

BILL—LAND TAX AND INCOME TAX.

Returned from the Council without amendment.

ASSENT TO BILLS.

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

- 1, Slaughter of Calves Restriction.
- 2, Pearling Act Amendment.

House adjourned at 11-30 p.m.

Legislative Council,

Wednesday, 12th November, 1919.

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

MOTION—WHEAT BELOW MILLING QUALITY.

Hon. J. DUFFELL (Metropolitan-Suburban) [4.33]: I move—

That in the opinion of this House the existing agreement between the Wheat Marketing Scheme and Messrs. Dalgety & Co., Ltd., giving the latter the exclusive right for disposal of wheat below milling quality, and which expires on the 31st December next, should not be renewed, and that all such wheat should be disposed of by the Scheme or their agents at a price not exceeding 3s. 6d. per bushel while the price of milling quality wheat remains at the present figure.

It has been frequently stated that this Chamber is a non-party House. It has also been referred to as a House of review, and as a House of second thoughts. It was the consideration of these statements which led me to move the motion. I propose to deal with the subject in two sections; first that portion which relates to Dalgety Ltd., and secondly that which relates to the price for wheat below f.a.q. quality. Let it be distinctly understood that my remarks are not directed against Messrs. Dalgety Ltd. A few days ago, on the Wheat Marketing Bill, it was stated that an arrangement had been made between a representative of Dalgety's and the manager of the Wheat Marketing Scheme for fixing a price for the disposal of inferior

wheat. I contend that such an arrangement must prejudicially affect those people engaged in the raising of poultry and pigs. This is exemplified by the fact that to-day we are paying for poultry, eggs, bacon and pork prices very much in excess of what might be considered reasonable. As I stated last week, it is not a healthy sign when we have to pay 1s. 8d. per lb. for rashers of bacon. Owing to the present high price of feed, bacon curers in this State cannot produce bacon under 1s. 4½d. per lb. When it is realised in other portions of the Commonwealth what it costs in Western Australia to produce bacon, the manufacturers of the Eastern States take advantage of the high prices ruling here. By the "Dimboola" last week a shipment of bacon was landed at Fremantle at 1s. 3½d. per lb. So long as the firms of the Eastern States can get just under the local price, they secure an advantage over the local producers. For a considerable time past we have been endeavouring to encourage production in this direction. In consequence large establishments have sprung up in various parts of the State and, more recently, in the metropolitan-suburban area. I refer particularly to the establishment of Messrs. Foggitt, Jones, Ltd. The existing state of affairs in respect of Dalgety's, who have the contract for the disposal of inferior wheat, acting in conjunction with the manager of the Wheat Marketing Scheme, is responsible for the prices we have to pay. It is deplorable. I have before me the report of the Royal Commission on the Wheat Marketing Scheme. I find on page 47 evidence which was tendered by William Henry Lockhard as follows:—

By the Chairman: You desire to make a statement regarding the management of the present wheat pool?—Yes, in connection with the inferior or second-grade wheats. I consider the poultry farmers are being garrotted. When we were allowed to deal with the acquiring agents individually, we always got a fair amount of satisfaction. To bear that out, I have here certain accounts which I can show you (documents handed in). However, since the business has been passed to the sole control of Dalgety's, we are simply told, "Take it or leave it. Once you buy it, that's the end of you."

I understand they have the sole control of the disposal of all wheat below milling quality.

Hon. Sir E. H. Wittenoom: Subject to Mr. Keys' approval of the price.

Hon. J. DUFFELL: The evidence continues—

In one case, I remember, in response to a protest they made us an allowance of £2 5s., but since then they will not entertain any protest of any sort. During last month we bought a truck of wheat from them at 4s. 1d. per bushel, and we had to sell some of it at from 5s. to 8s. per bag, stuff that cost us from 11s. 6d. to 12s. per bag. That is under Dalgety's management; they have a monopoly, and they use it, I can assure you.

The witness went on to say—

The poultry keeper has been and is being treated shamefully. The whole purpose of it is to make the pool read well. What I am about to tell you is only hearsay, but it was told to me by Albert Mayor, Messrs. Plesse's representative. He made the remark in front of Mr. Nairn, M.L.A., Mr. Wake, and myself. He asked Mr. Keys why they were demanding such an exorbitant price for the wheat, and Mr. Keys simply laughed and said that they had to make the pool read well. Also Mr. Keys admitted to him that some of the wheat had been brought from North Fremantle to Perth, put on the open market—it is only open above Dalgety's reserve; up to that price bidders are only wasting time; in other words, Dalgety's is the reserve price—and if the bidding did not reach Dalgety's price it was reconsigned back to North Fremantle, so that it should not appear to be lingering on the market. On two occasions we went as a deputation to Mr. Baxter. To my mind the reply we got from him was a silly old thing. He said the price was fixed by the demand. Why, the demand is simply what Dalgety's make it! If the price is not up to their mark they take the supply off the market. To-day they tell us the market is glutted. The merchant in a position to store a lot of this stuff is getting a throw in, but the unfortunate poultry farmer, being in only a small way, still has to pay the same.

That is the sworn evidence of this witness. I now desire to refer to the evidence of Morgan Stanley Wake, organiser of the poultry industry, sworn and examined. A portion of the evidence is as follows:—

By the Chairman: We should be pleased to have a statement from you?—As a poultry farmer and organiser of the poultry industry, I think I may claim to be in a position to know something of the way that the poultry farmers have been treated by the State Wheat Marketing Scheme in the matter of their supplies. The State Scheme has looked upon poultry farmers as fair game, and as a sort of dumping ground for the damaged wheat, knowing full well that the poultry farmers must have feedstuffs of some description, and that if they do not pay the price for it to-day they will be compelled to pay that price for it to-morrow. I claim that a lot of the wheat we as poultry farmers have been compelled to take should never have been sent to the market, but should rather have been used for fertiliser or other manure, or for some sort of filling at the ocean. In some instances the poultry farmers have been compelled to buy that class of stuff. It has been brought into the Perth yards and a reserve placed upon it and no more wheat is allowed to go into the yards until that particular wheat has been sold. I have followed up the auction marts in Perth, and taken particular notice of the prices that have been operating. I have never ascertained the

reserve that has been placed upon it, but I know that in many instances the price that has been offered has been considerably in excess of the value of the wheat. Notwithstanding this, distributing agents seem to think it is worth considerably more. I understand that Dalgety's claim that the price of the wheat has been governed by the demand. To their way of looking at it that is the case, because they make the demand. If I was controlling the wheat I could create a demand for it. There is a demand for a certain amount of wheat. If we do not take the wheat to-day at their price they will keep us short for a considerable time. In that way they create a demand until we are prepared to buy at almost any price that is asked.

Generally speaking, I think this gives reasonable ground for the objections I have raised to the distribution of this inferior wheat in the manner it is being distributed to-day. We had a statement from the Honorary Minister a few days ago to the effect that it was the intention of the Scheme to handle this wheat. We know they do not want it; but what are they there for? Why is the money being paid to them if not for the advantages which will be derived from the article they are handling? My contention is that the public generally, as a result of the prices now ruling, are not getting a fair deal, and that the poultry raisers and pig farmers are not getting justice meted out to them because of the way in which their industries are being crippled. It has frequently been said that prices are governed by the law of supply and demand. In other words, when the supply is low the demand being greater than the supply, prices must soar. When there is no necessity for supplies being low, it seems to me quite an unjust action on the part of those controlling this inferior wheat that they should allow such a state of affairs to exist, especially at a time when Western Australia is sending so much money out of the State for the necessities of life, which could be raised and produced within the State to great advantage. I hope the motion will be considered favourably and that, as a result, the calling of tenders for the distribution of wheat below milling quality will not be resorted to this year. The Scheme can utilise the staff they already have for the disposal of the wheat to the great advantage to those who are wanting it. I have said before that where there are wheat depôts in the various parts of the country for all the wheat that is required in the neighbourhood, the local storekeeper could be made the agent for the Wheat Scheme, and he could dispose of it on behalf of the Department of Agriculture on an ordinary commission. Statements would have to be made up from the department, and the storekeepers would not take on any risk but would be acting purely as agents for the department. The department would undoubtedly see that the wheat was

paid for, because those who were getting it would have it at a much cheaper price, and would be induced to go in for those industries which are now languishing because of the lack of a sufficient supply of feed. I should now like to refer to the second portion of my motion, namely, the fixing of the price. I contend that a sum of 3s. 6d. a bushel for the best quality of this inferior wheat is fair and reasonable. Notwithstanding that the Honorary Minister smiles, I maintain that the prices which have been ruling hitherto for f.a.q. wheat have placed the Government in the fortunate position of taking no risks so far as the balance of the wheat of inferior quality is concerned. If there is not a sufficient quantity of wheat below f.a.q. available, then considering that the 1919-20 harvest which is expected to yield between 10 and 12 million bushels, is just about due, and that there is a balance left over from the previous harvest, whether f.a.q. wheat or otherwise, there is a considerable quantity of wheat which could be made available at a fair price, to enable these industries to compete favourably with the outside trade. We in Western Australia have to send a considerable amount of money out of the State every year for the necessary commodities of life. It must also be remembered that we have sent a very fair proportion of men on active service, many of whom are returning maimed. It is our duty to encourage the settlement of these men on the large areas which are available within the metropolitan-suburban areas. With that object in view, I am sure, if the price of feed could be regulated in the way I have suggested, many more of these men would enter into this form of occupation under congenial conditions. To show the detrimental effect that the high price of feed has had up to the present, I should like to remind hon. members that an effort was made some months ago in the direction I have indicated, in the starting by the Government of a poultry farm at West Subiaco. Men who were experts in this walk of life voluntarily gave their services in connection with the raising of poultry and pig and poultry farms, for the purpose of educating returned soldiers in the art of making poultry raising successful and profitable. Although money was spent there in providing comfortable quarters for the men, and although the pens were renovated and everything that would be conducive to successful farming was planned and laid out, the men who were induced to start on the enterprise soon found that they were not able to make a living at the business on account of the price of poultry feed. It is only those who have had long experience and have been able to study the minutest details who have been able to make it a success, where others who did not possess the requisite knowledge or experience failed. Only those who were engaged in poultry farming in the Belmont district and elsewhere have been able to make a success of it up to the present.

These people have been aided by the fact that there are so few persons who are competing on the same ground with them that the demand for poultry is greater than the supply. If the Government will consider this proposal favourably I am satisfied that, even in a short time, we will have sufficient results to realise the most sanguine expectations in the directions at which I am now aiming. We have thousands of acres in the metropolitan area available for this purpose and most suitable for poultry raising. I do not forget what was said by some hon. members last week on a matter of the same sort, but I hope, as the circumstances are somewhat different now, they will be prepared to support me in this motion. This is a House of review, and if members will carry this motion I feel sure that the results will redound to their credit.

Hon. R. J. LYNN (West) [4.57]: I second the motion.

Hon. Sir E. H. WITTENOOM (North) [4.58]: I have every sympathy with the motion of the hon. member, and I think if he could achieve his object in any way it would be to the advantage of the State. There is no doubt that at present the people of the State would welcome cheap bacon, and cheap poultry and eggs, and therefore if we can by any means bring this about, we should do all we can in that direction. I do not rise at this particular time in opposition to the motion, but purely to point out how difficult our situation is in our endeavour to get cheap wheat at the price stated here when people seem willing to give a higher price for it. The unfortunate situation arises when there is apparently a conflict of interests between the Wheat Scheme and the pig and poultry raisers. Hitherto those who have been supplying wheat to the Scheme seem to have been able to get the price they have been asking, and it would be rather difficult for them, in the circumstances, to refuse to take the money. If any method could be brought about whereby this wheat could be secured cheaply, for the purpose set out by Mr. Duffell, I am sure it would be advantageous. I would draw attention to the position of the agents, Messrs. Dalgety & Co., because Mr. Duffell talked about that firm having a monopoly of the price, and it might be gathered that they practically dictated the price. The Honorary Minister himself pointed out the other night how Dalgety & Co. got into this position. Applications were invited from persons willing to handle this inferior wheat, and Messrs. Dalgety & Co. agreed to take it at an absurdly low commission. As they had a good organisation all over the State it was considered advantageous to close with them. I take it that saved the expense of employing a staff to distribute this wheat in various centres. So far as the price is concerned I understand that before it is

fixed a conference is held between Dalgety's representative and the representative of the Wheat Scheme. Dalgety's have nothing to do with the fixing of the price. All that they are concerned about is the price which is agreed upon. Therefore to put it forth that they are the cause of the high price is totally wrong. I must admit that if some of the stuff which I saw the other day is a sample of that which is sold for 5s., it can only be regarded as an absurdly high price, but then I am given to understand that what I saw had gone through several hands. All the same it was wheat that I should be very sorry to purchase myself. I do not know that I am prepared to vote for the motion until I have heard the remarks of the Honorary Minister. Mr. Duffell, however, should be congratulated on bringing the matter forward and no doubt his action will be appreciated by his constituents whether he is successful or not.

