

Legislative Assembly,

Friday, 6th December, 1935.

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

QUESTION—MALNUTRITION, CHILDREN.

Mr. NORTH asked the Minister for Health: 1, In view of repeated statements in the Press, and over the air, that many children in Australia are suffering from malnutrition, will he inform the House whether the position in this State is giving him anxiety? 2, Is there any collaboration between the Health and Education Departments whereby obvious cases of undernourished children, known to the teachers, are reported to the Health authorities, thus enabling action to be taken by the Child Welfare Department?

The MINISTER FOR HEALTH replied: 1, No evidence or information has been brought forward to cause such anxiety. 2, No.

QUESTION—MEAT INSPECTION.

Mr. SAMPSON asked the Minister for Health: 1, Is he aware that meat which has been passed by the Midland Junction Abattoirs has been condemned in the Metropolitan Markets? 2, Is he also aware that statements have been made that the meat inspection and branding regulations under the Health Act, 1911-33, appearing in the "Government Gazette" of 1st November, 1935, are to be dealt with further and consideration given to their gazettal after Parliament rises? 3, Will he give an assurance that inspection depots at both Midland Junction and Fremantle are to be maintained and that they will continue to operate fully as at present?

The MINISTER FOR HEALTH replied: 1, No. It is most unlikely that meat inspected and branded at Midland Junction Abattoirs would be subsequently condemned at the Metropolitan Markets for disease. It might, of course, occur owing to putrefactive changes subsequently occurring. 2, No.

But any amended regulations will be laid on the Table of the House. 3, There is no inspection depot at Midland Junction and there never has been, nor is there any need for such, in view of the proximity of the abattoirs. It is not proposed to interrupt the continuance of the depot at Fremantle, although consideration is being given to some measure of restriction.

QUESTION—RAILWAY EMPLOYEES, PORT HEDLAND-MARBLE BAR.

Concession on State Ships.

Mr. WELSH asked the Minister for Railways: Have the Government arrived at any decision on the request submitted for the granting to the fettleers and gangers employed on the Port Hedland-Marble Bar railway of concession tickets on the State ships for the purpose of coming to Perth when taking their accumulated leave?

The MINISTER FOR RAILWAYS replied: No decision has yet been reached.

QUESTION—IMPRISONMENT FOR DEBT.

Case of L. M. Holton.

Mr. RAPHAEL asked the Minister for Justice: 1, Is he aware that Mr. L. M. Holton is at present an inmate of Fremantle gaol as a result of action taken against him by Messrs. Hodd, Cuthbertson, & North? 2, Is he also aware that Mr. Holton is a sufferer from heart trouble and unable to take up relief work in the country, which would necessitate his leaving his wife, who is also under medical treatment for nerves and heart trouble? 3, Is he also aware that the solicitor appearing for Messrs. Hodd, Cuthbertson, & North (Miss McClellans) has stated that she is pleased to know that Mr. Holton has been incarcerated in gaol? 4, Would it be possible for him to intercede in this case in any way, so that Mr. Holton be released forthwith?

The MINISTER FOR JUSTICE replied: 1, No. 2, No. 3, No. 4, No, as this is a private action for debt.

BILL—BULK HANDLING.

In Committee.

Resumed from the previous day; Mr. Sleeman in the Chair, the Minister for Lands in charge of the Bill.

Clause 2—Definitions:

Hon. C. G. LATHAM: I move an amendment—

That the definition of "Board" be struck out.

The Committee's decision on this amendment will probably obviate some difficulties associated with Clause 29, which on the second reading I described as the most objectionable provision of the measure. The board is to include three governmental officials, two of them having the voting power of three. The people who will pay for any damage and bear any losses are to have only one representative on a board of four. In consultation with wheat shippers, Bulk Handling Ltd. have so far been able to make highly satisfactory arrangements. For that reason I think the company should be let alone, especially as, apart from the company, only the farmers have any financial interest in the system.

The MINISTER FOR LANDS: I ask the Leader of the Opposition to agree to the postponement of the discussion of this clause.

Hon. C. G. LATHAM: Perhaps the Minister will agree to my next amendment. Meantime I ask leave to withdraw the amendment which I have moved.

Amendment, by leave, withdrawn.

Hon. C. G. LATHAM: The definition of "grower" is—

... the person entitled to the legal ownership of wheat immediately after the harvesting thereof.

No doubt the Minister has a good reason for that wording. I purpose trying to protect the people under the deed of trust. Therefore I desire to amend the definition of "grower" by adding "but shall not be taken to define the meaning of the word 'grower' in the deed of trust."

The MINISTER FOR LANDS: The definition of "Grower" might be amended to read, "'Grower,' except in the deed of trust, means the person entitled" and so on.

Hon. C. G. Latham: Very well.

The CHAIRMAN: If that amendment is made, the clause cannot be postponed.

The MINISTER FOR LANDS: I move—

That consideration of the clause be postponed.

Motion put and passed: the clause postponed.

Clause 3—Concession granted to companies:

Mr. BOYLE: I move an amendment—

That in Subclause 1, lines 2 and 3, the words "thirty-first day of December, one thousand nine hundred and fifty-five" be struck out, and "thirty-first day of October, one thousand nine hundred and forty-eight" inserted in lieu.

The clause as printed grants the company the sole right until the 31st December, 1955. The reason for the amendment is that the deed of trust, to which this Bill professes a close adherence, is not to be altered during the currency of the Act, which will expire in 1948. What will happen between 1948 and 1955? As the toll is $\frac{5}{8}$ d., which it is expected to pay off the whole of the capital expenditure, the wheatgrowers will come into possession of the installation on the date of the expiry of the deed of trust on the 31st October, 1948.

The MINISTER FOR LANDS: I cannot accept the amendment. The deed of trust provides that the installation shall be handed over to the growers in 1948.

Hon. W. D. Johnson: Or earlier.

The MINISTER FOR LANDS: After it is handed over in 1948, a new directorate may be installed and there may be some confusion. Time must be allowed to arrange the necessary formalities. When the system is handed over in 1948, the growers will possess it, and so this will make no difference to them. They will have a monopoly until 1955, so it is to their advantage. It will enable them to get experience and a grip of the business.

Mr. Boyle: The farmers get plenty of experience.

The MINISTER FOR LANDS: I do not know about that. They certainly do get experience, but it may not be such as will enable them to manage a system of this description. One leader of the Country Party in Australia stated that he has no great opinion at all about growers' control. Members know to whom I refer. The system will be handed over to the growers in 1948, and then they will still have a monopoly extending over seven years. As to the toll, that can be altered at any time with the consent of the Government. No Government would be likely to refuse to reduce the toll, so I cannot see any advantage to be gained by the amendment.

Hon. C. G. LATHAM: I was glad to hear the Minister's statement, because the only concession to the grower is just this particular provision. He is to have a monopoly for 20 years. I do not want that monopoly period reduced, particularly if all the powers specified in the Bill are to be given away. Certainly there should be some compensation because of the relinquishing of those powers. It does not mean that the whole system will cease to exist immediately it is paid for. After the deed of trust is terminated, the farmers will carry on just as they are to-day. They will be able to float themselves into a company, and then the shareholders will probably have a greater measure of control, because they will have a direct financial interest. I support the attitude of the Minister.

Hon. W. D. JOHNSON: I am not particularly wedded to 1955, and I am quite satisfied to support the amendment. It is true, as the Minister pointed out, it is essential to continue stable and efficient administration when the handing over takes place in 1948. That is realised in the administration of the company. Members who have taken an interest in the system know that already a move has been set on foot to bring young men in regularly, at stated periods, to fit them for executive positions so that they may be able to continue the administration on sound business lines, with a thorough knowledge of the complications, intricacies and difficulties of the business. The services of those young men will be available as the older participants vacate their positions.

Mr. Boyle: And that will make a tremendous difference.

Hon. W. D. JOHNSON: That is the idea. It must be realised that this is a grower's affair. Those of us who have participated in the business have no ownership in it. I hold one share for a period just long enough to enable me to hand over to the growers when the time comes.

Mr. Patrick: At any rate, it must be handed over by the end of 1948.

Hon. W. D. JOHNSON: Yes. It would have been wise on the Minister's part to terminate it in accordance with the deed of trust. We have a proper understanding of the position, and the details have been posted up in every bin, so that every farmer knows exactly when he will come into possession of the system. Although

it is said that the members of the board of control are not representative growers, I differ from that criticism. Definitely we have growers' control, and it is a system of selective control from men who have devoted a great proportion of their lives to work of this description. I definitely believe in selective control. I do not believe in placing other people's business in the hands of incompetent administrators. It is too dangerous. In all movements I have been connected with I have subscribed to the principle of the selection of men, and in all my organising work I have selected the right type of man. So in this matter there is selective control, and I believe that when 1948 comes there will still be selective control!

Mr. Moloney: St. George's-terrace control!

Hon. W. D. JOHNSON: The member for Subiaco can descend to that talk if he wishes, but this matter is too serious for such nonsense.

Hon. C. G. Latham: His was only a parrot-cry.

Mr. Moloney: There is not too much nonsense about it.

Hon. W. D. JOHNSON: I have expressed my opinion. There is no need to introduce that type of talk into a consideration of a big question such as this. I believe that the selection will be made in 1948 with the same judgment as is exercised now. We should maintain the understanding that has been spread amongst the farmers.

Hon. C. G. Latham: This does not affect the trust.

Hon. W. D. JOHNSON: I know it does not. It means a continuation of the administration of the system of which the farmers will be possessed in 1948 or earlier if they pay for it before that year. It is assumed that in 1948 the system will be available for handing over. I do not think there is any advantage, and certainly no disadvantage, to the farmer in handing it over in 1948, but I cannot see where there will be any advantage to the growers in extending the date to 1955. I support the amendment.

Amendment put and negatived.

Hon. C. G. LATHAM: I move an amendment—

That the proviso be struck out.

The proviso stipulates that the grower of any wheat crop may transport by rail in bulk not more than 10 per cent. of the

marketable portion of such crop. Will the Minister tell us why the proviso has been included? The excuse he offered was that it was included in the Bill of 1932. It was not included in the Bill as introduced; it was included by the select committee. I cannot see how it will be of any use. It might mean that when trucks are being used by the company, some grower will demand them, and such a grower would not have the appliances unless he used those of the company.

The MINISTER FOR LANDS: I cannot agree to the amendment. The proviso was inserted by the select committee.

Hon. C. G. Latham: What was the reason for it?

The MINISTER FOR LANDS: I know a reason which the hon. member does not know. A similar provision is found in other Acts. In New South Wales up to 25 per cent. of the crop might be free of the Government monopoly of bulk handling.

Hon. W. D. Johnson: The authorities in New South Wales have to encourage as much free transport as possible because they cannot bulk all the wheat, so there is no comparison.

The MINISTER FOR LANDS: Might not that condition arise here?

Hon. W. D. Johnson: No, it is impossible.

The MINISTER FOR LANDS: Why?

Hon. W. D. Johnson: Because of the elasticity of the bin system.

The MINISTER FOR LANDS: Because the company will be more capable than are the authorities in New South Wales?

Hon. W. D. Johnson: That is an entirely different proposition.

The MINISTER FOR LANDS: Apart from that, any grower should have the right to market 10 per cent. in bulk if he so desires. He could deliver it and bulk it at the railway trucks and the monopoly could not interfere. The company say they do not want a monopoly under this Bill, but they want to handle all the wheat.

Hon. W. D. Johnson: No, they do not.

Mr. Hawke: They want a regulated monopoly.

The MINISTER FOR LANDS: This is an inconsistency. What is the use of the company saying they do not want a monopoly and, when legislation is introduced, asking to be allowed to handle all the wheat?

