the construction of a railway from the port of Carnarvon to the junction of the Gascoyne and Lyons Rivers, approximately 105 miles.

I have here a few plans which will illustrate the arguments I intend to advance, and with your permission, Mr. Speaker, I will have them distributed amongst members. I do not suppose there are half a dozen members who ever heard of the township of Killili, situated at the junction of the Gascoyne and Lyon Rivers, and, further, I do not believe there are a dozen members who, until they saw my notice of motion, were aware of a project for the building of this railway. I can assure them, however, that such a scheme has been discussed in the Gascoyne district for many years past. When first I was elected, three years ago, I was not in favour of this railway, thinking the time had not arrived for its construction. I continued of the same opinion until last year. But, with the advent at Carnarvon of one of the largest and most up to date meat works, the position is now completely changed. Without the railway, the meat works cannot be of the same benefit to the State as they will be if the railway is constructed, and I am prepared to admit that, without the meat works, the railway was scarcely warranted. I hope to be able to convince hon. members that the projected railway will be of very great benefit not only to the district, but to the whole of the State, and also that it will be a profitable concern from the jump. First of all it will benefit the district. At

present carting on the Gascoyne is a most expensive item, pastoralists and others being called upon to pay 1s. 3d. per ton per mile for the carrying of their wool and stores, in addition to which they have to guarantee back loading for the same tonnage at 1s. 3d.; and, since the uploading is only about one-half of the down loading, it means that those using the teams are paying anything from 1s. 9d. to 2s. per ton per mile. The railway will also assist the back country people in giving them some of the comforts to which, I think, all pioneers are entitled. It is impossible to get fruit, butter, and other like commodities when the carriage of those products is dependent on a team. Another benefit which the railway will confer is that it will bring Carnarvon within two days, and also the Ashburton within, say, three days of the rail service to Perth. The distance from Perth to Carnarvon overland is 800 miles, 340 of which is covered by the Wongan Hills-Mullewa railway, while another 105 miles will be covered by the projected railway, which, by the way, will run over the worst length of the track. At present it takes nearly a day to cover that 105 miles, consisting as it does of loose, heavy sand. If the railway were built, passengers and mails leaving Perth could complete the journey by rail to Mullewa, by motor to the junction, and by railway to Carnarvon; in an hour or two over two days, which would benefit not only the Gascoyne people, but also the people of Ashburton and Roebourne. Once the line is built a regular motor service will be established. The proposed line would materially assist closer settlement on the Gascoyne, along the banks of which we have some of the finest land in the State. It is useless to hope for any widespread settlement along that river until we have means of transport. Up the river from Carnarvon to the junction are many permanent pools, the water from which could be utilised for the production of tropical fruit and fodders. I am convinced that, very shortly after the construction of the railway, we shall have several new settlements along the river. A number of industries would be started and successfully conducted if the railway were built.

Mr. Munzie: Then there would be a fair freight on bananas.

Mr. ANGELO: Yes. We are sending £70,000 annually to Java for bananas which could be successfully grown in that district. Also pig and lamb raising would be profitably carried on if railway facilities were provided to the ment works which are to be very shortly operating in Carnarvon. The member for Pilbara (Mr. Underwood), I hope, will be able to tell us something of the mining possibilities of the Gascoyne. He is personally acquainted with that phase of the question, and therefore I intend to leave its elaboration to him. In addition to the benefit that would accrue to the district from the construction of the railway, I should like to point out the benefit that

would be gained by the adjoining districts. First of all, the railway would give a perfect assurance, not only to the Gascoyne but also to the Upper Gascoyne, Ashburton, Pilbara and Roebourne districts, against loss of stock in adverse seasons. However, I intend to dwell upon that at a later stage. Also the railway would assist the people further north to get their mails and passengers more regularly. I come, thirdly, to what this railway would do for the State. It would mean the opening up of six million to ten million acres of additional stock country. We all recognise that the further the railway is carried into the interior, the further inland will settlement proceed. That has been proved to the satisfaction of all who are acquainted with the Marble Bar railway. This would mean extra stock for export and also for home consumption, and such production would benefit the State materially as well as the district concerned. The State would also benefit by the additional rents which would be secured for the increased area which would come under stocking and, with the advent of the railway, it would be only a fair thing to charge those pastoralists, who benefit directly by its coming, an additional rental for their pastoral leases. Later on, when an amendment to the Land Act is under consideration, I hope to move for the insertion of an additional clause which will enable reclassification to be made on all pastoral leases which are benefited by the construction of any railway or the opening up of any new port and, if that clause is agreed to, it will not be necessary to wait for 15 years, as it is necessary to do now, before any reclassification of pastoral leases can take place. Then, by the additional land taken up by pastoralists and by the increased herds which this railway would enable the present pastoralists to carry, the State would benefit by the extra income tax and land tax which would be received from those directly benefited. There would be extra business for the commercial community in the metropolitan area because the railway would mean increased population in the district. Members will notice that, to the eastward of Carnarvon and especially to the North-East, there is a considerable area of country that is not being stocked at the present time. All of that country would be taken up, improved and used for carrying stock, a fact which would benefit the State very materially. At present Western Australia is carrying sheep to the number of seven millions, and it is capable of carrying 100 millions or the equivalent in big stock on the basis of what the Eastern States are carrying. Fourthly, this railway would benefit the nation as a whole, because we all realise the North-West is the most vulnerable part of Australia and that, from a defence point of view, population there is very necessary. This railway would greatly assist to attract population to the North. I would now like to