The HONORARY MINISTER (Hon. C. F. Baxter—East) [5.5]: The hon. member's motion can be divided into two parts. The first part relates to the agreement between the Wheat Marketing Board and Messrs. Dalgety & Co., giving the latter the exclusive right for the disposal of wheat below milling quality, which right should not be renewed after the date of expiration, the 31st December next. The hon. member has put forward a fair case from his point of view. The position at present is that there is very little inferior wheat on hand, and the probabilities are that at the expiration of the agreement another agreement will not be entered into unless it be for only a short period, say a month or so. If then we have a lot of inferior wheat on hand and there is any need for employing agents to handle it, tenders will be called from those willing to undertake the task. There will be a safeguard that if the tenders are not satisfactory the Advisory Board will have the opportunity of dealing with the wheat and distributing it.

Hon. J. Duffell: In other words the highest or lowest tender will not necessarily be accepted.

The HONORARY MINISTER: That is so. At the present time most of the inferior wheat which is being sold comes from the re-conditioning plant at Fremantle and that wheat can be sold at a fixed price. There are three grades which are always uniform and which cannot apply to any other inferior wheat sold on behalf of the Scheme. The last time the matter was given consideration the Advisory Board were sympathetic in the direction of having tenders called. They thought it better to follow that course on account of the many troubles the Scheme had had before. The tender which was submitted was so low that the Board were pleased to accept it and hand over the handling to the successful firm. The second part of the hon. member's motion sets out that all such wheat

shall be disposed of by the Board or their agents at a price not exceeding 3s. 6d. per bushel, while the price of milling quality wheat remains at the present figure. The price of milling quality wheat is 5s. 6d. a bushel. That is looked upon as very low as compared with the overseas price. The overseas sales have ranged from the sale to the Imperial Government of one and a half million tons at 5s. 6d. per bushel f.o.b. which is the lowest price, to as high as 10s. 4d. No hon. member has suggested that the products of the wheat should be sold below its value. I do not think any hon. member ever thought that if the price were fixed at 3s. 6d. the purchaser would get value. I do not hesitate to say that he will not be satisfied with the quality which will be supplied. It will be of too low a grade. It is a most difficult thing to fix the price of inferior wheat.

Hon. J. Duffell: What price are you getting for second quality?

The HONORARY MINISTER: As high as 5s. a bushel.

Hon. J. Duffell: Is that the average?

The HONORARY MINISTER: No, the average would not be 5s. There are three grades of wheat coming from the re-conditioning plant at Fremantle and they would not average 5s. The position the Government are in is that they are handling wheat on behalf of the growers of the State and they must get the full value of the product. Sir Edward Wittenoom said that the inferior wheat which he saw and which had been purchased for 5s. was very poor quality, but that wheat possibly changed hands two or three times before it reached the consumer. That is where the trouble comes in. If the consumer could buy direct from the Scheme's agents there would not be such cause for complaint. Mr. Duffell said that the pig and poultry people were paying such a price that they could not make their businesses paying propositions. I do not think he has gone deeply into this question.

Hon. J. Duffell: Yes I have.

The HONORARY MINISTER: Take a pig raiser. He is getting from 11d. to 1s. 3d. per lb. for the porkers or baconers which he puts on the market.

Hon. J. Duffell: Because there are so few competing with him.

The HONORARY MINISTER: The price of wheat has nothing to do with the high price of pigs, because breeders have been in the position until the last month or two of purchasing pollard at £6 15s. a ton.

Hon. J. Duffell: What are they paying to-day?

The HONORARY MINISTER: Eight pounds. They had fair quantities of pollard available and when they could buy it at £6 15s. they could put pork profitably on the market at 5d. a lb. The price has not been much higher for 18 months, so that there are no grounds for complaint on that score. At the present time they could afford to pay double the price for wheat for their pigs. The reason why there are not sufficient pigs here to-day

is that because two years ago the price was low and the usual result followed, namely, that a large percentage of the pig breeders went out of business, which they do every few years when the price is so low that pig raising is not a payable proposition. Subsequently, however, several bacon curing factories were established and they have been supplying the local markets to a large extent. As a matter of fact, the efforts of the pig breeders should never have been slackened. To sum up, it is a question of supply and demand. If there is a certain supply, then it can be sold at a cheaper rate. We are short of inferior wheat, and the time is not far distant when the suggestion the hon. member put forward will be acted upon; that is, we shall be disposing of our f.a.q. wheat to keep pig and poultry raisers going.

Hon. J. Duffell: Why not get on to the second and third quality milling wheats at present?

The HONORARY MINISTER: There are no second and third qualities. A small quantity of second grade milling wheat has come from the reconditioning plant, and most of that is going to the pig and poultry raisers. I do not know of any which is going to the mills, for there are few orders for second-grade flour. I see no need for the first part of the motion, because the feeling of the advisory board is that they will not need any agent to handle inferior wheat next year.

Hon. J. Duffell: Then there can be no objection to that part of the motion.

The HONORARY MINISTER: The second part is dangerous, and the hon. member would be wise to withdraw it, unless he wishes to place the scheme in the unfortunate position that they shall have to supply the wheat at the low price of 3s. 6d., which will not be satisfactory to the people he is representing. I trust the motion will not be carried, because it will serve no good purpose.

Hon. A. J. H. SAW (Metropolitan-Suburban) [5.17]: I intend to support the motion, not because I profess to be able to say the price of wheat should be 3s. 6d., nor because I have any grievance against the present agents, Dalgety & Co., but I intend to support it because of what I regard as the very unfair system whereby the price of this wheat is fixed. We are told by the Honorary Minister that it was fixed by the advisory board in conjunction with Dalgety's agent. Sir Edward Wittenoom, who I believe understands these things, tells us that Dalgety's agent is only a passive person in this agreement. Whether that contention is right, or whether the version of the Honorary Minister is right, the fact remains that the one person who is not represented is the consumer. Wherever we have price-fixing, it is most unfair that the consumer should not be represented and in this case, it is unfair that the seller should be the only person to fix the price of this

wheat. I suggest to the Honorary Minister that in any future arrangement, some representative of the consumer should be put on this board in an advisory capacity, so that the public may get a fair deal. The Honorary Minister has dealt with the question from the point of view of the wheat grower; Mr. Duffell has dealt with it from the point of view of the poultry farmer and pig raiser. There is someone else to be considered in this matter, and that is the source to which these products eventually go, and the last destiny of these products is undoubtedly the general public. It does not matter whether the poultry farmer or pig raiser puts up his price so that he can make a profit, the fact remains that the consumer is the man who has to pay. I have a great deal of sympathy for pig raisers and poultry farmers. They have a hard time of it. I remember many years ago, a gentleman who had started in the poultry line out towards Osborne Park came to my consulting room. He had been an officer in the Army, a journalist, and a bit of an author as well. Having suffered from dysentery, he was recommended by a doctor to come to Australia and engage in the salubrious occupation of poultry raising, an easy occupation so it was represented to him. After some time at Osborne Park, living in a little humpy and subsisting on tinned dog, he got a recurrence of his complaint, and I ordered him to the hospital. He said, "I cannot possibly go to the hospital; I have all this poultry out there." I said, "You must get someone to look after the poultry." He said, "I cannot get anyone." Then he told his story to this effect—"It was represented to me that poultry raising was a very easy occupation, but," he added, "the damned hens want feeding at 5 o'clock in the morning and I am kept going till nine o'clock at night." I appeal for sympathy for this class of the people, as well as protection for the consumer.

Hon. H. MILLINGTON (North-East) [5.21]: I am sorry I was not in the House when Mr. Duffell moved the motion, because it contains much that commends itself to me particularly after hearing the case put up by the Honorary Minister in defence. We have already had a discussion on second grade wheat, and it appears to me that the Honorary Minister, although he represents the Government Department, is still under the impression that the wheat grower is the only man to be considered. Although the Government have highly qualified officers—I have heard most enlogistic references to the man ager—who are capable of handling this wheat, he would have us believe they are not capable of handling the second-grade stuff. The department are quite able to deal with the sampling, re-conditioning, the grading, and the stacking and attending to the transport of the wheat by rail and sea, as well as to the selling of the wheat, and yet when it comes to a particular item that affects us locally, the business is handed over to a firm. My impression is that the depart

ment can do this work and it is about time the State departments were given to understand in no ambiguous manner that they have to do these things; otherwise there will be some justification for the public outcry that a Government department can do nothing. When we have a Government department such as this, the officers in charge of it should be prepared to do the work and justify their existence, and not merely act as a go-between and hand over to an outside firm any work required to be done. On that ground alone, I maintain the department could handle this wheat and see that those who require it get it at a reasonable cost. The Minister says the price of this wheat is controlled to a large extent by the law of supply and demand. I take it that is why Dalgety Ltd.—I have nothing to say against the firm—were called in. A statement previously made by the Minister was that when the law of supply and demand was allowed to operate, they were not getting a sufficient price for the wheat. Dalgety Ltd., and presumably any other firm having a monopoly of the sale of this wheat, could use artificial methods, as has been done, to force up the price of this mice and weevil refuse. This is what the poultry farmer has to buy. The Honorary Minister said there was a shortage of this second-grade wheat, and I believe that applies to-day. If there is a shortage, why not put some of the other wheat on the market? There is plenty of that. While the shortage prevails, those who require wheat have to pay a first-class price for any rubbish offering. I am pleased Mr. Duffell has brought the matter forward. It is one that affects the consumer. It appears to me that the industries to which the hon. member referred are almost as important as the great primary industry of wheat growing. The wheat grower, although he is entitled to consideration and generally gets it, must show some consideration for other industries. The plea put up by the Honorary Minister is that the poultry raiser can afford to pay this price. What an argument to put up in this House! It is not a question of what the poultry raiser can afford to pay. In this State we want eggs made available for the consumer, not at 1s. 7d. a dozen, but at a lower price. We want cheap food for the consumer and, if artificial means are adopted to rig the markets against the poultry farmer and the pig raiser, they cannot produce cheap food. It is all very well for the Honorary Minister to say the grower should get 5s. a bushel for his wheat, because those engaged in these minor industries can get an adequate price for their product. We do not want that. They are entitled to wheat at its value, and they have not been getting it. No one can say that the second-grade wheat sold by Dalgety Ltd. was worth what was charged for it. Presumably the sub-agents had something to do with this matter, and, as has been pointed out, the Government lost control of the inferior wheat when they entered into an agreement with Dalgety Ltd. Had the Government retained control of the inferior wheat, they could also have con-

trolled the price at which the retailer sold it to the man requiring it. My complaint is that the Government handed over this inferior wheat to a private agent, and it was his business to get as much as he could for it. The agent is not interested in assisting primary industries such as poultry and pig raising. He goes into the business to raise prices and put an artificial value in the commodity and, consequently, he is retained for that purpose by the Government. The Honorary Minister said the pool obtained an advantage from this, but there is much more to be considered than the wheat pool. Those engaged in the poultry and pig raising industries have suffered. The Honorary Minister may say what he likes, but the fact remains that if those engaged in these industries had been able to get wheat at a reasonable price, these industries would have been in a more flourishing condition to-day. These industries have been practically strangled, owing to the action of the Government, and I do not know that anyone has obtained an advantage. Even if the farmer has obtained an advantage, he does not want it at the expense of other producers. It is time we had a say in this matter. The practice of engaging outside firms to do what the Government department can do should be opposed on every possible occasion. Instead of putting the responsibility on the agent and sub-agent, this business could and should be controlled entirely by the department.

The Honorary Minister: It is now.

Hon. H. MILLINGTON: Yet the Minister stated that when it was handed over to Dalgety Ltd. the department lost control of it.