Hon. C. G. Latham: The farmer wants one thing or the other, not a hybrid thing.

The MINISTER FOR LANDS: The company will have a monopoly of bulk handling with the exception of the 10 per cent. stipulated.

Hon. W. D. Johnson: That is not the point. I cannot understand how it will operate.

The MINISTER FOR LANDS: We inserted the proviso because the select committee recommended it.

Hon. W. D. Johnson: But why?

The MINISTER FOR LANDS: Never mind why. New South Wales has adopted the principle. If a grower wishes to transport 10 per cent. in bulk, that is his business. He need not use the company's facilities; the 10 per cent. could be put into railway trucks. We are asked to consider the grower; we are told that the measure is for the grower only. Therefore it is quite reasonable that he should be able to send 10 per cent. in bulk. Suppose I wanted to send away a truck of seed wheat.

Mr. Seward: Send seed wheat in bulk!

The MINISTER FOR LANDS: Out of a crop of 1,000 bags a man might easily dispose of 100 bags of seed wheat.

Hon. W. D. Johnson: Provision is made for that in the Bill.

The MINISTER FOR LANDS: This concession is for no other purpose than for the benefit of the grower. If he does not wish to send it away, he will not do so. If he wishes to send some in bulk, he should have the right to do so.

Hon. W. D. JOHNSON: I have no objection to 20 per cent. or even more and I do not think the company would object to 20 per cent., but I cannot understand how it will operate. How could a farmer send bulk wheat? He is protected in the matter of bagged wheat, and the only way in which seed wheat would be transported would be in bags. Why is the proviso included? If the Minister cannot explain it, we might let it pass because it does not matter much.

Hon. C. G. LATHAM: I have read the New South Wales Act and have not found a word compelling the farmers to use the system. Therefore they could send the whole of their wheat away without using the system. Conditions there are totally different. There has always been congestion; the authorities have been unable to handle all the wheat through the scheme. In this State, because of the flexibility of the system, the company would be able to handle

all the wheat. I cannot understand why the proviso has been included and I do not think any use will be made of it. If the Minister insists on retaining the proviso, I shall not quarrel with him. I have much more important points than that on which to quarrel with him.

Amendment put and negatived.

Clause put and passed.

Clause 4—agreed to.

Clause 5—Minister may require company to instal bins at sidings having annual receipt over 20,000 bushels:

Hon. C. G. LATHAM: I move an amendment—

That after "bin" the words "or other facilities for the reception and handling of wheat in bulk" be inserted.

If a siding handled only 20,000 bushels of wheat, it would amount to only two train-loads, and with the bulk handling facilities provided, the company would be able to handle it without needing to erect a bin. I admit that the definitions include the following:—

"Country bin" means any building, shed, silo, bin or receptacle at any country railway station or siding for the reception and storage of wheat in bulk pending transport or delivery and any plant or equipment used in connection therewith.

The Minister should agree to the amendment, seeing that the matter is to be left to his discretion.

The MINISTER FOR LANDS: This amendment is quite unnecessary, seeing that the interpretation of "country bin" already makes the requisite provision. I have, however, no great objection to the amendment.

Amendment put and passed; the clause, as amended, agreed to.

Clause 6—Company to submit plans and specifications of all installations:

Hon. C. G. LATHAM: This clause is one of the most objectionable in the Bill and I hope the Committee will reject it. Some Minister may insist upon buildings that are quite beyond the means of the company. The clause also means interference by the architectural branch of the Public Works Department. Everybody knows that the officers of that department set a high standard, and consequently an expensive standard. If the clause is deleted, I propose later on to move to insert a new clause to provide that the present type of bin shall be installed according to the present plans and specifica-

tions of the company. Clause 8 provides the requisite protection for the wheat stored in such premises.

Mr. MOLONEY: I cannot allow to go unchallenged the remarks of the Leader of the Opposition concerning the Public Works Department. The conditions laid down in this clause apply to building construction in general. If a person is erecting a house he must submit to the authorities his plans and specifications, and it is desirable that the same practice should be followed in the case of this company. The Government officials are well able to discriminate between that which is right and that which is wrong in respect to buildings of this nature. Is it suggested that the Minister will compel the company to erect unduly expensive buildings? Clause 8 only provides for renovations and repairs.

The CHAIRMAN: The hon. member cannot discuss that clause now.

Mr. MOLONEY: The Leader of the Opposition did so in the endeavour to sidetrack the Committee. I feel compelled to voice my opposition to the remarks of the Leader of the Opposition concerning the Public Works Department.

The MINISTER FOR LANDS: This clause is a very necessary one. Quite naturally the company does not wish to be embarrassed in its operations, but it has nothing to fear from this clause. No Minister has ever been unreasonable in a matter of this kind. The clause has been inserted as a protection to the growers. If the scheme is ever handed over to the growers they should have something that is worth while taking over. The Royal Commission recommended the shed system. In their report they present a photograph of a typical bulk handling bin at, I think, Wyalkatchem.

Hon. W. D. Johnson: That was put up because you did not give us a site.

The MINISTER FOR LANDS: The company had a site. The construction of the bin was faulty. About 1,000 tons of wheat was sent back from Fremantle this year because it was in a damaged state. Someone should have the right to exercise supervision over the buildings. The clause is a perfectly reasonable one. I may not be here when the time comes, but if the plans of a building were submitted to me, I would not know much about them and would have to take the advice of someone with greater experience,

but certainly I would not be unreasonable. Would the Minister who is to have control be likely to be unreasonable? Of course not. So it is only fair that we should have some superintendence over the construction of the bins. In the interests of country growers it is necessary that someone should see that the concern, when handed over, is worth handing over.

Hon. P. D. FERGUSON: The clause is altogether too drastic and is calculated to work an injury in the country. In the previous clause we provided that where the annual receipt of wheat is 20,000 bushels, the company must instal a bin when required by the Minister to do so. In this clause before us it is provided that if the Minister be not satisfied with the plans submitted to him by the company he may alter them, and approve of them as altered. Then the company would be called upon to instal a bin on the lines approved by the Minister. That is too heavy a load to place on the company. No company called upon to put their money into a concern like this should be at the whim of any Minister of the Crown.

Mr. Seward: Would any company put their money into it in those circumstances?

Hon. P. D. FERGUSON: I do not think they would. The Royal Commission said—

Having due regard to all relevant and material considerations in relation thereto, the present shed system in the country, with the improvements proposed by Co-operative Bulk Handling, Ltd., will, taking into account the climatic conditions of Western Australia, meet the requirements of bulk handling in country districts.

That is the definite statement of the Royal Commission appointed by the Minister to investigate the whole position, and that is what the Leader of the Opposition proposes in his amendment. It should meet with the approval of the Committee.

Hon. W. D. JOHNSON: It is not fair of the Minister to refer to the bin at Wyalkatchem, for he must know that the Railway Department advised that no permanent bin should be erected at Wyalkatchem, because the department were contemplating an alteration in the railway yards. In order to meet the definite request of the department and, at the same time, consider the needs of the growers, Bulk Handling Ltd. erected a temporary bin.

The Minister for Lands: It is merely temporary storage.

Hon. W. D. JOHNSON: We have never had temporary storage such as that at Wyalkatchem made permanent. We have had to use that year after year, and that is why the Royal Commission drew attention to it; but we went to some expense in building it in order to meet the Railway Department's request that we should avoid putting up a permanent structure because of their proposed readjustment of the railway yards. The member for Subiaco spoke of plans and specifications for a building. But if the hon. member were going to erect 100 buildings, all exactly the same, he would not prepare plans and specifications for each one, but would have a standard drawing and a standard specification. That is exactly what has been done. The standard drawing and specification have been approved by the Railway Department after consultation in which the department suggested alterations. Those alterations were made at the request of the department. The bins are standardised. They consist of bays and those bays are multiplied to meet the requirements at the siding. If the Minister would agree to the standard drawings I would not mind, but to say we must submit plans of proposed equipment at each siding is to say that we shall not know where we are going to land. For instance, the Minister may not be available at the time his approval is required, and if we have to wait for approval of buildings at every siding, it will cause delay and a great deal of irritation. There is no need for that. Our bins have been perfected as the result of our own experience, together with the experience of the Railway Department. We have the standard bins to-day, and on those standard bins we propose to extend, if we get a reasonable chance for doing so. Again, we have to raise money to do this work. Bulk Handling Ltd. have to raise the money and to go to the lender of money and give him an idea of what is to be done with the money. If this clause remains in the Bill we cannot tell the lenders what we are going to do with the money, for it is to be subject to the decision of the Minister from time to time. So we cannot say what equipment we are going to provide because, under the Bill, it is subject to alteration if the Minister so desires. I know that Ministers do not seek to interfere with people who are doing their work reasonably well, but there are exceptions. And the trouble is to in-

duce the lender of the money to lend it at a reasonable rate of interest if there are possibilities of interference while the money is being expended. I do not wish to say that we cannot get the money, but I say that in view of this clause we shall have to pay a higher rate of interest for the money. After all, it will be built by the farmers for the farmers. I think the Minister feels that he has to protect the growers, but it is really the growers themselves who are controlling and operating the system. Are they going to do something against their own interests? For the reasons I have outlined, I hope the Minister will appreciate the danger of a clause of this description. I suggest that he realise its unfairness and impracticability and that he agree to its deletion.

Mr. DONEY: The financial aspect of this clause has been dealt with by the member for Guildford-Midland, who also dealt with the question of the reasonableness of Ministers. I have known some unreasonable and cantankerous Ministers, and we may get them again. No one is suggesting that the present Minister is unreasonable, but there is a risk that he may be succeeded by a Minister who is not so reasonable. The Minister has ample control under Clauses 4 and 5. Surely the company, in the interests of the farmers, would erect bins or receptacles of good design and sound construction. We need have no fears at all in that regard. The Minister will be quite safe in accepting the amendment.

The MINISTER FOR LANDS: I regard the clause as a vital one. The member for Guildford-Midland said that it would be difficult or impossible to borrow money.

Hon. W. D. Johnson: I did not say impossible. I said the rate of interest would be very high.

The MINISTER FOR LANDS: He said it would be difficult to borrow money. The installation at Wyalkatchem is a typical one.

Members: No.

Mr. Doney: That is hardly in keeping with the findings of the Commission.

The MINISTER FOR LANDS: I have seen the picture of it in the Commission's report.

Hon. C. G. Latham: Do you mean the lower picture?

The MINISTER FOR LANDS: The present directors of the company might give way to other directors. One never knows

into whose hands the control will get. It is important that there should be some supervision.

Mr. Doney: By 1948 all the bins would have been erected.

The MINISTER FOR LANDS: Yes, and erected under proper supervision.

Mr. Patrick: What is wrong with the lower picture in the report?

The MINISTER FOR LANDS: If a Minister of any Government were to adopt a hostile attitude to something in which the people are vitally concerned, and which is of great importance to the country, would any Government permit it? The Minister is not a dictator. I regard the clause as vital. It is quite reasonable; we merely provide that the plans shall be submitted to the Minister for his approval. The Minister will see that the premises erected are substantial. All the growers will have an equitable interest in the premises. Who can complain about that?

Hon. C. G. LATHAM: The Minister referred to a picture in the Commission's report. He was asked which picture he meant, because there are two on the same page. One is a typical temporary bulkhead, and that is not what is referred to in this clause. The other picture is of a typical receiving bin, and that is what is referred to in the clause. I would refer the Minister to the findings of the Royal Commission, page 24, where the Commission expresses its opinion on this point; and there was on the Commission a man qualified to express an opinion. The second picture shows a proper shed. The other picture, as I said, shows merely a temporary bulkhead.