describe the country through which this railway would pass. Members will notice on the maps which have been distributed that the proposed track of this railway is marked in red. Carnarvon is a port 500 miles by sea north of Fremantle, and the nearest railway is the terminus at Ajana, some 300 miles from Carnarvon. The Gascoyne River, which takes its rise about 100 miles north-east of Peak Hill, runs in a westerly direction until it reaches the sea at Carnarvon. The Lyons River takes its rise in the Teano Ranges about 100 miles north of the source of the Gascoyne River, and also runs in a westerly direction until about 100 miles from the sea, and then it takes a sudden turn to the south and junctions with the Gascoyne at the township of Killili, 105 miles from the port. The map also shows the rainfall line, which is represented by a thin blue line. There is a range of mountains, running parallel to the sea, about 90 miles from Carnarvon. It runs about 100 miles north of the river and about the same distance to the south, and the Gascoyne River comes through the mountains at a place called Skipka Pass. The range of mountains is the line of demarcation between the winter and the summer rains. The line showing the 10 inch rainfall, to which I have directed attention, is also the line of demarcation between the summer rains and the winter rains. This line runs down in a kind of gulf with Killili right at the bottom of the gulf. This is the point where the summer rains cease. All those districts north of that point depend on summer for their rains. We to the west of the Kennedy Range and also to the south, right away down to Mullewa, depend on winter for our rains. Further to the north of the 10 inch mark, they have a 10 inch to 15 inch rainfall, whereas we to the west of the Kennedy Range and also from the junction right down to Mullewa, have to be content with a seven inch to eight inch rainfall. The consequence is that those districts north of the junction and depending on their summer rains have fat sheep at the end of the summer season, whereas we have not the feed. All the stock travelling down from those districts—Pilbara, Roebourne, Ashburton and Upper Gascoyne—is brought down along those stock routes marked blue, and it all comes down to the junction. There is good feed, good travelling and good water to that point but, from that point, the stock has to be travelled before it can reach Mullewa, over nearly 300 miles of dry track. Because we have not the summer rains, these fat sheep arrive at the junction at the very time that our stock route, from the junction to Mullewa is devoid of feed.

Mr. Griffiths: West of that line, what is the annual rainfall?

Mr. ANGELO: Only eight inches. That is the difficulty. When the fat sheep reach the junction, they are at a dead end because, to reach Carnarvon, they have to travel over 100 miles on a track devoid of feed, or go to Mullewa, a distance of 300 miles, over conn-

try almost as bare as Harvest-terrace. This railway would give the pastoralists of the districts north of that point an absolute assurance against loss in nearly every year. I do not think I am stretching the point when I say that, in time of adversity, the railway would pay for itself, not directly, but indirectly, in one season by the value of the stock it would save. One of the strongest arguments we have in favour of the building of this railway is the assurance that, when it is built, the pastoralists, not only of our own district but of those districts to the north of the junction, will be able to truck their stock to Carnarvon to be used either in the meat works, which will be opened for operation within the next seven weeks, or to ship them south to Fremantle. I can say without fear of contradiction that 80 to 90 per cent. of the loss in condition and of mortality in travelling stock from these various districts occurs between the junction and Mullewa. I would like members to observe the stock routes marked on the map. Nearly every one of them comes in at the junction which shows what an important point that is. At Carnarvon we are just completing one of the largest and most up-to-date meat works in Australia. Those who have had the privilege of visiting the works and who have seen similar works in the Eastern States will bear out what I say. Probably meat works will also be established further up the coast, but I think I can safely say that, at Carnarvon, we shall have better shipping facilities than most other ports, because we have no tidal difficulties. With a little expenditure later on in the way of dredging, and that will be a matter of dredging only sand, we shall soon have a harbour and a wharf capable of berthing ships of a draft of 26ft. to 27ft. After the railway is built, these meat works will be able to operate on cattle which, without a railway they will not be able to do owing to the unsatisfactory and feedless state of the track from the junction to Carnarvon. The cost of this railway will not be large; I mean the engineering difficulties will not be very great.