The Honorary Minister: Nothing of the sort; just the opposite.

Hon. H. MILLINGTON: Then the Minister approved of the artificial methods adopted to force up prices; in fact, to bear the market.

The Honorary Minister: No, we are getting full value for the wheat.

Hon. H. MILLINGTON: No, the Minister is getting an unfair value for all the rubbish he likes to put on the market. Dozens of those who require wheat would not give this stuff shed room if they could get f.a.q. wheat. But they had the option of letting their poultry starve or getting rid of it, or taking what they could get in the line of inferior wheat at an artificial price; and either the Government were helpless in the matter or, what is worse, they refused to interfere when they did possess the power. It would be very interesting to know whether the Government had power to fix the price and whether the Government are responsible for the enormous price charged for the rubbish which people have been forced to buy. I think Mr. Duffell is to be commended for bringing the matter forward. The section of industry represented by him on this occasion are entitled to consideration, and the matter is something which the Government should be called

upon to answer. I am pleased the subject has been brought up for discussion. I shall not discuss the price at which the wheat should be sold, but I do protest against the means which have been used practically to force people to buy wheat at exaggerated prices.

[Resolved: that motions be continued.]

Hon. J. J. HOLMES (North) [5.31]: I am afraid I am unable to support Mr. Duffell's motion for various reasons. First of all, I have to remember that the wheat in this pool is guaranteed by the general taxpayers of this State, and that the wheat is the property of the pool, and that it is the duty of the manager of the pool and others concerned to see that the full value of the wheat is realised upon. I am not going to be satisfied that the responsibility of the guarantee is relieved until the wheat stacks are depleted and the wheat is realised. We hear all sorts of rumours and reports as to the exorbitant price charged for the inferior wheat, but the fact remains that the inferior wheat is sought after. I understand that the demand is greater than the supply. Such being the case, it is the clear duty of those concerned to get the highest possible price they can for that wheat, irrespective of what the consumer may say, since it is the policy of this country to encourage the producer.

Hon. J. Duffell: Is not the poultry raiser a producer, too?

Hon. J. J. HOLMES: The policy of Parliament seems to be that the wheat producer must get the last possible penny for his wheat. As to the wisdom of that policy, there is no necessity for me to speak at this juncture. How is the price for the inferior wheat fixed, and how is that inferior wheat realised? It would appear that the manager of the pool fixes the price. Who, I ask, is better fit to do that than the expert manager? He is an expert. I have never met the manager, but I know that Dreyfus & Co., the big wheat people, would never have employed him if he were not an expert. He fixes the value of the wheat.

Hon. J. Duffell: Without ever having seen the wheat.

Hon. J. J. HOLMES: But he has the means of knowing what is a fair standard value. He instructs Dalgety & Co. accordingly. Thereupon Dalgety & Co. realise on that basis, receiving a selling commission of 2 per cent. What better system could there be for dealing with the refuse wheat? I have listened very attentively to the suggestion of the Honorary Minister that the Wheat Marketing Advisory Board might handle the distribution of this wheat in the near future. I look upon that proposal with alarm. If the Advisory Board are going to set about selling and delivering wheat, goodness knows where it will end. We shall be

establishing a record by setting up a new department almost every day. We now have a traffic department, to-morrow we shall have a price fixing department, and the day after to-morrow we shall have a wheat distributing department. This department will be a charge upon the pool, and as a taxpayer I take this opportunity of protesting against the proposal. The wheat is the property of the pool, and it is the clear duty of those controlling the pool to see that they get the last penny of value for the wheat. The price is fixed in a methodical manner and the demand exceeds the supply. For these reasons I cannot support the motion.

Hon. J. F. ALLEN (West) [4.37]: It is my intention to support Mr. Duffell's motion partly for the reasons which have been given by Dr. Saw. So far we have considered only the producer, failing to realise that the great majority of the people of this State are consumers. As the representatives of the people in this Chamber we are here to look after the interests not of one section of the community—whether they be wheat producers or egg producers or bacon producers—but the interests of the people as a whole. It is our business to see that justice shall be extended to the whole people. The question which exercises my mind is one which arises from the remark of the Honorary Minister that this inferior wheat is merely sold at its value. But what is its value? At present its value is fixed with no other consideration as to its quality than the judgment of the individuals who fix the price. I am surprised to find Mr. Holmes adopting the attitude he does. Ever since I have known him he has said that competition is the soul of trade. Now the only way in which the value of this inferior wheat can be fixed is by competition. The method of competition lies in the hands of the Minister himself. In the evidence taken last year by the Royal Commission on the Wheat Marketing Scheme, the fact stands out, in the portions read by Mr. Duffell, and also in other portions which the hon. member has not read, that the poultry and pig producers of this State were paying more for the wheat they purchased than it was worth as compared with the milling wheat sent through the mills. The consequence was that their products were increased in cost to the consumer, thus helping to raise the cost of living to extreme heights. The facts themselves show that that is the condition of things, without any evidence. Last year all the wheat in this State which was capable of being milled, from which any flour could be extracted, was sent through the mills, and only the absolute refuse which could not be put through the mills to extract flour of any commercial value was sold to the poultry and pig farmers. It was sold to them at a price fixed by the officials of the pool. On top of that, the price fixed by the officials was merely a minimum price, a reserve price. Then this rubbish—for what I saw of it could be called nothing else—was sold by auction in limited quan-

titles for the purpose of keeping up the market price. The pig and poultry raisers, who are engaged in a primary industry just as much as are the growers of wheat, had to pay a high price for a low grade commodity. The only proper way to fix the value of the refuse wheat is to give those who purchase it an opportunity of buying, alternatively, f.a.q. wheat. If the man buying wheat for pig or poultry raising is prepared to pay 5s. 6d. or 6s. per bushel for f.a.q. wheat in preference to the refuse wheat offered him, it shows that the price being asked for the inferior commodity is too high. Alternatively, if he prefers to purchase the inferior wheat, it shows that the inferior wheat is not being sold above its value. Last year we as consumers had to eat bread made from flour which was certainly fit for human consumption, but which still was of very inferior quality. I was interested the other evening to hear the Honorary Minister say that the flour sold in this State was equal to flour sold anywhere. I know something about the subject. I went through the mills when they were grinding the inferior wheat. I saw the flour which was produced from that inferior wheat. I tested it, and I know that it was very inferior flour and lacking in many of the qualities of flour for human consumption. When we realise that some of this wheat which was put through the mills had deteriorated to the extent of about 30 per cent. in value, and when we realise further that wheat of the same quality is being sold to pig and poultry farmers at much higher prices, we see clearly that the inferior wheat has been sold to the people of this State at much above its actual value. With regard to control of sales by the department, the Wheat Scheme is not a Government department in the ordinary sense of the term; nor can the Wheat Marketing Advisory Board, who control the Scheme, be regarded as a Government department. The very name shows that. Last year certain members of this House endeavoured to make the board an executive board, but we were over-ruled by the arguments of the Government and their supporters here and in another place. The Wheat Scheme is an organisation created in the interests of the farmers of this State, and the costs of the Scheme are met out of the product of the pool, and not out of general taxation.

Hon. J. J. HOLMES: I never said they were borne by the general taxpayer.

Hon. J. F. ALLEN: I do not say that Mr. Holmes or any other member has asserted that. I am simply pointing out that the Wheat Scheme is not a Government department in the ordinary sense of the term. I am very pleased that other States have seen the wisdom of the recommendation of the Royal Commission that the Advisory Board should be made an executive board. In South Australia the Advisory Board have become an executive board. But in this State there is only one man who can speak on behalf of the great consuming public, and that is the Honorary Minister in this

Chamber. All the others concerned in the pool are servants of the Scheme, the servants of the farmers, and act only in the interests of the farmers. The pig and poultry raisers are just as much primary producers as the growers of wheat, but there is this distinct difference between the two sets of producers—that the wheat-growers are not dependent upon any other primary producer. On the other hand, the pig and poultry farmers are dependent upon the product of the wheat grower. Consequently, they are in the difficult position of having to depend for their commodity on the success or otherwise of the farmer's operations. We have legislated over and over again in the interests of the wheat growers of this State. But, so far as I know, up to date we have never done anything to assist the pig and poultry farmers, even to the extent of supplying them at reasonable cost with the commodity necessary for the carrying on of their business. The only way to arrive at the actual value of the inferior wheat is, I repeat, to give the purchasers of it the opportunity of buying, alternatively, f.a.q. wheat at the current price.

Hon. A. SANDERSON (Metropolitan-Suburban) [5.45]: I am opposed to the motion because I cannot see that it is going to do any good. This question was fought out at great length on the Wheat Marketing Bill, and this is a Legislative Council and not a debating society. Let the hon. member get this motion passed unanimously, and what effect will it have? It will be absolutely ignored. And quite properly so, after the power given to the Minister in the Wheat Bill. We cannot have it both ways. No one has fought harder than I for the abolition of the whole thing and the giving of fair treatment to the consumer. This has been debated at great length and decided against us. What, then, is the use of the motion? The only way to put things on a proper basis is to get rid of the Country party. They openly acknowledge that they are out for the farmer. They have a majority in both Houses. What, then, is the use of coming in at the last moment and excluding the unfortunate consumers that they are to get any advantage from the motion? The passing of the motion unanimously would not have any effect whatever on those controlling the question. If it does have any effect it ought not to, because they are out to get the last penny for the farmers, and it may be said that we have agreed to that. What, then, is the use of a pious motion of this kind? I have no hesitation in voting against the motion.

Hon. J. A. GREIG (South-East) [5.47]: It seems to me that Dr. Saw, Mr. Millington, Mr. Allen, and others, are all out to see that the consumer gets a fair deal. The pig raiser and the poultry raiser have my sympathy. They are not getting what I would class as good value for their money to-day. But when it comes to a question of

what is the value of wheat, one may ask, what is the value of fencing wire to-day? It is just what you can get for it. So, too, in respect to other commodities.

Hon. J. Duffell: But you get value for your money there.

Hon. J. A. GREIG: The great trouble is that several members are very anxious to see that the consumer should have consideration. Let me point out that the consumer is the only man who is not paying a fair thing. The Honorary Minister told us the other day that the average value of the wheat ground into every ton of flour exported from the State to foreign markets is 8s. 3d. per bushel. We are selling our wheat to-day to our local millers at 5s. 6d. per bushel. Our local bakers are buying their flour at £11 12s. 6d. per ton, while for the flour we are sending across to Java, inferior flour, we get over £20 a ton.

The Honorary Minister: It is not inferior.

Hon. J. A. GREIG: We get over £20 a ton for it. That is to say, the pool gets that. I do not know how much the miller is getting, but we are selling our wheat to the pool at a price equivalent to over £20 per ton for the flour. Yet we supply our people here with a cheap loaf from flour at £11 12s. 6d. per ton. The consumer is getting his bread at about 2d. below its fair value. The consumers do not realise that, but the farmers do.

Hon. J. Duffell: Ninepence for a 2-lb. loaf!

Hon. J. A. GREIG: The consumer here is getting a cheaper loaf than is provided anywhere else in the world, and he should realise that the farmer is giving him that loaf, is selling his wheat at a cheap rate.

Hon. J. W. KIRWAN (South) [5.50]: It is news to hear that the farmers are so benevolently disposed towards the rest of the community. We ought to feel profoundly grateful to them for their kindness in giving us our loaf at a cheap rate. The patriotism they display in acting in that way is remarkable. I am going to support the motion. I confess it is not worded exactly as I should like, particularly towards the end. I am not quite sure that 3s. 6d. is a fair price to specify, but I will vote for the motion as a protest against what has been done in respect of the sale of inferior wheat. I have had a number of complaints from poultry and pig farmers in the province I represent about the excessively high price they have had to pay for inferior wheat. A good deal of doubt existed as to why this excessively high price was charged, but the discussion that has taken place here has thrown a good deal of light on the matter. I know the position is such that a number of men are talking of going out of the business, indeed I think some of them have done so. The charge brought forward by Mr. Duffell is a very serious one indeed, amounting to a charge of profiteering of a

very bad sort. Whether it was Messrs. Dalgety & Co. or the Government who were profiteering was very doubtful until we heard the statement made by the Honorary Minister. Since the Honorary Minister spoke, not the slightest doubt remains that the Government can justly be charged with profiteering in the matter of the sale of inferior wheat. The Minister said he was quite justified in getting the highest possible price for inferior wheat. When good wheat is available and the supply of inferior wheat is limited, notwithstanding which they refuse to dispose of the good wheat to those who want it, they can put up the price of inferior wheat as they choose.