The Minister for Lands: It is a typical one.

Hon. C. G. LATHAM: It is not a bin. The other picture shows the class of building the clause refers to, and it is the class of building stipulated by the Railways Commissioner. The Minister said that Ministers were not unreasonable. I have in mind a certain person in this House who at one time was insisting upon the installation of concrete bins.

Mr. Moloney: And perhaps he was right.

Hon. C. G. LATHAM: He may have been, but it cost the farmers of New South Wales £5,000,000 to instal concrete bins, and then they lost from £40,000 to £90,000 a year. Here we have a type of building which it has been conclusively

proved is quite suitable for the purpose. There is more than one at Northam, erected by the Producers' Union not less than 40 years ago. They are galvanised iron sheds with sleeper flooring.

Member: They are only just there.

Hon. C. G. LATHAM: They are 40 years old.

Mr. Doney: And still in use.

Hon. C. G. LATHAM: And it must be borne in mind that there was no one responsible for keeping them up to standard. They have generally been leased to someone from year to year. The iron is as good as can be expected, and the sheds are still serving a useful purpose. There are a couple at York and one at Burges Siding. The latter is in splendid order. These sheds can be regarded as having a life of from 30 to 40 years. I hope the Minister will agree to the amendment, so that future Ministers may come along and order the demolition of the present sheds and the erection of concrete bins. As the Bill stands, the Minister has that power.

The Minister for Lands: There is no such provision at all.

Hon. C. G. LATHAM: The Minister said it was a private utility, but that is not so. It is truly a Government utility—under the Bill—and with the financial responsibility thrown on the company. The only thing the farmer gets out of it is a 20-years monopoly—nothing else. As the clause is vital to the Minister, so is it vital to the farmers. We are not here to permit any ramshackle type of building to be put up, but the best type practicable. The clause commits the company to expenditure of which there is no clear idea. The company have to offer security for money. How can they offer security under these provisions? The Minister has no right to insist upon unnecessary supervision.

Mr. Moloney: You do not want architects to have anything to do with it.

Hon. C. G. LATHAM: Nothing of the sort. I know the high standard of building desired by the Public Works Department. If the Government type of building is insisted upon with regard to bulk handling, only about half the number of installations required will be available. The Bill does not give the company the right to put up a building anywhere: that matter is entirely in the hands of the Commissioner of Rail-

ways and the Minister for Lands. I hope the Committee will refuse to grant this unreasonable power.

* Clause put, and a division taken with the following result:—

Ayes	..	..	..	18
Noes	..	..	..	17

Majority for 1

AYES.

Mr. Clothier	Mr. Needham
Mr. Coverley	Mr. Nulsen
Mr. Hawke	Mr. Raphael
Mr. Hegney	Mr. Rodoreda
Mr. Kennelly	Mr. F. C. L. Smith
Mr. Lambert	Mr. Tonkin
Mr. Millington	Mr. Troy
Mr. Moloney	Mr. Willcock
Mr. Munroe	Mr. Wilson

(Teller)

NOES.

Mr. Boyle	Mr. Patrick
Mr. Ferguson	Mr. Sampson
Mr. Johnson	Mr. Seward
Mr. Keenan	Mr. Stubbs
Mr. Latham	Mr. Thorne
Mr. McDonald	Mr. Warner
Mr. McLarty	Mr. Watts
Mr. Mann	Mr. Doney
Mr. North	

(Teller.)

Clause thus passed.

Clause 7—Where bin is inadequate the Minister may require the company to alter:

Hon. C. G. LATHAM: This is another objectionable clause. The Minister takes upon himself the responsibility of determining whether a bin is of sufficient size or not. Thus he will be pretending to greater knowledge than that possessed by the people operating the concern. I shall not labour the question, because the previous decision of the Committee was on the same principle. I only trust hon. members will leave the company some degree of control.

Clause put, and a division taken with the following result:—

Ayes	..	..	..	19
Noes	..	..	..	17

Majority for 2

AYES.

Mr. Clothier	Mr. Needham
Mr. Coverley	Mr. Nulsen
Mr. Cross	Mr. Raphael
Mr. Hawke	Mr. Rodoreda
Mr. Hegney	Mr. F. C. L. Smith
Mr. Kennelly	Mr. Tonkin
Mr. Lambert	Mr. Troy
Mr. Millington	Mr. Willcock
Mr. Moloney	Mr. Wilson
Mr. Munroe	

(Teller.)

NOMS.

Mr. Boyle	Mr. Patrick
Mr. Ferguson	Mr. Sampson
Mr. Johnson	Mr. Seward
Mr. Keenan	Mr. Stubbs
Mr. Latham	Mr. Thorn
Mr. McDonald	Mr. Warner
Mr. McLarty	Mr. Watts
Mr. Mann	Mr. Doney
Mr. North	

(Teller.)

Clause thus passed.

Clause 8—agreed to.

Clause 9—Company not to trade in wheat:

Hon. C. G. LATHAM: It is difficult to see how we can exclude the present directors from operating as is suggested. The clause provides that neither the company nor its officers or servants shall be directly or indirectly concerned in business relating to the buying or selling of wheat or broking in wheat, but it sets out that they may purchase wheat to make up shortages or sell damaged wheat or the excess output. If the clause is agreed to as it stands, it will not have the effect that the Minister said he desired. He intimated during his second reading speech that he did not wish to interfere with the management as it exists to-day. The report of the Royal Commission rather supports that view. In order to make the position perfectly clear so that there shall be no interference with the management, I move an amendment—

That in line 1 "nor its officers or servants" be struck out and the words "nor its weigh-bridge clerks or bin attendants whilst acting in those capacities" be inserted in lieu.

The men indicated in the amendment are those who will be able to exercise the greatest influence because they are those who are actually working at the bins. I hope the Minister will accept the amendment and thus ensure that the present directors and their officers shall be able to carry on the work they have undertaken since the initiation of the system.

The MINISTER FOR LANDS: I think the Leader of the Opposition must have moved his amendment in a frivolous mood. Let the Committee imagine the deletion of the reference to the company's officers or servants and the substitution of the weigh-bridge clerks or bin attendants. All the others are to be allowed to trade in wheat as they like!

Hon. W. D. Johnson: Is a director an officer of the company?

The MINISTER FOR LANDS: No, not under the Bill, and I am prepared to accept

an amendment that will make that point perfectly clear. Our legal advice is that a director is not an officer, but an executive. Of course, it might be as well if the directors were prevented from carrying on this business because they may not be above suspicion. That might constitute a positive danger.

Hon. C. G. Latham: They do not trade themselves.

The MINISTER FOR LANDS: It must be borne in mind that the directors of Co-operative Bulk Handling Ltd. are associated with the Westralian Farmers Ltd., the Westralian Wheat Farmers Ltd., and to some extent with the trustees of the Wheat Pool of Western Australia. Westralian Farmers Ltd. are buyers of wheat and that may also be said of Westralian Wheat Farmers Ltd. The association of the company's directors with Westralian Farmers Ltd. may lead to abuses.

Hon. W. D. Johnson: In what way?

The MINISTER FOR LANDS: They may be able to get information. The directors will have information that will place them in an advantageous position with regard to other traders.

Hon. W. D. Johnson: That is not so.

The MINISTER FOR LANDS: Of course it is. Is it not reasonable to say that the directors would show greater consideration to the concerns I have named than to anyone else?

Mr. Patrick: But once the warrants are issued to the farmers, they can send their wheat to anyone they like.

The MINISTER FOR LANDS: Perhaps so, but the point is that the directors are not included in the clause at all. It would be futile to give Co-operative Bulk Handling Ltd. a monopoly and then tie up their directors in the manner suggested.

Hon. W. D. JOHNSON: The Minister has given an assurance with regard to the position of the directors. I am not going to try to get the Minister to appreciate the operations of these allied co-operative concerns. He will not try to understand it. Let me explain the position once more. Westralian Farmers Ltd. have nothing whatever to do with Co-operative Bulk Handling Ltd., other than that I am a director of each company. I am not paid on that account, except that on occasions I receive fees for attending special gatherings.

The Minister for Lands: Then you are a director of Bulk Handling Ltd. too?

Hon. W. D. JOHNSON: Yes.

The Minister for Lands: Who put you there?

Hon. W. D. JOHNSON: I was nominated by Westralian Farmers Ltd. because we put our money into the company.

The Minister for Lands: Of course you did.

Hon. W. D. JOHNSON: We gave the money to the growers we represent and to no one else. We got nothing out of it at all. The toll, of course, is to return to Westralian Farmers Ltd. the money they paid into the other concern.

Mr. Tonkin: How much was put in?

Hon. W. D. JOHNSON: From £60,000 to £70,000.

The Minister for Lands: The members of the Royal Commission came to the conclusion that you got substantial advantages out of the arrangement.

Mr. Seward: For services rendered.

Hon. W. D. JOHNSON: I am associated with both concerns, but I cannot see where there is any advantage to be gained other than that the business is handled at a given sum. The Minister conveyed the impression last night that the company received one farthing per bushel for handling the wheat, but that is not so. The company get up to a maximum of one farthing per bushel.

Hon. C. G. Latham: Profit.

Hon. W. D. JOHNSON: The actual cost of handling is fixed in the Bill, and that is definitely understood. In order that Westralian Farmers Ltd. should not make undue profit, a limit was set. Westralian Wheat Farmers Ltd. had to be formed because of an adverse judgment in a South Australian case in which the farmers who put their wheat into the control of a company lost their ownership and it became the property of the company. South Australian farmers lost a considerable amount of money as a result of that judgment. To avoid danger of that, we formed Westralian Wheat Farmers Ltd., purely to continue the ownership by the growers. Suppose Westralian Farmers Ltd. had gone into liquidation, the whole of the wheat could have been claimed by the creditors, and the farmers would have lost control of it. It is true that I attend meetings, but I do not get one penny for that. Co-operative Bulk Handling Ltd. is a service movement for the farmers, belonging to nobody but the growers. Westralian Farmers Ltd. is a trading concern. We

could not leave the farmers at the mercy of the private wheat merchants and buyers. In Westralian Farmers Ltd. we have a competitive buyer. As a matter of fact, we standardise the price of wheat, and merchants have to stand up to our declaration of price based on London parity. We get the best information in Australia. Our information is sent all over Australia. The leading banks come to us for it, the reason being that we had organised that part of the business by sending Mr. Bath and Mr. Teasdale abroad to establish relations with co-operative concerns, and, where they were not available, with concerns as nearly co-operative as possible. Mr. Bath is recognised as one of the leading authorities on the statistical position of wheat. I know that members suspect me. I was never more proud in my life than when we got Co-operative Bulk Handling Ltd. firmly established. A long time and much work were necessary to get a decent bin, and we established the organisation on the most economical basis. Now the Minister says that because I am a director of Co-operative Bulk Handling Ltd. and am associated with Westralian Farmers Ltd., I am suspected. I can take that. My association is purely a co-operative one. I am not interested in boodle of any description. I do not take an interest in concerns outside the co-operative movement. I am proud of my association with the movement and am prepared at any Labour meeting or other gathering to justify my association with those concerns. I am a better Labour man for being associated with them because I now understand the conditions better. In the Old Country, millions of men and women have become allied to the Labour movement through co-operation, and I have tried to encourage a similar understanding here. The Minister is prepared to make provision to exclude the directors. What about Mr. Thomson, who manages these co-operative concerns? He is the expert and it is economical to have one manager. By so doing we can co-ordinate our business so that it can be transacted by one body of officers, and although they are working for different concerns, their services are given to the co-operative movement. Mr. Thomson and Mr. Braine are definitely connected with the executive and should be excluded. If the Bill passes as framed, Mr. Thomson's services must be lost to us, because we shall be un-

able to use him in this part of our co-operative work. I do not know why the Minister wishes to exclude him, and I do not think he wishes to exclude Mr. Braine. When he is providing protection for the directors, I ask him to bear in mind the economical working of the whole concern and draft a provision which will enable us to retain the services of the expert officers who have so largely helped to build up an organisation which is a credit to the farmers.