The Premier: That is another matter.

Mr. ANGELO: From Carnarvon right up to the Kennedy Range, a distance of about 90 miles out of the 105 miles, the track will be as level as St. George's terrace. There are no creeks worth mentioning to cross and no embankments will be necessary. I do not suppose that half a dozen culverts will be necessary in the whole track. When the line reaches the Kennedy Range, it can follow right alongside the river, and the grades will not be very great because the hills disappear at that point to get higher to the south as well as to the north.

Mr. Underwood: You could keep off the Kennedy Range altogether.

Mr. ANGELO: Yes, we could do that. Very little ballasting would be required for the line.

Mr. Underwood: An ordinary navy could lay the line.

Mr. ANGELO: Yes.

Mr. Foley: I suppose navvies will lay it.

Mr. ANGELO: It will not be necessary to provide much rolling stock. Owing to the erection of the meat works and the increased rolling stock that they will necessitate, the Government have already promised to provide us with all the trucks necessary for the works line. A second engine for Carnarvon has already been ordered, and I think that if one additional engine were provided, this railway could be run to the satisfaction of all.

The Premier: I hope you will need a few more trucks than you will have on your jetty.

Mr. Underwood: We are getting them now.

Mr. ANGELO: In connection with the Marble Bar and other railways, there is a considerable annual cost for upkeep and to repair the damage done by washaways. There will be nothing of that kind in connection with this railway. I have been told that in France, Egypt, and other parts of the world that have been centres in the late war, there are great numbers of rails that were specially built for railway work during the war.

Hon. W. C. Angwin: There are stacks of them along the side of the Canal, but they are very light rails.

Mr. ANGELO: These rails are built with sleepers attached.

Mr. Underwood: They are no good to us.

Mr. ANGELO: I had a talk to Mr. Pidgeon, the engineer attached to the railways, and he thinks there are some rails which could be used on a 3ft. 6in. line.

Hon. W. C. Angwin: They are very light.

Mr. ANGELO: We only want a light railway.

Hon. W. C. Angwin: You mean those with sleepers attached.

Mr. ANGELO: I think they are called Deceauville rails, and have iron sleepers attached. Possibly the rails might do; at all events I would ask the Government to make inquiries regarding them. Some people have pointed out the failure of the Marble Bar railway.

Mr. Smith: In what respect?

Mr. Underwood: In no respect whatever.

Mr. ANGELO: Although the Marble Bar railway has been run at a loss it has been of considerable help in the development of that part of the State.

Mr. Smith: So are other railways being run at a loss.

Mr. Underwood: It is no exception in the State railways.

Mr. ANGELO: I will give the House a few figures regarding the Marble Bar railway, which may be illustrative of what I am going to say, namely, that these railways improve in their earning capacity as the years go by. I have the figures for the last four years only. For the year 1915-16 the earnings of the Marble Bar railway

amounted to £9,876, and the wages and cost of running amounted to £12,327, showing a loss of £2,451. Then there is interest on top of that, amounting to something like £13,000 a year.

Mr. Smith: If they used petrol-driven motors instead of locomotives there might be a profit.

Mr. ANGELO: For the year 1916-17 the earnings were £9,134 and the disbursements £9,705, showing a loss of £521, as against £2,451 for the previous year. For the year 1917-18 the earnings were £9,197 and the expenses £9,194. It will thus be seen that in that year the loss had disappeared and there was a surplus of £3. In 1918-19 the earnings amounted to £9,983 and the expenditure to £9,362, showing a profit of £621. From the original loss of £2,451 in 1915-16 the railway improved in four years until it showed a profit of £621. These figures show that even if for a few years a railway may not be as payable as hon. members would like to see, not only does it benefit the State, but it helps in the production of wealth, and it becomes payable as the years go by. I have a rough estimate here which I would like the Premier to listen to.

The Premier: I have been smothered with figures to-night.