The Honorary Minister: But we do not do it.

Hon. J. W. KIRWAN: The figures quoted show clearly that the inferior wheat has been disposed of at a price considerably above what its value would be if good wheat were available. The Government have restricted the good wheat available and, consequently, we have a clear case of profiteering. From every platform Premiers and Ministers are crying out against profiteering. We are passing legislation against profiteering. The Commonwealth Government are going to do the same, and surely the State Government ought to be the last people in the world to lay themselves open to a charge of this kind. I will certainly vote for the motion, and I hope it will be carried.

Hon. J. MILLS (Central) [5.55]: I have sympathily with the pig and poultry farmers, but I am not prepared to see the interests of the wheat farmers sacrificed to those of the small producers. The point that exercises my mind is this: the Honorary Minister states that the price of wheat supplied to the poultry and pig raiser is based on its milling value. I ask him, suppose no poultry or pig farmers required the wheat, could he get for it the price he is getting from the small producers?

The Honorary Minister: I think so.

Hon. J. MILLS: If so, he is certainly justified in asking the price he has put upon it. I will not vote for the motion.

Hon. J. CUNNINGHAM (North-East) [5.56]: I intend to vote for the motion. I was surprised to hear the remarks of Mr. Allen, who made it clear that the reason why the pig and poultry fodder has been so scarce—and such scarcity of course, enables the fixation of the price—is because the advisory board regulated the supply of inferior wheat by gristing a large quantity of that inferior wheat and turning it into bread for human consumption. It means that the people of that portion of the State where Mr. Allen found this bread were being fed upon pig and poultry fodder. We have a Pure Foods Act, and it is surprising that some action was not taken in the direction of prosecuting those people who

were foisting upon the consumers pig and poultry fodder and food in the shape of bread not fit for human consumption. We can see now how cute the advisory board is in the manipulation of the supply of damaged wheat for fodder purposes. There is no doubt that, if all that has been said on this motion is correct, profiteering has been going on. We find that the supply of damaged wheat is withheld, gristed into flour, and turned into bread for human consumption, merely for the purpose of regulating the supply of damaged wheat for fodder purposes. We can understand the position, and we know that that manipulation of supplies has been for the purpose of keeping up the price of damaged wheat made available for fodder purposes. At the same time it was pointed out that the Advisory Board, together with Dalgety & Co., had been constituted a Price Fixing Board. That being so I welcome this motion. The motion intends to make this House and not the Advisory Board and Dalgety & Co. the Price Fixing Board. The House is to become the Price Fixing Board so far as the price of damaged wheat is concerned. I am pleased that the hon. member has introduced the motion and I intend to support it.

Hon. J. NICHOLSON (Metropolitan) [6.0]: I understand that the object of the hon. member who moved the motion is to secure that which every member of the House has been endeavouring to secure, namely, a cheap food supply. Whilst I give him my fullest support in the object he has in view I cannot vote for the motion in its present form. It indicates that the Advisory Board shall not be empowered to renew the agreement which is already in existence at the expiration of the year, on the 31st December next. If that board is not empowered to renew some agreement the position will be that the Government will require, as pointed out previously, on the Wheat Marketing Bill, to establish agencies throughout the length and breadth of the State. The agreement with this firm was made, I take it from the explanation that has been given to us, in the best interests of the people of the State and of all concerned. If the board were to undertake this work the cost would be much greater, so that in place of a saving being effected the selling price of the wheat may be increased. If the hon. member had stopped short in his motion at the word "renewed," and had inserted in place of the words which follow other words to this effect, "that the agreement should not be renewed unless at such price and on such conditions as may be agreed to by the Advisory Board and a committee of two members selected from each House," I should have been prepared to support him. The opportunity would then have been given to representative members of each House to express their views on behalf of that section of the community which has apparently not been consulted in the fixing of the price. We, as

members, represent the body of consumers. It is our duty as representatives of the taxpayers to endeavour to assure to them a food supply at the cheapest possible rate. The method which has been adopted in fixing the selling price of this under quality wheat is such that it cannot commend itself to those who are consuming and using this wheat.

Hon. J. DUFFELL: It is below milling quality wheat.

Hon. J. NICHOLSON: Yes, but the method which has been adopted in fixing the price is not the proper method. We have a fair basis upon which we can fix that price. We know what is received for the wheat of the highest quality when sold on the London market. If we take that price, less freight and charges, we arrive at the true price of the wheat in Western Australia. That would give us a definite price upon which to proceed with other qualities of wheat of less value. This lower quality wheat could be fixed on a lower standard by a committee such as I suggest. People would then be enabled to get these various qualities of wheat at rates which would be fair and reasonable, and at which no one could possibly complain. The hon. member was wise in bringing forward the motion and in ventilating the subject, but I regret I cannot see my way to supporting the motion in its present form. It would only lead to a further cost in the handling of these inferior qualities of wheat to leave the matter entirely to the Government or the Advisory Board to deal with, as suggested.

Hon. R. J. LYNN (West) [6.6] I am opposed to the motion for two reasons.

The PRESIDENT: I hope I am not making an error. I thought the hon. member had seconded the motion. That, however, does not prevent him from speaking. It was only to confirm a note I made at the time that I made this inquiry.

Hon. R. J. LYNN: As a matter of fact I could not recollect for the moment whether I did second the motion or not. I oppose the motion for two reasons. One reason is that it would be impossible for the Government to create a department and bring about an organisation to deal with the matter, because of the small quantity of this wheat that is at present available. Immediately a Government department is created in order to handle a particular commodity, or in connection with any industry, it is a difficult matter to abolish it later. From the figures quoted by the Honorary Minister it would appear to be impossible to organise a department at the cost which is at present being charged for the performance of these services. Because of that I am opposed to the creation of a department for handling this wheat, which may subsequently become a permanent department for handling something else of a similar nature in the future. My second objection to the motion is that it does not go far enough to suit my views. If the mover had also inserted in it the price that should be charged for eggs and bacon, after the basis for the wheat is arrived at,

it might have been easy for me to agree with him. We would then have been obliged to add to that, that the labour for cooking the eggs and bacon should be at a certain rate too. If the House takes upon itself to say that 3s. 6d. shall be charged for each bushel of this class of wheat we should constitute ourselves an authority for saying that eggs shall be sold at 1s. 1d. a dozen and bacon at 9d. a lb. If we are going to regulate the cost of the commodity used in connection with the production of bacon, or as poultry feed in connection with the production of eggs, we should also constitute ourselves the authority to say that these commodities shall be sold at a rate according to the cost of their production.

Hon. J. Duffell: I want to protect the consumer.

Hon. H. STEWART (South-East) [6.12]: I am opposed to the building up of a Government department such as this. My opinion is very much in accord with that expressed by Mr. Lynn. I am opposed also to providing a Government organisation for the handling of the wheat, even if it is to be done at the expense of the pool and not at that of the taxpayer. It appears from the debate that inferior wheat has realised a higher price than it is worth. I do not mean that the minimum price is fixed at too high a price by the Advisory Board or by the general manager of the Scheme, but it seems as though there has been some undue inflation of the price of this commodity, when it has got out of the hands of the wholesalers and into the hands of the retailers or at some intermediate stage.

Hon. J. Duffell: At auction sales.

Hon. H. STEWART: In some cases no doubt this would apply to auction sales. One result of the motion may be that the Wheat Scheme will review the position, and endeavour to see that the price that is charged is only a fit and proper price for the quality submitted. That is all that is required to meet the case. Mr. Allen stated that the only person in connection with the scheme who could protect the interests of the consumers was the Honorary Minister. Dr. Saw seemed to have been under a misapprehension as to the constitution of the Advisory Board which carries out most important functions in connection with the Wheat Scheme. The Honorary Minister is one of the Board on which are only two wheat growers. The Board consists of two Government servants, and Mr. Field, the General Manager for Elder Smith & Co. Mr. Field and the Government servants with the Minister make up four members, who are not directly interested in wheat growing and in the price of wheat. I submit that they are quite capable of protecting or thinking of the interests of the consumer in this case.

Hon. V. HAMERSLEY (East) [6.14]: I feel inclined to support the motion and I

sympathise with the hon. member who moved it. I realise that many of those who form his constituents would very much like to get their wheat at a lower rate, but I also realise that we have entered into an arrangement by which we want to build up the resources of the State and obtain as much as we can for the farmers.

Sitting suspended from 6.15 to 7.30 p.m.

Hon. V. HAMERSLEY: I was remarking at the tea adjournment that I was not in favour of the motion, but I realise that the farmers require to obtain the greatest price possible for the article they produce, and if there is any move in the direction of having wheat sold to those who are raising poultry and pigs to enable those people to realise better profits, it seems to me that we are going to sacrifice the interests of the man who is producing wheat for those of the man who is raising poultry and pigs. I do not know that very serious fault has been found with Dalgety & Co. We certainly have heard complaints with regard to the inferior wheat and the price charged for it. Perhaps the complaints have not been levelled so much at that firm as at the retailers of the wheat after they have obtained it from Dalgety's for the purpose of distribution. There seems to be nothing to prevent retailers charging any price they like, and it certainly is not the wish of this House that we should fix a price. We propose shortly to regulate prices, and perhaps the public will be satisfied if the commissioners to be appointed will deal with wheat as well as other commodities which are sold to the public. I daresay other hon. members besides myself have had a communication from Foggit, Jones & Co. pointing out the big returns that can be obtained for the wheat by feeding pigs with it. According to them prices which pigs are bringing, the prospects for those who are engaged in that industry are bright at the present time, and it is pointed out that it is more profitable to dispose of the wheat in that way than to turn it into flour. So far as the price of flour is concerned, I understand that it is cheaper in this State than in almost any part of the world. It is hardly fair, however, that we should fix the price for all the wheat required for feeding pigs and poultry, as suggested by Mr. Duffell, at 3s. 6d. a bushel. I think sufficient has been said with regard to the use of inferior wheat for the manufacture of flour. The only effect of that is that it will probably damage the market value of flour. I firmly believe, however, that the mills have turned out as good flour in this State as is being turned out in any part of the world. I would not agree to the Government undertaking the distribution of wheat of lower than milling quality after it has been cleaned. Tenders should be called. At any rate, whatever course is adopted, I hope the Government themselves will not attempt to create a staff to deal with that wheat. I intend to oppose the motion.

Hon. J. EWING (South) [7.37]: The motion has a great deal to recommend it, but it is my intention to move an amendment which has been suggested by hon. members who have spoken earlier in the day. My intention is to strike out all the words after "renewed" in the sixth line and insert these words—"The general public shall have the opportunity to buy f.a.q. wheat at the price charged to the millers in the State." I should be sorry to have to record my vote against the motion, but I shall have to do so if it is put to the House in the form in which it appears on the Notice Paper. I want to make it clear that the explanation which has been given by the Honorary Minister so far as Dalgety & Co. are concerned is quite satisfactory. I understand that the position to-day is that Dalgety & Co. simply sell on commission. They have nothing to do with the fixing of the price. That being the case, I am quite satisfied, and I accept the assurance of the Minister that when the agreement expires tenders will again be invited from those who are willing to handle this class of wheat on commission.

The Honorary Minister: If there is any.

Hon. J. EWING: That overcomes the difficulty which was feared by other hon. members who have spoken about creating a new department. There is no reason why Dalgety & Co. or any other firm should not become agents for the disposal of inferior wheat. There is therefore no reason why we should not allow the first portion of the motion to go through. By doing that we do not cast any reflection on Dalgety & Co. We should, however, agree to the amendment I suggest. I am not prepared to constitute this House an advisory board, and that is my reason for substituting what I have read to members for the second part of the motion as it appears on the Notice Paper. The farmers are quite entitled to receive what their product will bring, and it is my desire at all times to protect them. But what has appealed to me is the fact that the man who goes in for pig and poultry raising is not getting what he is entitled to receive. Mr. Allen has made the position quite clear. We are not competent to judge what the price should be. Another difficulty is that the pig and poultry raisers cannot buy f.a.q. wheat in the open market. I understand they are prohibited from doing that. Therefore, if my amendment is carried it will overcome that difficulty. At the present time, being unable to purchase f.a.q. wheat, the pig and poultry people are compelled to pay an exorbitant price for an article that is not worth what they have to give for it. In the interests of the industry, therefore, what I propose should be allowed. That is the only way by which we can overcome the difficulty, and the general public will have the same opportunity as millers of buying wheat of fair average quality. I move an amendment—

That all the words after "renewed," in line 6, be struck out, and "That the general public shall have free oppor-

tunity of buying f.a.q. wheat at the price charged to the millers of the State" be inserted in lieu.