The MINISTER FOR LANDS: No less a person than the member for Avon, in his evidence before the Royal Commission, objected to Westralian Farmers, Ltd., being interested in this business.

Hon. W. D. Johnson: I do not wonder at that. He is not a co-operator.

The MINISTER FOR LANDS: Question 520 and the answer read—

In effect, your objection to that direction is that Westralian Farmers, Ltd., being virtually buyers of wheat, should not be interested in the control, through their executive officers, of Co-operative Bulk Handling?—Yes. That is correct. There we are merely repeating what the Royal Commission of 1931 said.

The member for Guildford-Midland would have us believe that Westralian Farmers, Ltd., are performing a philanthropic service.

Hon. W. D. Johnson: It is co-operative.

The MINISTER FOR LANDS: While they condemn the Commissioner of Railways for making charges—

Mr. Seward: Excessive charges.

The MINISTER FOR LANDS: —the Commissioner of Railways does not make a profit—they made a profit of £10,204.

Mr. Seward: It is the cheapest handling charge in Australia.

The MINISTER FOR LANDS: The Commission stated—

In view of the recommendations of your Commissioners hereinafter set out, they are of the opinion that the maximum profit secured to Westralian Farmers, Ltd., under the ten-yearly contract should be reviewed.

Westralian Farmers, Ltd., are not in the business for nothing.

Mr. Seward: No one suggested that they were.

The MINISTER FOR LANDS: I have not objected in the Bill to Westralian Farmers, Ltd., nominating directors to the company. In my opinion, it is not the best procedure. That is why I said I would have preferred legislation like that in Victoria to remove any possible suspicion. I

do not propose to discuss the directors. The Government are giving effect, in the main, to the recommendations of the Royal Commission. Despite the fact that in my opinion the position is not satisfactory, the Bill does not shut out the directors.

Hon. W. D. Johnson: What about Mr. Thomson and Mr. Braine?

The MINISTER FOR LANDS: I would agree to exclude them if they were directors. The clause provides that neither the company nor its officers nor servants shall be directly or indirectly concerned in the buying or selling of wheat. The Government do not want to include the directors in this.

Mr. SAMPSON: If the directors are not included some specific reference should be made to that effect, otherwise misunderstandings could well arise. It might be claimed, for instance, that a director was a servant of the company. Some addition should be made to the clause to the effect that these restrictions shall not apply to the directors of Co-operative Bulk Handling, Ltd.

Mr. Wilson: The Minister has agreed to exclude the directors.

Mr. SAMPSON: If the Minister agreed to that there can be no objection to the addition of these words.

Hon. W. D. JOHNSON: I hope the Minister will reconsider the question of excluding Mr. Thomson and Mr. Braine. They receive no extra payment for this work. It is part and parcel of the work performed on behalf of the Westralian Farmers, the Westralian Wheat Farmers, and Co-operative Bulk Handling, Ltd. These three companies are interwoven to keep down the expense. Surely the Minister would not force Bulk Handling, Ltd., to establish an entirely separate management. That would penalise the farmers to whom all these concerns belong. Our desire is to preserve the present system.

Hon. C. G. LATHAM: As I wish to see the joint secretaries as well as the directors excluded from this clause, I ask leave to withdraw my amendment.

Amendment by leave withdrawn.

Hon. C. G. LATHAM: I move an amendment—

That the following proviso be added:—That this section shall not apply to the directors or present joint secretaries of the company.

This would give the present secretaries an opportunity to train men to take on their

work afterwards. I think that would meet the views we have on this subject.

THE MINISTER FOR LANDS: If the hon. member will pass the clause, we will recommit it. That will give me an opportunity to consider the question once more. But I fear I could not exclude the joint secretaries.

Hon. C. G. Latham: Only until they train others to do their work.

THE MINISTER FOR LANDS: But that will run automatically. Mr. Thomson is a buyer.

Hon. C. G. Latham: He is no more a buyer than you as Minister for Lands are a surveyor.

THE MINISTER FOR LANDS: It we exclude the directors, it should be sufficient. However, I will look into the matter and provide a clause excluding the directors. As I say, if the hon. member will allow this clause to pass we will recommit it. Perhaps on further consideration I may agree to exclude the joint secretaries.

Hon. C. G. LATHAM: I ask leave to withdraw my amendment.

Amendment, by leave, withdrawn.

Clause put and passed.

Clause 10—Application of moneys received from excess of out-turn:

Hon. C. G. LATHAM: Here we have a difficulty. It is here provided that moneys arising from any excess of out-turn in respect of the wheat received by the company shall be paid to and retained by the company in a special reserve account as a fund to meet any shortages resulting in the company's operations, or in the out-turn of wheat of any season. Under the deed of trust it is provided that any profits accruing from the out-turn shall be credited to the people who put in their wheat that year. If the clause be passed as printed it will interfere with the deed of trust which has been entered into, and there will accumulate considerable funds that will lie in the trust account; because they could not be used. We want to know what is going to happen to this fund. It cannot be distributed to the people entitled to it, the people who in that year used the bulk handling system. They are entitled to this surplus in accordance with the quantity of wheat they put in. Those people are compelled by law to make good any deficiency. To include this provision here is to repeat

the existing law. There is no need for it. I hope the Minister will agree to delete this clause.

Mr. BOYLE: This provides that moneys arising from excess of out-turn shall be kept in a special reserve account. There is to be no limit to the proportions to which that account may grow. Excess of out-turn should have a limit. I move—

That the following subclause be added:—
“When the afore-mentioned special reserve account shall have reached the sum of £20,000, no further excess of out-turn shall be credited thereto, but shall be credited to the growers' toll accounts.”

THE MINISTER FOR LANDS: I am inclined to agree with this amendment. I have always been a little discontented at the large amount of money the trustees of the Wheat Pool have been allowed to accumulate, especially when it is remembered that they might be induced to transfer some part of that fund to other aspects of their business.

Hon. W. D. Johnson: All their money comes from the undistributed fractions.

THE MINISTER FOR LANDS: I am sure that if the farmers had known that certain funds would reach the total that they have reached they would never have signed any promise that the directors should use that amount.

Hon. W. D. Johnson: You do not understand the position.

THE MINISTER FOR LANDS: No, and I do not bother about it. I doubt if 5 per cent. of the farmers knew what they were doing when they agreed to that. The deed of trust is full of contradictions. The agreements were signed in good faith. The farmers were told that this was their pool and their business, and so they did not attempt to scrutinise it.

Sitting suspended from 6.15 to 7.30 p.m.

THE MINISTER FOR LANDS: I rather resented the fact that the large accumulation which the trustees of the Wheat Pool had at their disposal was not distributed amongst the growers, to whom it belonged. That amount would be very useful to them, particularly in bad times. I think a proviso might be added to the section that any excess of the reserve from time to time over the sum of £20,000 may be transferred to and applied as part of the general funds of the company. The excess would then go back to the company and could be used by it for the

betterment of the system. The grower is paid for his wheat by the person who buys it, and it may be difficult to determine to whom the excess belongs.

Hon. C. G. LATHAM: The excess is credited to the persons who put in their wheat in proportion to the quantity of wheat they delivered.

The MINISTER FOR LANDS: I cannot say if that is so, but I will look into the matter again. I think my suggested amendment meets the situation, and I hope the member for Avon will agree to it.

Mr. BOYLE: I agree, and ask leave to withdraw my amendment.

Amendment, by leave, withdrawn.

The MINISTER FOR LANDS: I move an amendment—

That the following proviso be added to Clause 10:—"Provided that any excess of the reserve from time to time over the sum of £20,000 may be transferred to and applied as part of the general funds of the company."

Hon. C. G. LATHAM: I would point out that that is not a fair distribution at all, because the grower who puts in his wheat this year may not put in any next year. If the amendment were carried, he would lose his right to and interest in the excess. At the end of the period there is a considerable amount of money in hand, and the man who is then farming and uses the system gets the benefit of it. I believe that previously the excess went to the merchants. To-day it goes back to the farmer. That is the idea behind the co-operative movement.

Amendment put and passed; the clause, as amended, agreed to.

Clause 11—Company not to give preference or show favouritism:

Hon. C. G. LATHAM: If the Minister will look into this clause, and make the same provision as he has done in regard to Clause 9, it will save discussion.

The Minister for Lands: Yes.

Clause put and passed.

Clause 12—agreed to.

Clause 13—Company to furnish a bond for £50,000:

Hon. C. G. LATHAM: I should like the Minister to give the Committee some information with regard to this matter. Will he add a schedule to the Bill setting forth the conditions of the bond?

The Minister for Lands: Yes.

Hon. C. G. LATHAM: If the Minister will explain the conditions of the bond, it might save much discussion.

The Minister for Lands: I have not yet gone thoroughly into the matter.

Hon. C. G. LATHAM: I do not quite know where I am when the Minister says that.

The Minister for Lands: The bondsman should be bound in the sum of £50,000 for the faithful performance of the obligations of the Company under the Act.

Hon. C. G. LATHAM: Suppose the company refuse to carry out the instructions of the board, as provided in Clause 29, will they be liable to the full extent of the £50,000 or only portion thereof?

The Minister for Lands: I do not know.

Hon. C. G. LATHAM: It seems hopeless. The Minister might give further consideration to the clause. At present he does not appear to know what it means.

The Minister for Lands: There may be forfeiture of the whole amount for failure to carry out instructions.

Hon. C. G. LATHAM: The company should not be bound to the extent of £50,000 without knowing what their responsibilities are to be. This is the way to kill the Bill. The company cannot raise capital while this clause remains as printed.

The Minister for Lands: One neglect might not involve the whole £50,000, of course.

Hon. C. G. LATHAM: This is a most peculiar way to legislate. Where a bond is provided, there is usually a schedule showing the various responsibilities. If the company neglect to carry out any one of their obligations under the measure, will the full amount of £50,000 be forfeitable? I notice a special penalty of £500 provided in case the company go out to tout for business. How can the Minister ask the Committee to pass the clause as it stands? I have never made an attempt to draft a bond. It is not my responsibility. Had I known what is in the Minister's mind, I would have tried. Will the Minister put the bond in the Schedule?

The Minister for Lands: I may, or I may not.

Hon. C. G. LATHAM: I think we had better let the darned thing go through as the Minister wants it. I do not think the

Minister has much knowledge of the matter. He has left this to the last moment of the session, and then he asks us to discuss something as to which he himself does not know what he really means. I shall move the reduction of the amount of the bond by £40,000—to £10,000.

Hon. W. D. Johnson: Does the Minister propose to restrict the raising of the bond to public insurance companies?

The Minister for Lands: I have an amendment bearing on that.

Hon. C. G. LATHAM: I move an amendment—

That in Subclause 1, after the words "insurance company" in lines 4 and 5, there be inserted "underwriters or bank."

I want it understood that the word "underwriters" is to include Lloyd's.

The Minister for Lands: I will accept that amendment.

Amendment put and passed.

Hon. C. G. LATHAM: I move an amendment—

That in Subclause 2 the word "fifty" be struck out.

If that amendment is carried, I shall move the insertion of "ten thousand pounds."