Mr. ANGELO: The Premier should listen to these figures. This is an estimate of the revenue that the proposed railway would earn. The people in my district are not looking to the Government for freights at the same rate for the carriage of their produce and for their goods as are imposed down here. We are paying from 1s. 9d. to 2s. per ton per mile for the carriage of our produce and our goods. My people say they will be quite satisfied to pay 1s. per mile until the railway is proved to be a financial success. They will then look for a reduction, but not before. They are quite willing to pay for any facilities the Government will give them to assist in carrying their produce and other stock. I have known of wool from stations to lie for 15 or 18 months in the wool sheds, because the teams could not get through owing to the dry conditions.

Mr. Smith: Quite true.

Mr. ANGELO: It will pay these people to give the Government 1s. per mile to have these things done for them, in place of the 1s. 9d. to 2s. per ton per mile they are paying now. It is on this basis that these figures have been compiled. On the carriage of wool, skins, kangaroo skins, and so forth we expect that the railway will earn £12,000 a year. It is expected that the railway will handle from 12,000 to 14,000 bales a year from the date of its completion.

The Colonial Secretary: The interest and sinking fund will run into £30,000.

Mr. ANGELO: I am coming to that. At the Carnarvon meat works we hope to deal with 250,000 to 400,000 sheep per annum. When the railway is completed it is hoped

that these works will be in operation for at least nine months in the year. By that time we should be dealing with 500,000 sheep annually. This particular estimate, however, only provides for 250,000 sheep. This runs out, at the rate of 1s. 6d. per head, at £18,750. It costs 2s. per sheep to drive them at present, and the pastoralist will gladly pay 1s. 6d., and so save the loss on condition and mortality that now occurs. The freight on goods, that is, back freight, is estimated to produce £10,000 per annum, and fares and mails £5,000. As soon as this railway is completed, most of the passenger and mail traffic will go by the Junction and motor to Mullewa. We have been told to-night that the Gascoyne produces the finest sandalwood in the world. That is quite true, but unfortunately most of this grows about 200 miles inland and we are unable to reach it. When this railway is built it will be a different proposition. Further, the township of Carnarvon and the surrounding country are depleted of firewood, and there will be a certain amount of carriage of firewood necessary. Sandalwood and firewood are estimated to yield £3,000 a year. That gives a direct estimated revenue of £48,750 from the date of the completion of the line. In addition, there is some indirect revenue which the line will not be able to take credit for, but which the Government will get because of the railway. It is estimated from the plans that there are six million acres of country at present held by pastoralists who would benefit by the construction of the railway. It would be a fair thing to charge these people another 10s. per thousand acres, because of the facilities that would be granted to them by building the line. That will provide a further £3,000 annually. Judging by what has resulted from the building of the Marble Bar railway, and taking into consideration the large areas of land that are available, it is estimated that six million acres of pastoral country at present unalienated would also be taken up. If this land is put down at £1 per thousand acres it would produce another £6,000, making a total of indirect revenue of £9,000. It is, therefore, estimated that the railway from the date when the first engine reaches the terminus would produce in direct revenue £48,750, and in indirect revenue £9,000.

Hon. W. C. Angwin: I have never known of any railway introduced here that would not pay from the start.

Mr. ANGELO: I am going to invite the Government to get a report on these figures before they drive a single dog spike.

Mr. Underwood: You invite them to put the railway down first.

Hon. W. C. Angwin: Why not get the report first?

Mr. ANGELO: I am going to ask the Government for a report. The total revenue is estimated to be £57,750. On the expenditure side, it is estimated that as this line will run through such easy country it should not cost more than £300,000. Some people say £200,000, but after a chat with the engineers

I have come to the conclusion that it will cost £300,000.

The Colonial Secretary: Four hundred thousand pounds.

Mr. ANGELO: If he wishes it, we will make it £400,000 to please the Minister.

Mr. Underwood: That is only a quarter's deficit.