I am not prepared to adopt the first portion of the motion if it is regarded as any reflection on Dalgety & Co. I have made it clear and the Minister has made it clear that there is no reflection whatever against Dalgety & Co. Their agreement will terminate on the 31st December.

Hon. Sir E. H. Wittenoom: And the agreement is not to be renewed.

Hon. J. EWING: The motion simply means that the existing agreement should not be renewed. There is no reason why Dalgety & Co. should not apply and become the agents again.

The Honorary Minister: This means that Dalgety & Co. cannot be employed again.

Hon. J. EWING: I do not put that construction upon it. If it is so, I should prefer to strike out the opening portion of the motion. I think the motion merely means that the existing agreement should not be renewed. It does not mean that any other agreement shall not be entered into with Dalgety & Co.

Hon. Sir E. H. Wittenoom: I think that was the intention.

Hon. J. EWING: If it is so, I shall vote against the motion. I would not reflect upon a firm like Dalgety & Co., who have done so much for this State.

Hon. J. DUFFELL: I made it distinctly understood that no reflection on Dalgety's was intended.

Hon. J. EWING: That is how I regarded the motion. If the Minister puts a different construction upon it, then it is quite competent for him to move another amendment.

Hon. J. DUFFELL (Metropolitan-Suburban—on amendment) [7.47]: While I am quite in accord with the amendment so far as it will enable the general public to obtain f.a.q. wheat at the price charged to the millers of the State, I am still of opinion there should be a limit to the price of wheat for feed purposes—wheat which is below milling quality. My reasons for moving the motion were clearly stated to the House. When a truck of wheat for feed purposes was brought into Perth for sale, the distributing agents through their auctioneer advised six or eight people, knowing that those people required such wheat. Arrangements were then made that the wheat should fetch from 4s. 6d. to 5s. a bushel. That was the price fixed by Mr. Roys without having seen the wheat or without knowing what it was worth. As we have a certain quantity of inferior wheat and shall continue to have it so long as there is wheat in the stacks, there should be a provision that such wheat should not as in the past be sold at fictitious prices. We have had an illustration that the Government, by the limitation of the supply and the fixing of price beyond the value, are amongst the greatest profiteers who have come under

our notice during the whole of the controversy on the scheme. They have been proved beyond dispute and up to the hilt to be profiteers of the deepest dye. When they endeavoured to force a value on a commodity which commodity was not of that value, their actions had a material influence on the prices of food stuffs which had to be purchased by the general community.

The Honorary Minister: Wheat is always valued on the sample.

Hon. J. DUFFELL: What about the wheat sent from Quairading? There were 1,250 bags sold for £275 and the Honorary Minister regretted he was not a partner in it. That wheat was sold at 3s. 6d. a bushel and was not worth £3 a ton. What about the sample in that instance? Was that wheat valued on the sample? The further this debate goes the more I am convinced of the ignorance of the man controlling affairs—

The Honorary Minister: I rise to a point of order. The hon. member said there were certain parcels of wheat which I regretted I was not a partner in. I challenge him to prove that statement. It was a dead loss and I never desired to be a partner in any such transaction.

Hon. J. DUFFELL: The Honorary Minister told me with his own lips before Hatch Bros., the purchasers, had realised how much rotten stuff there was in the heap. The Minister made a statement with regard to Mr. Solomon, who gave evidence before the Royal Commission, that Mr. Solomon desired to pick the eyes out of it before it came to the market. I do not make a statement unless I know what I am talking about. The further the discussion goes, the more I am convinced of the inability—I did say ignorance—of the Honorary Minister to control an operation having such magnitude as the Wheat Scheme in Western Australia.

The Honorary Minister: That is why our wheat is the most satisfactory in all the States.

Hon. J. DUFFELL: According to a statement in the Press to-day, the Wheat Scheme of Western Australia is indebted to the Wheat Pool of Australia to the tune of £923,000. That might be accounted for by the fact that millers of this State have gristed more in proportion to the quantity exported and for that reason it would adjust itself. I do not know but that is how it appears on the face of it. The fact remains that, while I agree with the amendment, I realise it is a step further than I desired my motion to apply. I am anxious that the poultry and pig raisers should be able to get f.a.q. wheat at 5s. 6d. a bushel. If they could, I should be satisfied and so would they. But there will still be a certain quantity of wheat not fit for milling purposes and that is what the Minister has been profiteering with and that is what he contends the farmer should get a higher value for. What does the Minister infer that the farmers of Western Australia have

come to the decision that a fair local price shall be the parity of a country where the people are actually on the verge of starvation and where they are paying fabulous prices for wheat for gristing purposes. That is the direction in which they are drifting. It is a danger to the State; it is unhealthy for Western Australia and the sooner we return to a sound commercial method of handling this product the sooner will Western Australia emerge from the trouble in which it is involved owing to the high cost of certain commodities brought about by the profiteering of the Wheat Pool of this State. In the circumstances I hope Mr. Ewing will consent to the amendment being added to the end of my motion without striking out any words. There has not been one argument to convince me that I was not justified in bringing this matter forward. Red herrings have been dragged across the track, particularly by Mr. Holmes when he said that the Government would be building up another department for all time. That is positively absurd. The Government have a staff capable of doing this work through the storekeepers and the agencies of which they have control. In December of last year when the Bill containing the agreement with the Westralian Farmers, Ltd., for handling the current season's wheat was before the House, Mr. Keys was asked whether, in the event of the agreement being turned down, he could handle the wheat, late in the season as it then was, and he said, "Yes, we could do it but it would be somewhat inconvenient." If they had the machinery, the facilities and the people capable of utilising the agencies in various parts of the State at such short notice, the argument of Mr. Holmes that we should be creating a new department which would last for all time is shown to be without foundation and will not stand the test of inquiry. Rather than see my motion lost, I would be prepared to accept the amendment, but I hope the amendment will be added to my motion in the manner I have suggested. I thank the leader of the House for his courtesy in allowing other business to stand over while this motion was considered. I appreciate the privilege, and I thank those members who have stood by me so loyally in trying to bring to finality a matter so near and dear to me and to the people I represent.

Hon. J. W. KIRWAN (South—on amendment) [7.57]: If the amendment is put in the form in which it has been moved, I think there will be a danger of both the amendment and the motion being lost. If Mr. Ewing would slightly amend his amendment and adopt a different form, it might be accepted by Mr. Duffell, as it would meet that gentleman's views. Mr. Duffell's objection to the amendment is that, unless a price is stipulated for inferior wheat, there is a danger of it being sold at a price in excess of its value. Mr. Ewing's proposal, if carried, would ensure that inferior wheat could not be sold at a price

in excess of its value, for the simple reason that, if there was any attempt to do so, purchasers would be able to secure f.a.q. wheat. There should be no possibility of what has existed hitherto being continued. I suggest that Mr. Ewing move to strike out all the words after "House" and insert other words so that the motion would then read—"That in the opinion of this House, the general public should have free opportunity of purchasing f.a.q. wheat at the same price as the millers of the State." I think that would meet what is desired by Mr. Duffell, and also what is desired by Mr. Ewing. It seems to me, as one who has followed the debate very closely, that it will also be in accordance with the views of the majority of members who have spoken. At any rate, I would suggest to Mr. Ewing that he might amend his motion in that direction.

The PRESIDENT: Before any such amendment is moved it will be necessary for Mr. Ewing to withdraw his present amendment, because the amendment suggested by Mr. Kirwan deals with words previous to those which Mr. Ewing's amendment proposes to strike out.

Hon. J. EWING: I ask leave to withdraw my amendment.

Amendment by leave withdrawn.

The PRESIDENT: Now it is competent for any hon. member to move an amendment.

Hon. J. EWING (South-West) [8.4]: I move an amendment—

That all the words of the motion after "House" be struck out and the following inserted in lieu:—"the general public should have free opportunity of purchasing f.a.q. wheat at the same price as the millers of the State."

I am pleased to have the opportunity of doing this, and I thank Mr. Kirwan for suggesting the amendment. It overcomes a difficulty which I had in my own mind with regard to Dalgety & Co. I hope the Honorary Minister will accept the amendment.

Hon. Sir E. H. WITTENOOM (North, on amendment [8.5]: Before I decide how to vote on this amendment, I should like to hear the views of the Honorary Minister. We do not know how the carrying of the amendment would affect the price of the wheat that is in the pool. The first object that the Honorary Minister and the pool have is to conserve the interests of the farmers who have put their wheat into the pool to be sold at best price. Moreover, an advance has been guaranteed against this wheat. How will the carrying of the amendment affect the sale of the other wheat if any purchaser is given access to the f.a.q. wheat whenever he thinks fit? It must either lower the rate at which the damaged wheat is sold, or else make the damaged wheat unsaleable.

The HONORARY MINISTER (Hon. G. F. Baxter—East—on amendment) [8.6]: I must oppose the amendment. Is it reason-

able to ask that the Government shall dispose of small quantities of wheat at the same price as that at which they supply large quantities for local consumption? The carrying of the amendment would impose a further burden on the wheat growers of the State.

Hon. J. J. Holmes: Not upon the wheat growers, but upon the taxpayers.

The HONORARY MINISTER: Possibly upon the taxpayers, if we go to that length. I am not prepared to tell the taxpayer of this State that we can go on selling f.a.q. wheat at the low price of 5s. 6d. per bushel for feeding pigs and poultry. The wheat used for those purposes would, under such conditions, run into large quantities, and the pool could not possibly come out on the right side of the ledger. As a fact, this trouble has all come from people who desire to get wheat below its value.

Hon. J. Duffell: Nothing of the kind. These people only want value for their money.

The HONORARY MINISTER: The Wheat Scheme and Dalgety & Co. sell the damaged wheat at its fair value. The trouble arises from the distributors, who purchase from the Scheme's agents. In the first instance, the price is quite reasonable and full value is given for the money; but when the wheat has passed through two agents their profits put up the price of the wheat. Consumers have the opportunity of going into the saleyard and combining to buy a truckload. The result of carrying the amendment will be that the Government will have the whole of the inferior wheat left on their hands.

Hon. G. J. G. W. MILES (North) [8.7]: I am in favour of Mr. Ewing's amendment. Last week, when the Wheat Marketing Bill was under consideration, I had the same object in view, namely, to give to the public an opportunity of buying f.a.q. wheat at a fair price.

Hon. A. Sanderson: This amendment will not give them that opportunity.

Hon. G. J. G. W. MILES: The amendment is an instruction from this House to the Government to do it. Of course a provision to this effect should have appeared in the Wheat Marketing Bill. However, that Bill having been dealt with, I support the amendment. If the public have the right to buy f.a.q. wheat, the inferior wheat will find its own level. That is the key to the whole position. The inferior wheat will come on the market at its true value. I do not agree altogether with selling a bag or two bags of wheat at the same price as the pool sells to the millers. The pool might be allowed a small advantage in respect of small lots. But a party buying a truckload of wheat should get it at the same price as the millers. To me it seems clear as daylight that that is the only way of handling the business. If the matter is not settled on this basis, the price-fixing Commission could override the Government and fix prices for wheat.

Member: The price-fixing Commission can only recommend prices to the Government.

Hon. G. J. G. W. MILES: If the Commission make a recommendation to the Government and the Government fail to carry out that recommendation, we should get another Government.