The MINISTER FOR LANDS: I have no intention of agreeing to the amendment. The Leader of the Opposition says I know little about this. I know something about it. The company, having no capital, must put up a bond. They will handle from 30,000,000 to 50,000,000 bushels of wheat every year for the farmers of this State. The company have no resources whatever. In Canada bonds are required in all such circumstances.

Hon. C. G. Latham: Read the Canadian Act and see. In Canada the railway companies are putting up bulk handling facilities on their own properties, without any bonds whatever.

The MINISTER FOR LANDS: The company are in debt to Westralian Farmers Ltd. and to the Wheat Pool. They start off in debt. They have no resources whatever. To suggest a bond of £10,000 is ridiculous. This will not mean any great expense to the company. Let us assume that there was a crop of 40,000,000 bushels. That is not excessive, because we have approached 50,000,000 in the past, and it is only because of bad seasons that the out-turn has been less. Even last season we would have

had a 30,000,000 bushel harvest but for the bad season.

Hon. C. G. Latham: We did not have that last year.

The MINISTER FOR LANDS: We had rust badly in the North, and that seriously affected the out-turn. Assuming that we had a crop of 40,000,000 bushels and that the company handled three-quarters of it, which would be 30,000,000 bushels. That quantity handled at 3s. 4d. would be the equivalent of £5,000,000, so that a bond of £50,000 would represent 1 per cent. Let members ask themselves how the company operate. When the company first started operations, it required merchants doing business with them to furnish the company with a guarantee by way of an indemnity under which the company would be indemnified against liability in respect of losses, and they required securities amounting to £80,000.

Hon. C. G. Latham: Did they do that last year?

The MINISTER FOR LANDS: That is what they did when they started off.

Hon. C. G. Latham: And probably you know why they did that.

The MINISTER FOR LANDS: I do not want to know why.

Hon. C. G. Latham: Of course not! We know why.

The MINISTER FOR LANDS: I know why they did it in this instance.

Hon. C. G. Latham: At any rate, they did not do it last year.

The MINISTER FOR LANDS: The company required this huge indemnity, and in the circumstances it is only reasonable that the company in turn should be asked to put up a bond of £50,000. The company should not be allowed to operate without that bond being put up. If anything happened with regard to the company's transactions, where would the farmers be?

Hon. W. D. Johnson: The farmers would still own the wheat.

The MINISTER FOR LANDS: Supposing the company secured the whole of their warrants! Here is something that shows what the company have required. I am reading from one of their documents:—

Know all men by these presents that Harold Gordon Darling having his principal place of business in the State of Victoria at 44 King-street, Melbourne, in the said State, is bound to Co-operative Bulk Handling, Ltd., of 569 Wellington-street, Perth, in Western Australia

for the payment to it of the sum of Ten thousand pounds (Australian currency).

Hon. C. G. Latham: What year was that?

The MINISTER FOR LANDS: Never mind what year it was.

The Minister for Agriculture: That was in 1934.

Hon. C. G. Latham: That was not done in 1935.

The Minister for Justice: But that was for this year.

Hon. C. G. Latham: No, it was for the previous harvest.

The MINISTER FOR LANDS: John Darling has more resources than this company, which has none. It is a company in debt to Westralian Farmers Ltd. and the Wheat Pool of Western Australia. The Royal Commission found that the company had no resources. While the company can demand indemnities from merchants operating with them, they do not desire to provide an indemnity themselves.

Mr. Moloney: The Opposition do not seem to be worrying about the farmer, but about the company.

Hon. C. G. Latham: Who are the company? Of course, the member for Subiaco displays his ignorance and the Minister endorses it.

The MINISTER FOR LANDS: Where did these amendments come from? They came from the company, not from the farmer.

Hon. C. G. Latham: Did they?

The MINISTER FOR LANDS: They did; they put them forward.

Mr. Moloney: The Country Party are not troubling about the farmers.

The MINISTER FOR LANDS: The Leader of the Opposition can say what he likes, but I know sufficient about this matter to tell the Committee that they should insist upon this provision being made, otherwise they will hand over to a company without funds all the powers enumerated in the Bill, without having to accept responsibility.

Hon. W. D. JOHNSON: I am not much concerned about the £50,000 bond; it is simply another penalty upon the farmers who will have to pay. I would like the Minister to make it clear where the money is to come from, and what part of the revenue of the company can be devoted for that purpose.

Mr. Coverley: You can use some of that £80,000 you get from the private companies.

Hon. W. D. JOHNSON: We do not get that. So far as I am aware there is no means by which the company can levy any charge upon the farmers to secure the necessary income to pay interest on the £50,000.

The Minister for Justice: Can they not use the toll?

Hon. W. D. JOHNSON: I would like the Minister to make sure if they can avail themselves of that source. If they cannot, the company will be without the means of doing what is required. If the Minister is sure on that point, it will be all right. The Minister for Lands has made much about Co-operative Bulk Handling, Ltd., requiring an indemnity from merchants. The reason for that is that under the law as it stands to-day the company are responsible in connection with liens held by other people.

The Minister for Lands: That applies to everyone, not only to your company.

Hon. W. D. JOHNSON: That is so. Certain procedure had to be followed. It must be remembered that this happened during the first year of our operations, and this course was adopted so that there would be an absolute guarantee that all requirements of lien holders would be satisfied. It was a round-about way of doing it, and the shippers desired a more direct and easier method. They made representations accordingly and finally the company agreed with them that they would indemnify us against any loss in regard to their neglect to do anything that was set out in the lien. It was a matter of mutual arrangement entered into at the request of the wheat merchants, and agreement was reached on that basis. At that time another concern was operating whose business morality was seriously in question. We could not exclude that concern, because we had to allow anyone to use the bins.

The Minister for Lands: Was that concern a growers' organisation too?

Hon. W. D. JOHNSON: Yes, but their business stability was in question. It was conclusively proved afterwards that our fears in that direction were well founded. To prevent one section of growers beating the other section, an indemnity was required to guarantee that in the event of any lien not being satisfied, they and not the company would be responsible. The bond has a dual purpose, one to protect the growers against carelessness by those who have obligations under a lien, and the other

to guarantee that companies whose stability was questioned would not take down the growers. I do not expect to make much impression on the Minister, but members will realise that this was a very difficult matter to arrange. Years ago I had to start the Industries Assistance Board and I was confronted with grave difficulties to get it established on a business basis. On this occasion it was difficult to co-ordinate the arrangements and maintain an economic basis of administration. In the second year we found that we had been unduly cautious. We had taken extraordinary precautions to guarantee that we would not lose the money of the growers—the people for whom we were acting. In the second year, therefore, we did not impose the bond. The company will have no objection to the bond mentioned in the Bill. If the Government wish to impose this burden on the growers, they will meet it.

The Minister for Justice: Nothing of the sort.

Hon. W. D. JOHNSON: That is the position. I do not wish to be unfair, but it will be a definite impost, and as a grower I take exception to it. The Minister said we would handle millions of bushels of wheat. It runs into 5,000,000 bushels a month on a given crop return. What would be the use of £50,000 in that case? If the company do not operate reasonably, the £50,000 will not put things right. It is an arbitrary amount to fix upon. I say it is excessive, but as one of the administrators I do not take exception to it, other than to say we want the Government to appreciate that less toll will be available because of the interest we shall have to pay on the bond.

The Minister for Justice: What would £1,000 spread over 40,000,000 bushels represent?

Hon. W. D. JOHNSON: Small savings make for economy in administration.

The Minister for Water Supplies: Everyone has to take out insurance directly or indirectly.

Hon. W. D. JOHNSON: We have to pay insurance in addition to providing this bond. Protection is afforded against flood and fire; in fact, every other likely loss is covered by insurance.

The Minister for Water Supplies: Tell us what risk you cannot insure against.

Hon. W. D. JOHNSON: Downright dishonesty. Experience over the last five years indicates that the bond will be of no value.

We know exactly where the risks lie and have insured against them. Now the Government are imposing something over and above all that, and it is not necessary. It is a burden that can be imposed, but the increased cost of production is due to a multiplicity of small items, not to large ones.

Hon. C. G. LATHAM: I might not have risen had not the Minister accused me of saying that he did not know anything about the £50,000. I did not say that. I asked him to state what risks he expected the company to take for the £50,000 bond.

The Minister for Lands: The responsibilities under the measure.

Hon. C. G. LATHAM: Then the Minister twisted, in his usual way.

The Minister for Lands: It could be provided for by regulation.

Hon. C. G. LATHAM: That is one of the worst forms of legislation, and it is worst of all when applied to a private company. The Minister has an idea that the company comprise men who are out to do something for themselves, whereas farmers constitute the company. I believe that the Minister is looking after the interests of the shippers more than those of the farmers.

The Minister for Water Supplies: Did you hear what the member for Guildford-Midland said?

Hon. C. G. LATHAM: Will the Minister say it was not true?

The Minister for Water Supplies: It shows what can happen with a company of farmers.

Hon. C. G. LATHAM: Co-operative Bulk Handling Ltd. have been in operation for five years without any bond and has any claim been made against the company?

The Minister for Water Supplies: There have been complaints.

Hon. C. G. LATHAM: Then they must have been city complaints. There is a serious demand for the extension of the bulk handling system.

The Minister for Water Supplies: Every merchant with the exception of Westralian Farmers Ltd. has complained.

Hon. C. G. LATHAM: It is something new for a Labour Minister to be looking after the interests of shippers.

The Minister for Justice: What is wrong with that?

Hon. C. G. LATHAM: They can look after themselves.

The Minister for Water Supplies: They purchased f.a.q. wheat, but they did not get it.

Hon. C. G. LATHAM: They did get it. Had they not done so they could have had recourse to the law.

The CHAIRMAN: Order! I must ask members to keep order. I do not want to have to deal with anyone, but I do desire to maintain a semblance of order.

Hon. C. G. LATHAM: This is a company of farmers, and not of individuals out to make a profit for themselves. Any profit that is made will go to the farmers, if the Government do not take it away by means of this Bill. I do not mind whether the amount is £50,000 or £10,000, but I object to the company being loaded up when it is doing its best to reduce the costs to the farmers. What bond was put up by the Westralian Farmers under the old Pool Act, when the pool handled all the wheat in the State?

The Minister for Lands: There were other firms in it too.

Hon. C. G. LATHAM: The Minister is ill-informed. We passed legislation in 1921 and 1922 providing for that.

The Minister for Lands: The Commonwealth Government took the responsibility.

Hon. C. G. LATHAM: The State ran it for two years, and appointed the Westralian Farmers as handling agents. Bulk Handling Ltd. are only the handling agents in this case. The company does not own the wheat. The Bill says the ownership of the wheat shall not pass to the company, when in fact, the company is made up of the farmers.

The Minister for Justice: The company contracts to issue the amount of wheat it has on its warrants.

Hon. C. G. LATHAM: True. We have just provided for a surplus in the out-turn. The company is obliged to insure against any risk that can be insured against. We have set out how the wheat shall be taken in, and how the warrants shall be issued. I do not know what the bond could be for, except to impose an additional charge upon the farmer. Apparently the farmers have to put up a bond to protect their own wheat against themselves.

The Minister for Justice: What about the warrant holders?

Hon. C. G. LATHAM: What I want to do is to reduce the farmers' costs. If the

Minister will not accept this proposal he must take the responsibility.

The MINISTER FOR LANDS: The Leader of the Opposition is side-stepping the facts. When the Westralian Wheat Pool handled wheat for either the Commonwealth or State Governments, those Governments were responsible. If Bulk Handling, Ltd., were acting for the State Government, the State Government would be responsible. Will anyone believe that we are acting on behalf of the merchants? Do the merchants support the Labour Party?

Hon. C. G. Latham: One does not know whether they do or not nowadays; it is surprising who does support the Labour Party.