Mr. ANGELO: Basing the cost on £300,000, the interest and sinking fund would run into £22,000 a year; that is at the present increased rate of money. The Marble Bar railway which cost nearly £400,000 only pays £13,000 a year for interest. The upkeep, on the basis of the Marble Bar line, which has to pay a considerable amount every year for washaways which will not affect this line, I put down at £10,000. I would point out that the Marble Bar railway is some 20 miles longer than this will be. Taking the interest and sinking fund at £22,000 and the cost of upkeep at £10,000 the total cost will be £32,000, as against a direct revenue of £48,750 and an indirect revenue of £9,000, or a total revenue of £57,750. There should thus be a profit of something like £25,000 a year on the railway from the date of its completion. It will show a direct profit of £17,000 a year without the collateral advantage of increased rents and the taking up of new country. The Premier will want to know where the money is to come from. He told us the other day that he had two million pounds offered to him from London. Perhaps he does not like to borrow this for the development of the Southern part of the State. As I suggested in the debate on the Address-in-reply, if the Premier wanted a certain sum of money for the development of the North-West the London financiers would look at the matter from a national standpoint, knowing how absolutely necessary it was for the north of Australia to be developed. I am certain if they were told that this money was wanted to develop the North there would be no difficulty in getting it. I have never known of any private business concern in the North-West that has not returned a profit of from 15 per cent. to 25 per cent. on the capital invested. If the Government carry out a work such as this on a business footing, I feel perfectly certain that they will get from it not only interest and sinking fund, but a profit as well. A former Government did not hesitate to go to the London market for a big sum to develop our goldfields by supplying them with water. We know the results of the goldfields water supply loan. It matures in about six years hence, and we shall then have a large sum—£560,000 I think it is—over and above the amount of repayment. The Government of a former day did not hesitate to apply to London for that loan for that specific purpose. Why should not the present Government go to London and ask for a loan for the development of the North-West? When the time comes for settling up such a loan, the North-West will show just as good a

surplus as the goldfields are about to show with regard to water supply. But the trouble is that when one goes to the Government for something to develop the North-West, the answer always is "no money." This money, however, will have to be found, if necessary by a special loan. I should like just to refer to a report made by Mr. Hobler, the accredited Commonwealth representative sent to accompany the Ministerial party to the North-West. He was sent ostensibly for the one purpose of reporting on the possibility of a Western Australian railway from Meekatharra to Wyndham. He does not seem altogether in favour of that proposal, but he says—

For the proper development of the country in the North-West Division it will become advisable later on either to run a spur line of light construction from the main trans-continental line north of Mullewa towards Carnarvon, or to develop this portion of the country from the coast inland by railways.

Mr. Griffiths: That is on the lines of Queensland.

Mr. ANGELO: Yes. I had a talk with Mr. Hobler, and he told me that he was in favour of developing our north-western country on the lines of Queensland, by providing proper shipping along the coast, and by running out spur lines from the coast to the hinterland, instead of by a trans-continental railway as suggested by the North-West Development League. I would like to quote a sentence from a speech delivered by Mr. Hughes on the subject of the railways of Australia—

Australia's ability to bear her debt depended upon her flocks, and if it was necessary to pay 30 million pounds to keep the sheep of Australia alive, we had simply got to find the money.

Hon. W. C. Angwin: But you want to kill the sheep.

Mr. ANGELO: I want to turn them into profit. Without this railway, the dry seasons might kill the sheep and there would be no profit at all for the State. In conclusion let me briefly tell the House what the motion means. The carrying of the motion will not mean that the Minister for Works will divert rails from the Esperance railway to Carnarvon, or that the Premier will leave to-morrow to go north for the purpose of turning the first sod. It means that the Government will have a report obtained as soon as possible, that they will inquire what rails are obtainable, either in the direction mentioned by the member for North-East Fremantle (Hon. W. C. Angwin) or in some other quarter. We cannot expect this railway to be built in a day. The carrying of the motion will also mean that the Government will inquire into the figures which I have submitted to the House, will have them verified, and then obtain a report from the responsible engineers as to the advisable-

ness or otherwise of building this railway. Further, I hope and trust the Government will get a flying survey made of the line. If the Government act in this direction immediately, I for one would be quite satisfied to admit that they had gone as far as they could for the present. We cannot get rails for some months to come, anyhow. But if the preliminary steps were taken and this railway were placed on the railway construction list, which has become a long one, the North-West would have an assurance that its turn would come in due time. We hear of Commonwealth ships coming out from home almost empty. Perhaps the Government would be able to arrange for large consignments of rails by that means. I leave the motion to the good sense and the business acumen of the House. I think I have made out a case proving that the railway is both advisable and necessary. I would like to mention seven points for the special consideration of hon. members, points which show what this railway will mean to the State—

1. It will give improved facilities for the carriage of mails and passengers, not only to the North-West, but to the districts adjacent thereto.

2. It will benefit stock owners in the North-West, and what benefits stock owners benefits the whole State.

3. It will reduce the cost of conveying meat to the metropolitan market.

4. It will mean more wool, meat, skins, tallow, and other products for export and for local consumption, thus again benefiting the State.