Hon. A. SANDERSON (Metropolitan-Suburban—on amendment) [8.9]: I will support the amendment on the one condition, that we get a definite and solemn statement from the Honorary Minister that he will pay attention to the amendment and carry out its terms. I am at a loss to understand the attitude of members of this Chamber in dealing with the question. If we are going to conduct our political affairs in any manner that will commend itself to the country as a whole, we must openly and fairly accept the position when we have been defeated. Members who have been fighting against the Government over this Wheat Scheme have been openly defeated in both Houses of Parliament. We must accept the position. To bring forward an amendment like this at the end, when the matter has been settled, what does it mean? Nothing at all. It seems to me that by carrying the amendment we shall be stultifying ourselves. This Chamber has allowed the Wheat Marketing Bill to go through, and thereby has given the Honorary Minister a certain power. He is entitled to that power, and to the fruits of his victory. What he will have to pay for the victory later on is another question. To ask him to accept this amendment—which I readily admit is a much more cleverly worded piece of draftsmanship than either the original motion or the first amendment, thus revealing "the old Parliamentary hand"—is to ask him to surrender the fruits of his victory. After what we have been through during the three weeks the Wheat Marketing Bill has been before this House, the responsibility is on us and not on the Minister. If the amendment were carried, the Honorary Minister would be justified in disregarding it altogether. The Country party have won the first rubber in the big game they are playing, and they are entitled to the fruits of their victory. It is no use bringing forward an amendment of this kind, which cannot have any effect whatever, and of which the Honorary Minister will not take the slightest notice. I try to recognise the position. We have certain powers and responsibilities, and on this occasion we have given way to the hon. gentleman. The amendment, therefore, has no value whatever.

Hon. J. W. KIRWAN (South—on amendment) [8.13]: I would like to say a few words on the amendment moved by Mr. Ewing. The Honorary Minister states that the effect of the amendment would probably be to leave the whole of the inferior wheat on the hands of the Government. But that would not be the effect of it. The effect would be that the holders of the inferior wheat would have to sell it at a reasonable price.

The Honorary Minister: Below its value

Hon. J. W. KIRWAN: The reason why the inferior wheat went up in price was that the ordinary law of supply and demand was interfered with. The people could not obtain f.a.q. wheat, and they could get only a limited supply of the inferior wheat. Once we re-establish the ordinary law of supply and demand, and the people can choose between f.a.q. wheat and the inferior wheat, the position will become normal and the inferior wheat will be sold at what is a fair price for it. I sincerely trust the House will carry Mr. Ewing's amendment.

Hon. J. J. HOLMES (North—on amendment) [8.14]: The hon. member who has just spoken pointed out the effect which the amendment moved by Mr. Ewing will have if carried. But what is causing me concern is that the amendment, if carried, will have yet another effect—an effect not upon the inferior wheat but upon the pool. I am not going to stultify myself or be led into difficulties and share the responsibility of this pool. At the present time the wheat is being put into the pool. An advisory board has been appointed to control the sale and distribution of that wheat, which is the security, and at this stage I am not going to take the responsibility of dictating to the advisory board as to how it should be distributed. That is the position that I take up. We have a manager in Perth, who is in charge of the pool and he is an expert. The advisory board comprises two farmers and two business men, and in the opinion of that advisory board this is the way to handle that wheat. As far as I am concerned, I am going to give them a free hand to liberate the State from its liability to the pool, and I am not going to do anything that will roll that advisory board of its power.

Hon. J. F. ALLEN (West—on amendment) [8.16]: I intend to support the amendment. To my mind the only man we should look to for the protection of the people as a whole in connection with the wheat pool is the Minister controlling its operations in this House. On the other hand what do we find? We find a Minister pledged to one section or practically pledged to one section of the people, and measure brought forward by the Government appears to be framed from the point of view of the wheat farmers of the State. The time has arrived when Parliament should put its foot down and say "We must consider the people as a whole and not one section." Mr. Holmes has said that there is a question of the guarantee to the farmers and the taxpayers responsibilities thereto. I say that, in dealing with the pool, I must consider not the transactions in that pool but rather the interests of the people of the State. They guaranteed the payment to the farmers and their interests must be conserved and not the interests of the farmers only. Supposing f.a.q. wheat was released for the benefit of the

public. What would be the result? Assuming the Minister's statement is correct—which I dispute—that inferior wheat would be left in the hands of the pool and that the guarantee would not be met out of the proceeds of the pool, is it fair that the number of people having the benefit of f.a.q. wheat should be small? That will not be the result if f.a.q. wheat is released, but on the contrary it will have the effect pointed out by Mr. Kirwan, and the value of the inferior wheat will be fixed in competition.

Hon. G. J. G. W. Miles: It will adjust itself.

Hon. J. F. ALLEN: No one refuses wheat which is of value to him at a price which suits him, even if it is not f.a.q. The law of supply and demand and competition will always fix the price of inferior wheat.

Hon. J. J. Holmes: And affect the pool.

Hon. J. F. ALLEN: Yes, to a certain extent, but even if it does and the ultimate result of the pool shows not so much profit perhaps to the farmer as he expects, is it not something that the farmer owes to the people who saved him, and who, while at the same time helping themselves, helped the farming industry. The people who do that have a right to consideration from the Government in the interests of the people as a whole and not in the farmers alone as appears to be the case.

Amendment (that the words be struck out) put and passed.

Hon. H. STEWART (South-East—on amendment) [8.26]: The proposal is more dangerous than appears on the surface. If this motion is carried, then the central wheat board will have something to say. Even if it does not, the proposal opens up a position that, if the Government were to take any notice of this resolution, and I do not think they will, then the way is open to people not only to buy small or large quantities of f.a.q. wheat but to carry on operations that will seriously prejudice the successful completion of the pool.

Amendment (that the words be inserted) put and a division taken with the following result:—

Ayes	6
Noes	12
Majority against	6

AYES.

Hon. J. F. Allen	Hon. G. W. Miles
Hon. J. Ewing	Hon. A. J. H. Saw
Hon. J. W. Kirwan	Hon. J. Duffell

(Teller.)

NOES.

Hon. C. F. Baxter	Hon. C. McKenzie
Hon. H. Carson	Hon. J. Mills
Hon. H. P. Colebatch	Hon. J. Nicholson
Hon. J. A. Greig	Hon. A. Sanderson
Hon. V. Hamersley	Hon. H. Stewart
Hon. J. J. Holmes	Hon. Sir E. H. Wittenoom

(Teller.)

Amendment thus negatived.

NOTICE OF MOTION--NITRO-GLYCERINE EXPLOSIVES.

To inquire by Select Committee.

Order of the Day read for the consideration of the following notice of motion by Hon. H. Stewart:—

That a select committee of the House be appointed to inquire into the relative merits of potassium nitrate and sodium nitrate nitro-glycerine explosives, and also into the circumstances leading up to the framing of the regulations in connection with the same.

Hon. H. STEWART (South-East) [8.29]: With your permission, Sir, as I do not propose to proceed with the Notices of Motion Nos. 2 and 3, the latter of which deals with the disallowing of the regulation, I would like the opportunity of saying a few words of explanation to this House. I put these notices on the Paper some time ago in order to have an opportunity of seeing what was the actual meaning of a new regulation which had been gazetted, and which, I feel, no one except the officers of the Explosives Department and perhaps some Mines Department officials understood. Prior to the war, restrictions were imposed by regulation on the composition of nitro-glycerine explosives which were not deemed advisable in any other State of the Commonwealth or in any other part of the world. As the regulations dealing with the explosive question have been modified, no good purpose will be served at the present time by proceeding with these notices of motion which stand in my name. As there is some doubt as to how free competition in the supply of explosives in this State will result under these new regulations, I am making further investigations which will involve inquiries from manufacturers throughout the British Empire, and if these show the position to be unsatisfactory then I will probably bring up a similar motion at some future date.

BILL—TRAFFIC.

Report of Committee adopted.

BILL—PRICES REGULATION.

Second Reading.

Debate resumed from 6th November.

Hon. Sir E. H. WITTENOOM (North) [8.30]: I rise with a certain amount of trepidation to address myself to this subject for I realise the tremendous interest shown in it throughout the State. I have listened with attention to the three speeches already made. I have been looking for information. I fully expected to find numbers of instances of profiteering. I expected members would be primed with instances of robberies by profiteers. Yet what did we hear?

Hon. J. W. Kirwan: What about the inferior wheat?

Hon. Sir E. H. WITTENOOM: I was going to give Mr. Duffell the credit for having been the only one so far to give us an instance of profiteering. If the rest of the profiteering is only on the same lines, I think there is no necessity for the Bill. What did we hear in those three speeches? The Minister moved the second reading of the Bill in a most faint-hearted manner. Not a single instance of profiteering did he give. Indeed, he almost showed that the Bill was unnecessary. He stated the two reasons for the high rise in prices, and to my mind they were the true reasons, namely, a plentiful supply of money and a scarcity of production. But he went on to say that what we want to protect ourselves against are these combinations and co-operations. To show how inconsistent he was, I remind hon. members that it is not long since we heard him advocating co-operation; I believe he singled out the farmers for praise in that respect. The other matters he referred to in his speech were not of much importance in relation to the Bill. There was a total absence of instances of profiteering. We then heard the speech by Mr. Sanderson, who made a masterly address, showing how mischievous the Bill might be in certain directions. He was followed by Mr. Panton, who did not seem to care very much whether the Bill was passed or not; indeed, he seemed considerably embarrassed in addressing himself to it, and he spent the whole of his time in denouncing the combinations, combines, and various co-operations who, he said, were vying with each other in trying to rob the people. The first question, to my mind, is: Is the Bill necessary, is it required? Until that point is decided it is unnecessary to go very far into the various details. No doubt those details would be necessary for carrying out the principle if once it was adopted. However, I imagine the provisions in the Bill are nearly all new and original, because I do not find in the marginal notes any indication of whence they have been taken. From the lucid explanation of the Minister, no doubt they would be necessary if we once admitted the necessity for the Bill. But I want concrete cases. I shall listen with attention in an endeavour to find out who are the profiteers. If this information is not supplied, I will regard the Bill as unnecessary and superfluous; and if it be superfluous and unnecessary, it may do a great deal of harm unless it is administered with great discretion and astuteness. The question is, where are we to get persons to administer it with discretion and diplomacy? A great deal of harm could soon be done to trade by persons unfitted for the high position of commissioners. What is a profiteer? I have looked into the interpretation clause, but I find no mention of the word there. Why was it not defined in the interpretation clause?

The Minister for Education: Is there any reference to it in the Bill?

Hon. Sir E. H. WITTENOOM: I want to find out what a profiteer is. Would a man who goes up to the North-West and buys a drought-stricken station for £10,000 and takes the risk of the seasons, and after two or three years sells it for £30,000—would he be a profiteer? Is he to get nothing for his foresight and risk? Is he a profiteer? Take a medical man—

Hon. A. J. H. Saw: No, no, no!

Hon. Sir E. H. WITTENOOM: This is absolutely impersonal. I knew a medical man in the city who charged 70 guineas for an operation. Probably others could have done the operation for 10 guineas. He charged his 70 guineas and got it. Is he a profiteer? Take a leading lawyer: I know one whose retainer is 30 guineas. The retainers of most others are a good deal less. But this one will not work for anything under that figure. Is he a profiteer? Take a mob of shearers who go to a station in the North-West agreeing to shear at a certain price, and on arriving there refuse to sign unless they are paid an additional 5s. per hundred: Are they profiteers? I want to find out what is a profiteer. I know of a recent case in a town not far from here. A man was fortunate enough to own a large warehouse stocked with wool. After the appraisal the warehouse was empty. It was just in the chaff season. He filled the warehouse with chaff at £5 per ton on trucks. His argument was that there was a possibility of a rise, and as he was getting no rent for his warehouse just then, the rise would represent his rent. The rise came; he got his rent and a fair profit over it. Is he a profiteer? There are lots of these cases. Take one more: Take a man who has a stack of hay on his farm and is keeping it during the summer for his sheep: Rain comes opportunely and provides him with green feed. He sells his stack of hay at an enhanced price. Is he a profiteer? There are two classes in this State which cannot possibly be described as profiteers. One is the farmer and the other is the pastoralist. The farmer is not a profiteer because, hitherto, until he got 5s. a bushel—and he has not had it yet—he supplied his wheat to the public below cost. Last year the average was below eight bushels, and the guarantee price was 4s. 4d. Therefore eight bushels at 4s. 4d. represents 34s. 4d. per acre. No man could make a living out of that. Therefore I say no farmer can be described as a profiteer. Nor can the pastoralist be so described, either in respect of wool or of meat. Take wool: Wool has been sent from this State and sold in England at 2s. 10½d. and at 3s. 0½d. I am pleased to say that one of our members, Mr. Holmes, was the owner of the 2s. 10½d. lot.