The MINISTER FOR LANDS: They are all Nationalist supporters, both the wheat merchants and the shippers. They do not subscribe to the Labour Party, any more than does the Country Party. The position is such that we are able to do justice to both sides. Ours is the one party that is fighting in the interests of the whole country.

The Minister for Justice: They are all citizens of Western Australia and are entitled to justice.

The MINISTER FOR LANDS: And they are getting it. The member for Guildford-Midland said the farmer had to put up the money for the bond. We know what profit Bulk Handling, Ltd., has made. In the absence of any competition, the profits ought to be greater. Indeed, a profit is guaranteed by the company. It is said that all the profits go to the growers, but how can that statement be reconciled with the facts? Who is to say that this scheme will ever be handed over to the farmers whilst the present organisation is in existence? Meanwhile we are doing our best to look after the interests of the growers. We desire to see that these people do their duty and protect the grower. It is only fair and reasonable that this bond should be provided by the company. If the Government were dealing with any other institution in the country, they would demand a bond.

Amendment (that the words proposed to be struck out, be struck out) put, and a division taken with the following result:—

Ayes	..	..	..	..	20
Noes	..	..	..	..	19
					—
Majority for	..	..	..	..	1
					—

AYES.	
Mr. Boyle	Mr. North
Mr. Brockman	Mr. Patrick
Mr. Ferguson	Mr. Sampson
Mr. Hawke	Mr. Seward
Mr. Keenan	Mr. J. M. Smith
Mr. Lambert	Mr. Stubbs
Mr. Latham	Mr. Thorn
Mr. McDonald	Mr. Warner
Mr. McLarty	Mr. Watts
Mr. Mann	Mr. Doney

(Teller.)

NOES.	
Mr. Clothier	Mr. Nulsen
Mr. Coverley	Mr. Raphael
Mr. Fox	Mr. Rodoreda
Mr. Hegney	Mr. F. C. L. Smith
Mr. Johnson	Mr. Tonkin
Mr. Kenneally	Mr. Troy
Mr. Millington	Mr. Willcock
Mr. Moloney	Mr. Wilson
Mr. Munroe	Mr. Cross
Mr. Needham	

(Teller.)

Amendment thus passed.

Hon. C. G. LATHAM: I move an amendment—

That "twenty" be inserted in lieu of the word struck out.

Amendment put and passed; the clause, as amended, agreed to.

Clause 14—Liability of company for conversion:

Hon. C. G. LATHAM: Under the New South Wales Act, the Government are handling wheat in bulk and have contracted themselves out of the law. I suggest that the clause be deleted.

Clause put, and a division taken with the following result:—

Ayes	..	..	..	20
Noes	..	..	..	19

Majority for 1

AYES.

Mr. Clothier	Mr. Munroe
Mr. Coverley	Mr. Needham
Mr. Cross	Mr. Nulsen
Mr. Fox	Mr. Raphael
Mr. Hawke	Mr. Rodoreda
Mr. Hegney	Mr. F. C. L. Smith
Mr. Kenneally	Mr. Tonkin
Mr. Lambert	Mr. Troy
Mr. Millington	Mr. Willcock
Mr. Moloney	Mr. Wilson

(Teller.)

NOES.

Mr. Boyle	Mr. Patrick
Mr. Brockman	Mr. Sampson
Mr. Ferguson	Mr. Sleeman
Mr. Johnson	Mr. J. M. Smith
Mr. Keenan	Mr. Stubbs
Mr. Latham	Mr. Thorn
Mr. McDonald	Mr. Warner
Mr. McLarty	Mr. Watts
Mr. Mann	Mr. Doney
Mr. North	

(Teller.)

Clause thus passed.

Clause 15—Company not liable for act of God or unforeseen damage:

Hon. C. G. LATHAM: I move an amendment—

That after "warrant" in line 3 of Subclause 1 the words "or delivery order" be inserted.

The Bill provides that when a person takes delivery of wheat, he shall hand over a warrant. When the warrant is handed over, a delivery order is given which enables delivery of the wheat to be taken from the bin where it is stored. The delivery order is merely a substitute for the warrant.

The MINISTER FOR LANDS: No delivery order is provided for in the Bill, but merely a warrant. This is similar to the New South Wales legislation.

Hon. C. G. Latham: Paragraph (3) of the Schedule provides that no wheat shall be delivered to the holder of a warrant until the holder has signed a request in the prescribed form and delivered up the warrant to the company. Then he gets a delivery order.

The MINISTER FOR LANDS: What for?

Hon. C. G. Latham: To obtain the wheat.

The MINISTER FOR LANDS: Is not the warrant the delivery order?

Hon. C. G. Latham: No. The farmer hands in the warrant to the office and gets a delivery order, which he may use immediately or perhaps not for several days. There is no catch involved in this.

The MINISTER FOR LANDS: We provide that the warrant shall be the one order. What is the need for a delivery order if there is a warrant? I know that in Western Australia there are several forms of order; but in New South Wales there is only one—the warrant.

Amendment put and negatived.

Clause put and passed.

Clause 16—Company's liability if unable to deliver on account of shortages of stocks:

Hon. C. G. LATHAM: In this clause the market price of wheat is mentioned twice. Some doubt exists as to what "market price" means. Does it mean the market price at West Perth, or the export price? I move an amendment—

That at the end of Subclause 1, after the words "such thirtieth day of September" there be inserted "For the purposes of this section the market price means the wheat merchant's buying price or average buying price of wheat at the material time or on the thirtieth day of September, as the case may be, as published in the 'West Australian' newspaper."

In every issue of the "West Australian" appears a statement showing the price. Sometimes there are variations, and that is why we ask that the average be taken.

The MINISTER FOR LANDS: The Leader of the Opposition says the clause is not definite enough. I consider it is. It is just as definite as his amendment.

Hon. C. G. Latham: What is the market price?

The MINISTER FOR LANDS: The market price on that day; and that is not difficult to discover. The "West Australian" might not be accurate, but everyone knows what is the market price on a certain day.

Hon. C. G. Latham: I shall show you in to-day's "West Australian" two different market prices for wheat.

The Minister for Water Supplies: That does not help you.

Hon. C. G. Latham: The one is the merchant's price, and the other is the selling price by auction at West Perth.

The MINISTER FOR LANDS: There is a price in the Perth market, and there is a merchant's price. We say the market price.

Hon. C. G. Latham: As the result of consultation with the Parliamentary Draftsman we came to this conclusion.

The MINISTER FOR LANDS: And as the result of consultation with that officer, I came to this conclusion. The amendment represents no improvement whatever.

Hon. C. G. LATHAM: I quote from the "West Australian" of to-day—Friday, 6th December, 1935—the following:—

Merchants' Prices.

Local prices for export wheat were again unchanged yesterday. For bagged wheat on a 4d. freight basis, all firms quoted 2/10 3-8, while the quotation for bulk wheat on the equivalent of a 4d. freight basis was 2/10 1-8. A year ago bagged and bulk wheat were worth 2/2½.

Metropolitan Auction Sales.

Premium wheat sold at 4/4 in one instance and f.a.q. grain at 3/7½ at the auction sales in the metropolitan railway yards yesterday, where four truck loads were submitted. Details were:—Ex Berring, G2529, 3/7½. Ex Gnarming, G4957, 3/7½ (passed in). Ex Kuerin, G41903, 4/4. Ex Narembcen, G48682, 3/6½ (p.).

That is where the conflict arises. I wanted to clear the matter up. Contrary to what the Minister has stated, there are two prices. I would have no objection if the clause said "export price."

The MINISTER FOR LANDS: If it came a dispute at law between the par-

ties, the evidence would be as to the market price that day.

Hon. C. G. Latham: We could go on arguing for a long time as to what is the market price.

Hon. N. Keenan: Is it the export price?

The MINISTER FOR LANDS: It might not be. Then again there might be a misprint in the price quoted in the "West Australian."

Hon. N. Keenan: Is it the local price or the export price?

Hon. C. G. Latham: It is most debatable what the Minister means.

The MINISTER FOR LANDS: I will look into the matter further and see if we can get nearer to it. I do not think taking the price in the "West Australian" will make it clearer.

Hon. C. G. Latham: At any rate, we could go on arguing for a long time as to what "market price" really means.

Mr. McDONALD: I hope the Minister will reconsider the clause. I do not know that the "West Australian" is necessarily the best authority, but I think we should clearly set out in the Bill what "market price" means. If the combined intelligence of the Legislative Assembly is all at sea as to what the term means, we cannot expect the farmers and the merchants to be clear in their conception.

Amendment put and passed; the clause, as amended, agreed to.

Clause 17—Company to insure wheat:

Hon. C. G. LATHAM: I move an amendment—

That in lines 3 and 4 of Subclause 1 "in some reputable public insurance office" be struck out and the words "with some reputable public insurance company or underwriters" be inserted in lieu.

The amendment really means the addition of the reference to "underwriters."

The Minister for Lands: I propose to agree to the amendment.

Amendment put and passed.

Hon. C. G. LATHAM: I move an amendment—

That in lines 5 and 6 of Subclause 1 "by wetting from above as well as flooding from below" be struck out and the words "by torrential rains" inserted in lieu.

I do not know who was responsible for the wording of the subclause. I can assure the Minister that it would be impossible to

insure under such conditions. At present insurance is effected on account of damage by fire or flooding by torrential rain, and that is all that the Minister requires. If a shower of rain were to fall on wheat, the grain would not be affected and yet if we agree to this clause claims for damages might be lodged because people would assert that the company had to insure.

The Minister for Justice: Most of the damage has been by flooding from below.

Hon. C. G. LATHAM: But all flooding is from the top.

The Minister for Justice: But the water comes up from below.

Hon. C. G. LATHAM: Any such flooding can only be in consequence of torrential rains.

The MINISTER FOR LANDS: I think the wording of the clause is preferable to the amendment. What is indicated in the clause is just what happens.

Hon. C. G. Latham: I can assure the Minister that he cannot insure under those conditions.

The MINISTER FOR LANDS: At any rate I will look into the matter further, but I think the clause is reasonable. Wheat becomes flooded from below and that has been the experience in this State. It might be flooded through the neglect of Co-operative Bulk Handling Ltd. to provide proper drains around the bins. Then again, the bins might be badly roofed and then there would be flooding from above. The Leader of the Opposition says that the company will not be able to insure under these conditions.

Hon. C. G. Latham: Nor will they.

The MINISTER FOR LANDS: Why should they not be able to insure? However, if the clause is passed I will make further inquiries. I have heard similar statements before, but I have not been able to secure any proof.

Hon. C. G. LATHAM: Perhaps I did not make myself clear. It is possible to insure for anything if the premium paid is large enough. I do not suggest that the company could not insure at all. If the Minister reads the report of the Royal Commission, he will find that they stated that the bins were adequately protected when the flooding took place early in 1933. I want to obviate the possibility of claims being lodged on the score that the company should have insured against wheat getting wet.

Amendment put and negatived.

Clause, as previously amended, agreed to.

Clause 18—Provisions for insuring supplies of millers' wheat:

Hon. C. G. LATHAM: Will the Minister tell the Committee what the clause means? It reads as follows:—

The company shall, as far as practicable in accordance with the practice at present observed, be obliged to retain and keep on hand at sidings where the company is operating country bins, a sufficient quantity of special milling wheat in order to satisfy the requirements of millers, but nothing in this section shall oblige the company to retain such wheat after the thirtieth day of September in any year following the date of its receipt.

Member: That is carried out now.