5. It will mean insurance against loss of stock depasturing, not only in the Gascoyne district, but in other districts as well.

That is a point I specially wish to emphasise; and I again assert that this railway, when constructed, will sometimes pay for itself, not directly but indirectly, in the course of a single twelve month.

6. The building of the railway would mean a large increase to the State revenue in land rents, and in land and income tax and other taxes, in the shape of payments made by those directly benefited.

7. The railway would assist the development of the mining industry. This last point I hope, and I think I can promise, will be elaborated by the member for Pilbara (Mr. Underwood).

Mr. Smith: Are there mines in your district?

Mr. ANGELO: The member for Pilbara will, I think, be able to inform the House of the possibilities of that district in the direction of mining. I hope I have not encroached too much on the generosity of the House, and I trust hon. members will give the motion due consideration.

On motion by the Premier debate adjourned.

BILL—FRIENDLY SOCIETIES ACT AMENDMENT.

Received from the Legislative Council
and read a first time.

BILL—PUBLIC SERVICE APPEAL BOARD.

Message from the Governor received
and read, recommending the Bill.

House adjourned at 9.56 p.m.

Legislative Assembly,

Thursday, 9th September, 1920.

	PAGE
Bills: High School Act Amendment, 2a.	539
Time of Registration Extension, 2a., Com. report ...	539
Coroners', 2a.	540
Carriers', 2a.	541
Friendly Societies, 2a., Com. report ...	542
Public Service Appeal Board, 2a.	542
Building Societies, 2a.	560
Local Authorities Sinking Funds, 2a., Com. report ...	561
Westralian Meat Works, 2a., Com., report ...	561

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

BILL—HIGH SCHOOL ACT AMENDMENT.

Second Reading.

The COLONIAL SECRETARY (Hon. F. T. Broun—Beverley) [4.37] in moving the second reading said: The purpose of the Bill is to amend the High School Act of 1876, increasing the number of governors and providing that the additional governors shall be elected by the Old Boys' Association. Under the existing Act six governors are provided for, all being nominated by the Government. For many years the High School was subsidised by the Government to the extent of £1,000 per annum. Six years ago a Bill was passed, under which that subsidy ceased after an interval of three years. The cessation of the subsidy has created an entirely different position in regard to the control of the school. Yet the fact that the land, valued at £34,000, occupied by the school buildings is the property

of the Government, gives the Government the right to exercise over the school practically the same control as before. The Old Boys' Association desire that they shall be empowered to elect a certain number of members to the board of control. Up to the present, 1,700 boys have passed through the school. Prior to the war the Old Boys' Association had a membership of 400 but, owing to the number of enlistments, the Association practically lapsed. It is now being revived, and has a membership of 200. The present governors of the school are Mr. Battye, who is acting chairman, Sir Edward Wittenoom, Dr. Saw, the Hon. T. P. Draper, Sir Walter James, and Mr. W. T. Loton. The Bill provides for nine governors, three of whom shall be appointed by the Governor in Council on the nomination of the Old Boys' Association.

Mr. Underwood: Who are the old boys, anyhow?

The COLONIAL SECRETARY: Boys who have had their training in the school.

Mr. Underwood: Are they paying any more taxes than is anybody else?

The COLONIAL SECRETARY: No, but they have an interest in the school. The Bill provides that if the membership of the Old Boys' Association should fall below 200, the Governor in Council shall have the right to appoint the three additional governors. Under the Act, two of the governors retire each year, but under the Bill three will retire annually, including one of those nominated by the Old Boys' Association. That is really the whole purpose of the Bill. I do not think it contains anything of a controversial nature. I move—

That the Bill be now read a second time.

On motion by Hon. W. C. Angwin, debate adjourned.

BILL—TIME OF REGISTRATION EX- TENSION.

Second Reading.

The PREMIER (Hon. J. Mitchell—Northam) [4.33] in moving the second reading said. The Bill is purely a formal matter. The public servants were on strike from 11th July to 29th July, during which period it was quite impossible either to get stamps or to register documents requiring registration. The Bill is intended to extend the time for the registration of documents by a period equivalent to the time during which it was impossible to get stamps.

Hon. W. C. Angwin: On what day did the public servants resume work?

The PREMIER: On the 29th July.

Hon. W. C. Angwin: Then a longer time than that will be required. All the documents that were held up could not have been registered in the one day.

The PREMIER: No. The Bill extends the time for the registration of those docu-