Hon. J. J. Holmes: But I did not get it.

Hon. Sir E. H. WITTENOOM: Half the clip was kept behind and was sold here at 1s. 3½d. Taking it as a fair average all

through, the wool purchased at a flat rate of 1s. 3½d. in the Commonwealth would have brought 3s. in England. Therefore, we see at once that so far from the woolgrower being a profiteer, he has contributed 1s. 9d. to British taxation. Had he received the 3s. or the 2s. 10½d. he would probably have been a profiteer; at least he would have had great profits in war time. But no one can accuse the pastoralist in respect of wool of being a profiteer, because he got 1s. 3½d. instead of 3s. Mr. Dodd, the other day, speaking about the same thing, said the pastoralist had done well out of the war and during the war. Previous to the war it was admitted that the average of wool was 1s. a pound. The average now is 1s. 3½d., flat rate. The rise in wages of all descriptions, rents, everything to do with the industry, easily corresponds to the extra 3d. per pound. So the war has done very little for the pastoralist in respect of wool, owing to the flat rate; and when you take his taxes and his war time profits from that, I say he is in the same position at 1s. 3½d. as he was at 1s. Therefore my argument is that he is not a profiteer. Let us take meat. No one can accuse them of profiteering in meat, because in the first place every bit of meat is offered at public auction. The war has nothing to do with the price of meat, for the reason that there has never been any export of meat from the State. Further than that, we have had 30,000 men away from the State who would have been eating our meat, and that would have made meat even dearer and more scarce. The fact of meat being the price it is to-day has nothing to do with the war, except that we could not get ships to bring the cattle down from the North-West. There has been no profiteering in connection with meat, because this is put up to auction, and anything that is put up to auction and taken fairly and openly cannot be called profiteering.

Hon. J. Duffell: Sold to the highest bidder.

Hon. Sir E. H. WITTENOOM: Yes. With regard to eggs, if this Bill is passed, I hope this regulation of prices will be up in some cases, although the general tendency will be to bring them down. One of the cases I speak of is in regard to eggs. I am not speaking about the price at the present moment, but my experience is that for a long time they were sold wholesale at 8d. a dozen. The daughter of a farmer who gathers up the eggs, and tears her frocks and stockings in so doing, and collects, say, 12 dozen and takes them to market and returns home at the end of the day, will get 8s. for her day's work. Who can say that there is profiteering in eggs at that rate?

Hon. J. Ewing: Is that the price?

Hon. Sir E. H. WITTENOOM: It was the price.

Hon. A. J. H. Saw: What about the prices in between?

Hon Sir E. H. WITTENOOM: They were sold at 10d., and at 1s. retail to the people who bought them. They were my own eggs so I know what I am talking about. The proper definition of a profiteer is a conspirator, a man who creates a scarcity or monopoly or higher prices. A man who purposely does this and creates this position is the person we want to be down on. If these men exist I say let us come down on them as heavily as we can. For my part, I know of no combination of people who have gathered articles together and held them until they were scarce. The man who has a little foresight and enterprise sees ahead for three or four months, believes that there will be an opening and buys with discretion and a little later on sells again, is the man who is taking advantage of his opportunities and is not a profiteer. The man who is enterprising and energetic deserves all he can make, but the man who by his own action creates a position by which he prevents other people from getting food or necessary articles is a profiteer. Many of the complaints as to profiteering are made by people who do not know the real situation of the case. They do not know the exact state of trade. They say that prices are high and that one is keeping back something in a cellar. Last week I happened to go into a shop to get hold of such a prosaic article as socks. The man there told me that I could not get socks anything like those I had before. He said he remembered that they were 4s. 9d. a pair, and that if I had those socks now they would cost me 10s. 6d. He said they were made by a Scotch firm and when I asked why he did not get them out he said it was because they were no longer supplied, and that if they were supplied they would cost me 10s. 6d. a pair. If he had got them out no one would have believed that he had not been hiding them away somewhere until prices had gone up. In regard to singlets, I take the case of a man who had been selling them at £1 a suit. He had run out of stock and his customer asked him to send to England for half a dozen suits. The reply came from England that they hesitated to execute the order until they received a letter in return because they could no longer supply them at under £2 a suit. Had this man got the article out and charged £2 10s. a suit and the 35s. duty people would have said that he was profiteering. There are many cases of this kind, which people cannot understand unless they know the business side of it. I do not say that some people do not take more than a full advantage of prices. In my opinion profiteering is not rampant in our city. We have no manufacturers here, but are dependent on the prices that are charged to us elsewhere, because we import so much. On the question of sugar, I would remind hon. members that this went up in Java from £12 a ton to £54 a

ton. If sugar was imported here at that price people would say that profiteering was going on. These are matters which we cannot get over.

Hon. J. Duffell: Did you say £54 a ton?

Hon. Sir E. H. WITTENOOM: I saw that in the paper, although I can hardly believe it myself. My opinion of the cause of high prices is the same as that of the leader of the House. It is caused by the plentiful supply of money, and paper money at that, and by the decrease in production. Owing to the war everything has been very unsettled—the position is worse in Great Britain than it is in the Commonwealth, though it has been bad enough here—with the result that production has been very much less, whilst the money distributed owing to the war in pensions and other allowances has been so plentiful that people who could not buy certain articles before are now able to compete with those who were better off. The consequence is that the price goes up as there is more demand for a particular article and more money with which to buy it. There has been a tremendous amount of money distributed in the last five years. There has been loan money put into circulation, and there have been the allowances paid to soldiers and the widows of soldiers. I understand that every soldier who comes back from the war is given three months' leave on full pay.

Hon. A. J. H. Saw: No, no.

Hon. Sir E. H. WITTENOOM: I was told that it was so.

Hon. A. J. H. Saw: He gets a fortnight for every year that he served.

Hon. Sir E. H. WITTENOOM: So far as my argument is concerned they get a certain amount after they return. Then there are the allowances to the widows, and there is the pay to the numbers of men who receive sustenance allowance because they are not able to get anything to do. Then there is the amount distributed in higher wages, and all this adds to the supply of money available. In consequence, the people who before the war were liable to buy certain articles can now come into competition with those who were previously supposed to be better off. Supplies, too, are coming forward in lesser quantities than before owing to the lack of production, and this is another reason why prices go up. The widow and her child receive 52s. a week. She, therefore, does not have to work and always has money. All through the war money was left to the women, and hundreds of these are sorry that the war is over. They had a good allowance while their husbands were away and perhaps things are somewhat different now. So far as production is concerned throughout Australia I think there is a general disinclination for work and although we are always talking about "Produce, produce, produce,"

we find there is very little inclination to go on producing. I hope before long we will settle down to improved conditions in this respect. Mr. Pantou referred to what was done in England. I think the leader of the House also said that a similar Bill to this had been passed in England. One cannot compare this place with England on the question of profiteering, because the opportunities for profiteering are greater there than here. Mr. Pantou seemed exceedingly embarrassed in not being able to make out a good case. He took up much time in showing how careful the capitalist, or unions or combinations of employers or financiers were as to who were included in their firms or companies. I do not know whether that does exist or whether they are exclusive in that way. He quite forgot to say what the labour unions did. He did not say that not only were they very particular as to who got in with them, but they were very particular about not letting them out again as well as particular about those with whom they worked. We have a recent instance to show that at all events they are not going to work with everyone. If partiality is shown anywhere it is not at all events restricted to one part of the people. After reflection I do not think this price fixing Bill will do much good. It is not a new experiment. It was attempted hundreds of years ago and failed in its object. I do not remember having seen or heard of any instance where it has been a success. I hardly expect that it will be a success in this case. I am going to give a little extract of what happened in the Roman Empire and elsewhere to show the ancient and modern views of price fixing. This bears distinctly on the present situation. It reads—

The Roman Emperor Diocletian passed a decree regulating all prices and wages throughout the Empire. A maximum value was fixed for every kind of food. Hence such food would never be produced when the natural conditions prevented a profit within this maximum price nor would it be transported beyond the distance within which the maximum yielded a profit. Whole districts were cut off from different kinds of supply by such legislation. Meanwhile all wages were regulated so that the best men could never have their superior ability rewarded. No wonder that with such a law the whole Empire plunged even deeper into poverty and confusion. In Rome the legislation on prices and wages brought to naught the greatest Empire that had so far appeared in the world.

That was the experience of centuries ago in connection with price fixing. I will now give a more modern illustration, and it is the view held by the Premier of Victoria and expressed, I think, within the last twelve months.

The Minister for Education: He has just introduced a similar Bill.

Hon. Sir E. H. WITTENOOM: Perhaps he has found what I have been looking for—the profiteer, and whom I have not been able to locate. This is a newspaper extract—

Making his promised statement on the cost of living and profiteering in the Victorian Legislative Assembly on Tuesday, the Victorian Premier (Mr. Lawson) announced that an independent and impartial tribunal was to be immediately appointed to make a thorough investigation and submit a report upon which the Government would act. Mr. Lawson said that the causes of the increase in prices of commodities were deep rooted, and in some respects price fixing had been found to give a maximum of inconvenience for a minimum of good result. The experiments made and the methods employed did not encourage them to expect a large measure of success for price fixing or to find it a cure that would be effective.

I have quoted two opinions separated by thousands of years, to show that there are no instances of price fixing having been successful. It seems to me therefore to be extremely experimental to introduce legislation that no one has had any experience of. One of the objections I have to the Bill is that it creates another department. Mr. Holmes said to-night that we were creating no end of departments. I go further and say that if we walk through the streets of Perth we will come across hardly a person who is not employed by the Government. When we remember the few people who are paying direct taxation, we must be convinced that we cannot carry on much longer at this rate with the huge existing taxation and the payment of an immense army of civil servants. The Bill provides for the appointment of three commissioners. I do not see the necessity for three commissioners; one good man should be sufficient. I do not favour the appointment of a supreme court judge because a judge knows nothing of these matters. We want a practical business man, one possessing tact, knowledge, and a certain amount of experience. Clause 6 contains an objectionable provision. It enables the commissioners to send a delegate to look through the books or take possession and examine them. That is bad enough, but we find that this is contained in the clause—

Any person who prevents or attempts to prevent the commissioners, or any person who produces an authority in writing signed by the commissioners, from entering upon any premises and inspecting any documents, books and papers, or any stocks of food-stuffs and necessary commodities, or impounding any documents, books or papers, shall be guilty of an offence.

There may be amongst these books and papers, documents which one would prefer should not be seen by the commissioners. That clause seems to me to give them great power. If the Bill goes through, it is necessary therefore that the commissioners should be men of very great tact and astuteness,

otherwise there will be trouble. So far as I can see the Bill is unnecessary.

Hon. A. Sanderson: Hear, hear!

Hon. Sir E. H. WITTENOOM: I am, however, open to conviction and I am prepared to learn that there have been cases of profiteering, or instances where injustices have been done to consumers.

Hon. J. W. Kirwan: Has the hon. member read the reports of the Interstate Commission?

Hon. Sir E. H. WITTENOOM: I have not. It is my intention, however, to support the second reading of the Bill for two reasons. The first is because I am confident that the prevailing opinion outside on the subject is such that if this House throws out the Bill, we shall immediately be accused of helping the imaginary profiteers, and the second reason is because I do not know of a better method of proving that the profiteer does not exist to any extent. My only hesitation is in regard to the appointment of the commissioners whether it be three, a judge or a single other person. It will be most dangerous to give an individual such powers as it is proposed to confer, especially in the light of what has happened in the past. We have no evidence that price-fixing has ever been successful, but there is one thing that is absolutely certain, and it is that if we are to make a success of price-fixing we shall have to fix the rate of wages as well, and so sure as we do that then the workers will fix the rate of production. If we put wages down below what is considered fair so that they shall be in keeping with prices, we will find that the wage earner will not produce the quantity that he did at the prices which he considered fair. It strikes me that this is a problem that will require a good deal of attention.