Hon. C. G. LATHAM: No, it is not. The company are not owners of wheat, but merely holders. They cannot hold wheat unless they have the warrants. The clause suggests that the company must hold milling wheat for millers irrespective of whether the millers have any wheat in store with the company or not. The Minister should understand that he cannot include a clause compelling the company to hold wheat against the delivery of warrants. I think a mistake has been made in the Bill right through. The bulk handling people are handlers, not wheat-owners. If a warrant holder demands his wheat, they are compelled to hand it over. Under this clause the company will be required to keep a special kind of wheat for millers. I do not know who drafted the clause, but I presume the Minister included it in order to force the company to do something that they could not do. That is my reply to the Minister's accusation that the company had drafted the amendments.

The MINISTER FOR LANDS: The clause is governed by the words "as far as practicable." If millers buy warrants the company must deliver the wheat.

Hon. C. G. Latham: They have to deliver under a warrant.

The MINISTER FOR LANDS: The clause goes on to say "in accordance with the practice at present observed." I understand that is the established practice.

Hon. C. G. Latham: Only when millers own the wheat.

Hon. W. D. Johnson: Would the wheat that has to be retained belong to the millers?

The MINISTER FOR LANDS: Yes.

Hon. W. D. Johnson: The clause does not say so.

Hon. C. G. Latham: It does not specify the miller warrant-holder.

The MINISTER FOR LANDS: This has been the practice.

Hon. W. D. Johnson: Only where millers hold a warrant.

The MINISTER FOR LANDS: The miller must produce a warrant.

Hon. W. D. Johnson: That is not provided for in the clause.

Hon. C. G. Latham: The company have to retain such wheat until the 30th September.

The MINISTER FOR LANDS: This refers to special milling wheat and is very necessary. The company have to meet the millers' demands.

Hon. C. G. Latham: The clause is an absolute gem.

Hon. W. D. JOHNSON: Cannot the Minister realise that a miller need not take any action to acquire wheat until the 30th September? There is always wheat available till the 30th September. Are we to anticipate that the miller is to be under no obligation to buy wheat, but that the company must retain special milling wheat and have it available for the miller whether it belongs to him or not?

The Minister for Mines interjected.

Hon. W. D. JOHNSON: Under the clause the company would have to keep all the wheat at Moorine Rock in the bins until the 30th September, whether millers had bought it or not. Then the millers could go along and buy it. There is an obvious flaw in the clause. A few words are needed to require the miller to produce a warrant.

Clause put and negatived.

Clause 19—Company to forward balance sheet and revenue account to Minister and to furnish prescribed returns:

Hon. C. G. LATHAM: The clause requires the company to take out a balance sheet not later than the 30th June, which is the middle of the company's year. Will the Minister agree to the 31st October being fixed, by which time the company would have cleaned up for the season? I move an amendment—

That "thirtieth day of June" be struck out and the words "thirty-first day of October" inserted in lieu.

The MINISTER FOR LANDS: If that will meet the needs of the company, I have no objection.

Amendment put and passed.

Hon. C. G. LATHAM: I move an amendment—

That after "shall" in line 7 of Subclause 1 the words "within two months after the thirty-first day of October as aforesaid" be inserted.

The Minister for Justice: Two months after the 31st October would bring it to the end of December, after the session had closed.

Hon. C. G. LATHAM: The amendment will not have the effect of extending the time, but will merely move it on to the end of the year.

The MINISTER FOR LANDS: As has been pointed out by interjection, the balance sheet would not reach the House until the session had expired.

Hon. C. G. Latham: Many accounts will require to be cleared up throughout the country. You had this there before. Why not let it go?

The MINISTER FOR LANDS: The accounts are presented so that they may come before Parliament.

Amendment put and passed.

Hon. C. G. LATHAM: I move an amendment—

That in lines 11 and 12 of Subclause 1 the words "not later than the following thirty-first day of August" be struck out, and "on the first sitting day after receipt thereof" inserted in lieu.

Amendment put and passed; the clause, as amended, agreed to.

Clause 20—Company to exhibit handling conditions at sidings:

Mr. DONEY: I move an amendment—

That in line 1, after the word "exhibit" the following words be inserted:—"on the back of every warrant and."

This will be a convenience to farmers who may want to know what the handling conditions are.

The Minister for Lands: The amendment is not at all a necessary one.

Hon. C. G. Latham: The warrant gives the full particulars.

Amendment put and negatived.

Hon. C. G. LATHAM: I move an amendment—

That in paragraph (a) the words "from time to time operating" be struck out.

Placed in this position, these words must refer to the terms and conditions, but these terms and conditions would hardly vary from time to time in the way that the price of wheat would vary.

Hon. W. D. JOHNSON: The terms and conditions cannot vary in the way suggested in this paragraph?

The Minister for Justice: Are they to be regarded as the laws of the Medes and Persians?

Hon. W. D. JOHNSON: The terms and conditions would be uniform throughout the State and throughout the season. If the words used had been "from season to season" we could have understood them.

The MINISTER FOR LANDS: It is important that the terms and conditions from time to time operating should be made known. I cannot accept the amendment.

Amendment put and negatived.

Clause put and passed.

Clause 21—Conditions of handling not to be altered except with Governor's approval:

Hon. C. G. LATHAM: I move an amendment—

That after the word "that" in line 4, the following words be inserted:—"on being requested by the company so to do."

This amendment would mean that the Governor may, when requested by the company, by Order-in-Council vary the terms and conditions from time to time.

The MINISTER FOR LANDS: I cannot accept this amendment.

The Minister for Water Supplies: It is a warm one.

The MINISTER FOR LANDS: Parliament will have passed the Schedule, and the Schedule will set out the terms and conditions. This simply places the whole thing in the hands of the company.

Hon. C. G. Latham: But the Governor has power to say Yea or Nay.

The MINISTER FOR LANDS: The terms and conditions should not be altered by the company. I cannot possibly agree to the amendment.

Hon. C. G. LATHAM: This is an extraordinary clause. I did not say so before, because I thought the Minister would accept my amendment. I know of no provision ever having been made in an Act which gives the Governor in Council power to alter it. The Schedule is part of the Act, and by this clause power is given to the Governor to over-ride Parliament. If the clause be passed, then I say we are going back to the Dark Ages. The company who are financing this scheme and controlling it ought to know more about it than

the Governor, and should at least have an opportunity of doing as I suggest. It is Parliament's prerogative to alter the law, and I hope that Parliament will jealously safeguard its privilege in that respect.

The Minister for Justice: Your amendment makes it worse.

Hon. C. G. LATHAM: Of course it does, but as the Bill proposes to do something of this sort, I think the company should at least have a right to do as I suggest.

The Minister for Works: The sole right?

The MINISTER FOR LANDS: This is a new concession.

Hon. C. G. Latham: Yes, for a Labour Government. If the amendment be defeated I shall move to strike out the clause.

The MINISTER FOR LANDS: It would be monstrous to give the Governor this power if he were not to exercise it at the request of the Government. But it would be monstrous to give the company power to dictate to the Governor. The Leader of the Opposition made many statements that will not bear examination. It is absurd that the company which has this monopoly should have the right to request the Governor to vary the conditions. The hon. member loses sight of the fact that the company has a monopoly, and that it provides for itself a clear profit of £10,000 per annum.

Hon. C. G. Latham: That statement is not true.

The MINISTER FOR LANDS: It is a fact.

Hon. C. G. Latham: It is not.

The MINISTER FOR LANDS: You will find it in the Royal Commission's report. The company concedes that it has fixed a charge which will provide more money than it requires. The excess moneys, however, are to be returned to the growers. Now the company wants to dictate to the Governor.

Hon. W. D. JOHNSON: Can the Governor-in-Council alter an Act of Parliament?

The Minister for Lands: But this is at the request of the Governor.

Hon. W. D. JOHNSON: Do not sidestep the argument in that way. I want the Minister to justify the clause. No Labour Government should tolerate a provision of this kind, which gives the Governor power to interfere with an Act of Parliament. The Minister knows full well what that means,

and I question whether he should father such a clause.

Hon. C. G. Latham: He would father anything.

Members interjected.

The CHAIRMAN: Order!

Hon. W. D. JOHNSON: There are members present who will hear about this clause. Make no mistake about that.

Mr. McDONALD: This matter cannot be dismissed quite as easily as might be thought. It is a very extraordinary thing to give the Governor power to interfere with a Schedule to an Act of Parliament. The Schedule is just as substantive a part of the Act as any section in the Act; and this clause reduces the Schedule to the same basis as a regulation. It is a course which I think any Parliament should hesitate to embark upon. The amendment moved by the Leader of the Opposition is not so remarkable to my mind at all. It does not mean that the Government must vary the Schedule at the request of the company; it means that the Governor may, at the request of the company, vary the schedule.

Mr. Moloney: He has to wait until he is asked.

Mr. McDONALD: That may well be so. There is nothing remarkable or wrong about that. After all, this contract for the time being involves three parties—the growers on the one part, the company on the second part, and the people who are to find the finance for the company on the third part. For the time being, we are told, something like £120,000 has been found by independent financiers for the purpose of establishing the capital outlay on the scheme. Part of the money, I understand, came from a bank; part came from another organisation. The position is that when that money is advanced by such bodies, they advance it upon the strength of an Act of Parliament with a Schedule. The Act of Parliament and the Schedule set out the terms of the contract under which the company operate. It is not unreasonable to expect that after a large sum of money has been advanced by some outside bodies or corporations, the terms of the contract shall not be altered without the consent of the material parties. That is all that the amendment proposes—that if the terms of the contract are to be altered, and possibly altered in such a way as to vary the whole financial interests of

the scheme, then the parties to the contract shall agree to its being done. It is the old axiom that one party to a contract cannot alter it; that it must be altered by both parties, by bilateral action.

Hon. C. G. LATHAM: I ask leave to withdraw my amendment.

Amendment, by leave, withdrawn.

Hon. C. G. LATHAM: I move an amendment—

That in Subclause 1 the following words be struck out:—“Provided, however, that the Governor may by Order-in-Council published in the ‘Gazette’ vary from time to time all or any of such terms and conditions, but no variation shall affect the rights of the holder of a warrant issued prior to such variation.”

I think the Minister will agree that such a power should never be in any Act of Parliament.

The Minister for Justice: It has been.

Hon. C. G. LATHAM: Where? True, Parliament gives to the Executive Council power to make regulations; but I believe it is about 400 years ago since power was taken away from the King or his representative to override Parliament. The proviso gives the King or his representative power to override the will of Parliament.

The MINISTER FOR LANDS: If the proviso is cut out, the position will be much worse for the company than it is at present. It will leave the subclause reading, “The terms and conditions on which all wheat shall be delivered to and handled by the company shall be in accordance with the schedule to this Act.” That will be final. That will be the law for all time, without possibility of alteration. I would not question the legal exposition of the member for West Perth, but I am told that the Governor-in-Council has altered regulations.

The Minister for Justice: Power has been given to the Governor-in-Council to vary a Schedule to an Act.

Hon. C. G. LATHAM: I should like the Minister for Justice to quote his authority.

The Minister for Justice: I will quote the Act.

Hon. W. D. JOHNSON: Parliament passes the Schedule, and if the Schedule is to be altered Parliament must alter it.

Hon. C. G. LATHAM: That is so; Parliament, and not the King's representative. We must not in a Bill of this description depart from the old practice that that which Parliament has created, Parliament must amend. To say that a regulation can be made to

override an Act of Parliament is obviously wrong.

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

Ayes	..	..	..	21
Noes	..	..	..	15
				—
Majority for	..	..		6
				—

AYES.

Mr. Boyle
Mr. Ferguson
Mr. Hegney
Mr. Johnson
Mr. Keenan
Mr. Latham
Mr. McDonald
Mr. McLarty
Mr. Mann
Mr. North
Mr. Patrick

Mr. Rodoreda
Mr. Sampson
Mr. Seward
Mr. J. M. Smith
Mr. Stubbs
Mr. Thorn
Mr. Tonkin
Mr. Warner
Mr. Watts
Mr. Dooney

(Teller.)