Hon. J. DUFFELL (Metropolitan-Suburban) [9.7]: It is my intention to support the second reading of the Bill, principally because it is a measure which has practically been dictated by the people. There has been a general outcry that something should be done to regulate prices and prevent, if possible, the way in which the people have been exploited from time to time during the past few years. Bearing that in mind I realise there are certain directions in which this Bill can operate. It cannot be disputed that there are certain commodities which are being sold at prices considerably higher than the cost price. That is very plain in many directions, not only with regard to the retail trader, but also in the case of numerous manufacturers. We have not to go further than one of the modest enterprises in this State to see that profiteering is taking place. The previous speaker is anxious to know what profiteering really is. I have no hesitation in saying that a profiteer is a person or a company who gets an article such as the Perth city council gets, current, at 75d., or three-farthings a unit, and retails it to the

general public at 6d. It may be argued that to that three-farthings must be added what are known as overhead charges. That is quite true, but a glance at those overhead costs will show conclusively that the city council still remain profiteers. It will be remembered that the city council purchased the late gas company's plant and good will at a fairly large figure. The council are still making use of a large portion of that plant, and what they were not able to use they sold at a fairly satisfactory figure. So that the interest and sinking fund on the purchase price which was paid, namely, £450,000, cannot be levied on the top of the three-farthings per unit which they paid to the Government for the current. It should be the difference between what they have actually sold the old plant for and the value of the gas plant which they are utilising still, and which has to be added to the overhead charges in connection with all the existing plant. The total cost per unit to the city council should be something like 1d. or 1½d. That being the case, can anyone say that the city council are justified in asking 6d. per unit from the consumers of current for lighting purposes. That, however, by the way. There are other industries also which could be instanced, and the Bill, if it passes, will have the effect of reducing such high profits to some extent. We must at the same time bear in mind what the effect of the Bill is likely to be on proprietary lines. When the leader of the House was moving the second reading of the Bill, I made an interjection in this direction but his reply was not very satisfactory. I hardly expected the Minister to be able to reply then, but the fact remains that hon. members are being approached by firms who are proprietors of standard lines, and there may be no doubt about there being ground for giving these people a certain amount of protection. Let me give an instance in regard to a line which is well known—Pears' soap. Prior to the war, certain drapery establishments purchased this soap at 4s. 6d. per dozen, and retailed it at 4½d. per tablet. They made no profit, but they sold it at cost price as a draw line, that is, to assist in the sale of other goods. What has been the result? It is generally acknowledged that there is hardly a cake of Pears' soap on the market for the reason that its sale has been destroyed in the process of trading to which I have referred. Perhaps in that direction the Bill will have a good effect even if it will be the means of just fixing the price at which such an article shall be sold so that it shall prove remunerative to all concerned. There are other lines of a similar character that could be quoted but I do not intend to refer to them at this stage. It occurs to me that there has been certain action during recent months which may have a material effect on certain foodstuffs, and particularly that which was touched on by Sir Edward Witte-
 noon, namely meat. I have been asked on more than one occasion why I always tackle

the meat question. The reason is that meat is one of the staple foods of life and, in a country like Western Australia, with its vast areas of cattle country leased on such easy terms and with our great herds of cattle and flocks of sheep, meat surely should be obtainable at a reasonable price. Instead of that we find that for some reason or other, for which this Bill might be able to provide a solution, we are paying a very high price for beef. I do not say that high prices always prevail in regard to all classes of meat. For lamb and mutton, the price is fairly reasonable, but beef is selling at a very high figure and, in this connection, certain events which have taken place during the past few weeks are worthy of notice. Yesterday afternoon, I called attention to the fact that certain stations had changed hands in rather rapid succession, and that this might materially affect the price of meat, but there is still another incident worth mentioning. On or about the 22nd August last, two gentlemen landed at Wyndham from the steamship "John Forrest." One was Mr. Conober, Manager of Vestey's Ltd., and the other was Mr. Harworth, one of the directors of Vestey's Ltd. These two gentlemen, on arriving by the "John Forrest," reported themselves to Mr. McGhie, the General Manager of the Wyndham Freezing Works. Mr. McGhie took them to the residence where they dined and remained until they were ready to start on their tour of inspection to spy out the land. It is very strange that they should have travelled by a motor car belonging to the Western Australian Government—the car provided for Mr. Tudale—and that Mr. Sid Atkinson, the chauffeur who is employed by the State Government, should have driven the car. These gentlemen journeyed to Catherine Springs via Hall's Creek. It is somewhat significant that these gentlemen came to this State just at the time when all these properties were changing hands. There is something behind all this and it is our duty to ascertain what it is and what effect their action will have on the future price of meat. I do not know but that these people might be dummying some of the blocks which are being procured, with the object of eventually stifling the Wyndham freezing works industry. If these people representing Vestey's Ltd. are going to acquire these large areas by various subterfuges, the Wyndham freezing works are likely to be closed down owing to lack of supplies, and the works will then be thrown on the hands of the State or taken possession of by Vestey's at their own price. These things, I repeat, are worthy of notice and of consideration. I do not know whether there is actually anything of the kind transpiring, but I give these facts for what they are worth. I question whether the Government are aware that their motor car and chauffeur were used by these gentlemen for their tour. Having heard the reply given by the leader of the House, I shall be compelled later on to put up certain questions.

The PRESIDENT: Is the hon. member speaking to the Bill?

Hon. J. DUFFELL: Yes, and the question of the price of meat.

Hon. J. W. Hickey: You are making an indictment.

Hon. J. DUFFELL: I have made these statements to show there is a danger to the people of this State if Vestey's Ltd. are making the transactions I suspect, and that the people of this State will, in the near future, be compelled to pay a higher price for meat. There are many other directions in which this Bill should have the effect of keeping down or reducing prices, but the work of the commissioners can only be done by men who really understand the position. I do not know whether I am justified in doing so, but if my services would be of any assistance to the Government to help to bring down to a fair level the prices of the ordinary commodities of life, I am prepared to offer my services without fee or reward for a period of 12 months, and I have had 34 years experience in Australia as a retailer, a wholesaler and a manufacturer. With that experience, I say the present high prices in very many instances are unwarranted and I make this offer to show that I am in earnest in my desire to get prices reduced. I realise the responsibility and am prepared to do all that within me lies to further the object which the Bill has in view. I support the second reading.

Hon. H. CARSON (Central) [9.24]: I was very deeply interested in the speech of the leader of the House when he moved the second reading of the Bill. Certainly it was a very great contrast to the speech he delivered when a similar measure was introduced by a Labour Government. He stated that his views regarding the fixing of minimum prices have quite changed. I am sure members recollect what strenuous opposition he offered to the Bill introduced by the Labour Government and his references to the fixing of minimum prices. He told us that if a producer sent a truck of onions or potatoes to the market and a minimum price were fixed and no one would pay that price, the commodity would perish and would be lost to the community. To-day he has entirely changed his opinion in regard to the fixing of minimum prices, and he believes the Government can satisfactorily fix minimum prices and that we have evidence of this in the conduct of the wheat pool. I contend that the only satisfactory way to fix prices is for the Government to control all production. We have that in evidence in connection with the wheat pool.

Hon. J. Ewing: You are a socialist.

Hon. H. CARSON: In 1915, or 12 months after the war broke out, Germany adopted a price fixing law which was in operation for nearly 12 months, and it was then discarded because it was proved to have been an absolute failure. Those controlling the affairs of that country said it was impossible to fix prices unless the Government had control of

all production. In regard to the wheat pool, the Government can only fix a maximum price somewhat in the neighbourhood of what they are likely to get for the wheat in the world's market. There are several things which might happen under a measure of this character. We might fix a price which will discourage importation and production. This would be bad for the consumer and would militate against the prosperity of the State. Again, to me it seems almost impracticable to fix prices over a huge State like Western Australia. We can only fix prices after the goods have arrived in this State, as most of the commodities used in Western Australia are imported. What we should endeavour to do is to establish a co-operative community. While the present system obtains, we shall always have industrial unrest and bitterness between the classes. Our present system only tends to make the rich richer, and the poor poorer. In England during the war, it was found that the co-operative concerns did not increase their prices, and until goods are produced mainly for use and not for profit, the trouble will continue. There are many things which have tended to increase prices. Sir Edward Wittenoom referred to paper money, to the loss of so many producers, and to the fact that so many people were engaged during the period of the war on the work of producing things only to be destroyed. There is another important factor in regard to high prices and that is the tariff over which we have no control. I intend to support the second reading for reasons similar to those given by Sir Edward Wittenoom, notwithstanding the fact that the measure will do little good in the way of keeping prices down. I would much prefer to see a Bill introduced for the purpose of stopping restraint of trade, the cornering of foodstuffs, and the formation of combines, trusts, and rings. A Bill of that character would, I think, be more effective than the present Bill. Such a Bill as I have outlined would operate to the advantage of the community not only in abnormal times but also in normal times. To-day's discussion on the subject of inferior wheat was most interesting, and went to show that the present methods of distribution tend to high prices. Again, we heard the Minister say that when people could not get cheap wheat they gave up producing pigs and poultry. In my opinion, similar results may be expected if the present Bill passes. The enactment of this measure will tend to decrease production, and so probably do more harm than good. I well remember you, Mr. President, referring to the distribution of milk and advocating something of the same kind as I have advocated to-night—the establishment of co-operative communities. To-day in the American cities all the big businesses co-operate to distribute their wares, having one central distributing depot. On the other hand, in this city to-day we find half a dozen butcher's carts, half a dozen milk carts, and half a dozen bakers' carts carrying provisions up the one street.

Travelling in the train recently I conversed with a gentleman who told me that a friend of his in England, a manufacturer, had written to him to say that he had bought wool two months previously and had not seen anything of it yet. Surely the transport trouble in England is causing very great difficulties. All those factors tend to produce high prices, and we have very little control over those factors. I fear the carrying of this Bill will do very little good. However, for the reasons given by Sir Edward Witenoom, I shall support the measure. If this Bill does not pass, the people will say that we are standing behind the profiteers. I repeat, however, that I would much prefer, to this Bill, a short measure to prevent restraint of trade by combinations and trusts which are against the interests of the general community.

On motion by Hon. J. J. Holmes debate adjourned.

BILL—MINING ACT AMENDMENT.

Received from the Legislative Assembly, and read a first time.

House adjourned at 9.35 p.m.

Legislative Assembly,

Wednesday, 12th November, 1919.

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

QUESTION—WATER FOR AGRICULTURAL DISTRICTS.

Mr. HUDSON asked the Minister for Water Supply: 1, Have the Government recently reduced the price of water, to be supplied from the Goldfields Water Scheme to

consumers in the agricultural districts? 2, Is it intended to reduce the various prices charged in the mining districts? 3, If so, when and to what extent? 4, If not, why not?

The MINISTER FOR WATER SUPPLY replied: 1, Yes. 2 and 3, The whole question of the incidence of water charges will be dealt with when the Coolgardie Goldfields Water Supply Loan Act Amendment Bill becomes an Act. 4, Answered by 2 and 3.

Mr. Hudson interjected.

The MINISTER FOR WATER SUPPLY: The hon. member had better give notice of another question if he requires further information.

QUESTION—REFORMATORY TREATMENT, CASE OF LARNER.

Hon. T. WALKER asked the Colonial Secretary: 1, What treatment for his wound is Larner receiving? 2, What reformatory is he at? 3, What prospect is there of his speedy recovery and release?

The COLONIAL SECRETARY replied: 1, The same treatment as he was receiving at the Base Hospital. 2, At Fremantle. 3, His prospect of recovery is good; release depends entirely on himself.

QUESTION—WHEAT CARTING, NORTH BAANDEE.

Mr. HARRISON asked the Premier: 1, Has he been advised that wheat harvesting has been commenced at North Baandee? 2, Does he know that two or three months of carting is necessary each year to deliver crop to existing railways? 3, Seeing that the period occupied in carting should be spent in preparation of seed bed, will he authorise a selection of sites for wheat dumps, pending railway connection to Yorkrakine and North Baandee areas?

The PREMIER replied: 1, Yes. 2, Yes. 3, This cannot be done.

QUESTION—PASTORAL LEASES, SANDSTONE.

Mr. ANGELO asked the Minister for Lands: 1, Referring to answers given by the Minister to questions asked on 10th September re P.L. 2740/97 of 600,000 acres near Sandstone, held by E. J. Church, is he aware that the lessee is now offering this lease, through Messrs. Elder, Smith & Co., to returned soldiers at £2,750, although he has held it for less than a year and has not improved it in any way? 2, What action does he intend to take to prevent such exploiting of repatriation concessions by one who is in no way entitled to such benefits? 3, Cannot this lease be resumed under the discharged soldiers' settlement scheme by refunding the rent paid to date?