NOES.

Mr. Clothier
Mr. Coverley
Mr. Cross
Mr. Fox
Mr. Kenneally
Mr. Lambert
Mr. Millington
Mr. Moloney

Mr. Needham
Mr. Nulsen
Mr. Raphael
Mr. F. C. L. Smith
Mr. Troy
Mr. Willcock
Mr. Wilson

(Teller.)

Amendment thus passed; the clause, as amended, agreed to.

Clauses 22 and 23—agreed to.

Clause 24—Liability of holders for conversion—negotiability of warrants:

Hon. C. G. LATHAM: I move an amendment—

That in line 2 of paragraph (a) of Subclause 1 the word "stated" be struck out.

The clause sets out that for the purpose of determining the civil liability for conversion or other actionable wrong of any person who becomes the holder of a warrant, the first person to be responsible is the one who acquires title from the stated grower. Will the Minister tell the Committee what is meant by "the stated grower." Does it refer to the person who is legally entitled to the wheat or the man who has grown the wheat? If wheat is taken to a receiving station by the person who grows it, and if there is a lien over the wheat, does this mean that the warrant will be made out in the name of the lienor or of the grower of the wheat?

The MINISTER FOR LANDS: The clause is framed in accordance with current practice. The name of the grower is stated. After liens are satisfied, the name of the grower is stamped on the warrant.

Amendment put and negatived.

Clause put and passed.

Clause 25—Company must receive wheat in bulk when required, but not inferior wheat.

Mr. BOYLE: I move an amendment—

That a new subclause, to stand as Subclause 2, be inserted as follows:—"In the event of the company refusing to accept wheat on the ground of inferior quality, the grower may request an officer of the Agricultural Department, who shall be nominated by the Minister, to determine whether the wheat shall be accepted or rejected by the company."

The Minister for Justice: Is that not covered by Subclause 4 of Clause 26?

Mr. BOYLE: No. This is not a matter of dockage, but of absolute rejection of wheat. I have in mind disputes that have arisen at sidings in consequence of the company having refused to accept wheat. In country centres where at times feeling runs high, opinions are frequently expressed that may influence the man in charge of the local bin to refuse wheat as being inferior. The grower has no redress and I wish to give him the right of appeal as indicated in the amendment.

The MINISTER FOR LANDS: I have no objection to the amendment. I had no idea that wheat was being refused. There are grades that indicate what wheat can be received.

Hon. C. G. Latham: They could not receive smutty wheat.

The MINISTER FOR LANDS: No.

Hon. C. G. Latham: But that is where the argument may arise

The MINISTER FOR LANDS: That would be speedily settled.

Amendment put and passed.

Hon. C. G. LATHAM: The Bill provides for the company compulsorily receiving wheat and we should also provide that there shall be a closing date. A man may have a few bags of wheat and may compel the company to keep the local bin open until he may choose to drag along with it. There is a closing date in connection with the Wheat Pool, and if the farmer does not deliver his wheat by that particular date he has to get rid of it in some other manner.

Clause, as amended, agreed to.

Clause 26—agreed to.

Clause 27—Tolls and charges to be subject to Governor's approval:

Hon. C. G. LATHAM: I move an amendment—

That paragraph (a) of Subclause 1 be struck out and the following inserted after "Governor" in line 2 of paragraph (b):—

"and in addition every holder of a warrant on surrendering the same shall on behalf of the grower of the wheat in respect of which the warrant was issued advance to the company a toll of five-eighths of a penny per bushel, or such other toll as the Governor may at the request of the company from time to time prescribe. The amount so advanced shall be a loan to the company repayable by the company to the grower at the time and in the manner prescribed in the deed of trust.

(2) In return for all services performed by the company in the receipt, handling, storage, and delivery of any wheat the company shall be authorised to make a handling charge, to be prescribed by the Government, but not to exceed one and one-eighth pence per bushel, and such other charges as are from time to time approved by the Governor."

What we propose is that in return for the service rendered, there shall be a handling charge at a rate to be fixed by the Minister. Instead of the $\frac{5}{8}$ d. being regarded as a levy or toll, which makes it appear as if it is the income of the company, although it is not, it will be regarded as an advance to the warrant holder. It would mean a deduction from the farmer as an investment in the company. Therefore, if a taxpayer, he has to pay tax on it as part of his income. I hope the Minister will agree to the amendment as the company are merely holding the money for the shareholders.

The MINISTER FOR LANDS: I do not think the amendment is for the purpose stated by the hon. member, though it may be.

Hon. C. G. Latham: Yes, it is.

The MINISTER FOR LANDS: It means that the company shall get the toll of $\frac{5}{8}$ d. per bushel, or such other toll as the Governor may, at the request of the company, from time to time prescribe. There is no feeling of insecurity about the Governor having power here.

Hon. C. G. Latham: It is a different power. Do not start that argument over again.

The Minister for Justice: At the request of the company, too.

Hon. C. G. Latham: Well, strike that out.

The MINISTER FOR LANDS: The Governor might be asked to prescribe $\frac{3}{4}$ d. or $\frac{7}{8}$ d. The Bill stipulates $\frac{5}{8}$ d. or such other lesser charge as the Governor may fix.

Thus the amendment provides for $\frac{5}{8}$ d. and possibly something more, while the Bill stipulates $\frac{5}{8}$ d. or something less. The Royal Commission considered that $\frac{5}{8}$ d. was too high.

Hon. W. D. Johnson: To reduce it would only extend the period. The farmers suggested $\frac{5}{8}$ d.

The MINISTER FOR LANDS: When did the farmers suggest it?

Hon. W. D. Johnson: Through the Growers' Council.

The MINISTER FOR LANDS: Who elected the Growers' Council?

Hon. W. D. Johnson: The wheatgrowers.

The MINISTER FOR LANDS: How many wheat growers voted?

Hon. W. D. Johnson: Seven thousand were eligible to vote.

The MINISTER FOR LANDS: How many voted?

Hon. C. G. Latham: That has nothing to do with the amendment. We are assisting you. Do not get on to side issues.

Hon. W. D. Johnson: Nobody voted for the Minister, but he was returned to Parliament.

The MINISTER FOR LANDS: A lot of farmers have no vote for the Growers' Council.

Hon. W. D. Johnson: Every wheat-grower has a vote.

Mr. Patrick: All have a vote, and it is not our fault if they do not exercise it.

The MINISTER FOR LANDS: The vote was taken by post, and only a few farmers voted.

Mr. Patrick: A few thousand.

The MINISTER FOR LANDS: No.

Mr. Doney: There is no doubt about it.

Hon. C. G. Latham: Do not get on to that. I am trying to help you, and you are talking rubbish about elections.

The MINISTER FOR LANDS: I am talking facts. The Leader of the Opposition said the amendment would relieve the growers from taxation.

Hon. C. G. Latham: I did not.

The MINISTER FOR LANDS: The amendment would afford relief to the company. It would give the company power to get $\frac{7}{8}$ d. or such other toll as the Governor at the request of the company may prescribe.

Hon. C. G. Latham: We will alter that if you will accept the amendment.

The MINISTER FOR LANDS: I will not have any part of the amendment I consider it a subterfuge.

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

Ayes	18
Noes	19

Majority against	..	1
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AYES.

Mr. Boyle	Mr. Patrick
Mr. Ferguson	Mr. Sampson
Mr. Johnson	Mr. Seward
Mr. Keenan	Mr. J. M. Smith
Mr. Latham	Mr. Stubbis
Mr. McDonald	Mr. Thorn
Mr. McLarty	Mr. Warner
Mr. Mann	Mr. Watts
Mr. North	Mr. Doney

(Teller.)

NOES.

Mr. Clothier	Mr. Nulsen
Mr. Coverley	Mr. Raphael
Mr. Cross	Mr. Redford
Mr. Hegney	Mr. F. C. L. Smith
Mr. Kenneally	Mr. Tonkin
Mr. Lambert	Mr. Troy
Mr. Millington	Mr. Willcock
Mr. Moloney	Mr. Wilson
Mr. Munster	Mr. Fox
Mr. Needham	

(Teller.)

Amendment thus negatived.

Clause put and passed.

Clause 28—Company to have lien for charges:

Hon. C. G. LATHAM: I move an amendment—

That after the word "lien" in line 1, the following words be added:—"In priority to all other claims."

The Minister for Lands: I have no objection to the amendment.

Amendment put and passed; the clause, as amended, agreed to.

Clause 29—Delivery Board:

Hon. C. G. LATHAM: If the Minister would tell us something about this clause we might be able to arrive at an understanding concerning it, and thus save a lot of discussion.

The Minister for Lands: What is it you want?

Hon. C. G. LATHAM: The board are able to throw too much responsibility upon the company. The chairman is to be the Commissioner of Railways or his deputy; one member will be nominated by the Fremantle Harbour Trust Commissioners, one by the merchants who are shippers of wheat, and one only by the company. All the money has to be found by the company, who

are responsible for the observance of the law, who have to carry all the responsibility to the warrant holders, and who have only one voice on the board; whereas the Commissioner of Railways has, in effect, two voices. It looks as if the wheat producers and the marketers of wheat are to provide the freight for the railways instead of the railways being there to provide transport for the freight. Apparently the wheat-grower exists for the benefit of the railways, rather than the other way round. If the shipping companies and the Harbour Trust and Co-operative Bulk Handling Ltd. do not appoint a member on the board, the Minister may himself make the board complete. If the Government want all this control, who do they not make the Commissioner of Railways take over the whole thing and accept the full responsibility? If the Commissioner did take it over the producers would have to pay a great deal more for the services rendered than they will pay through the channels of the bulk handling company. This clause really makes the railways the masters instead of the servants of the industry.

[Mr. Hegney took the Chair.]

Hon. P. D. FERGUSON: The functions which this board would be called upon to discharge should belong to the company. The other parties represented on the board carry no responsibility and have very little connection with the matter. The constitution of the board is lop-sided, and there is too much domination by Governmental institutions. The board could be very dangerous to the company. One of its functions will be to see that adequate supplies of wheat are transported to the port to meet the demands of shippers. If terminals are provided at the ports at the expense of the Government they will naturally want to see that such terminals show a reasonable profit, and pressure may be brought to bear on the company to handle the wheat in the interests of the terminals. I object to the board in the first place, and to its constitution in the second place. I am disposed to move an amendment—

That the words "one member to be nominated by the Fremantle Harbour Trust Commissioners" be struck out.

Hon. W. D. JOHNSON: Personally, I believe that representation from the Fremantle Harbour Trust would be of assist-

ance, but the representative who is superfluous is the Commissioner of Railways.

Mr. Moloney: He is just the man who should be on the board.

Hon. W. D. JOHNSON: No. He would be a danger, because he has a certain influence. The trouble here is shipping. It is a shipping board that is wanted, not a transport board. The fruitgrowers already have a shipping board—a voluntary one—to arrange and co-ordinate the quantities of fruit that shall be placed on certain ships. It is essential that the merchants, Co-operative Bulk Handling Ltd. and the Western Australian Farmers should confer for the purpose of arranging for the shipment of wheat in order to meet the convenience of the charterers of ships. The railways are quite another proposition. The Commissioner of Railways may desire to store a large quantity of wheat at the ports, but the cheapest way of storing wheat is to hold it in the country.

Hon. P. D. Ferguson: Is the Commissioner of Railways on the Fruit Shippers' Board?

Hon. W. D. JOHNSON: No.

Member: Has the Harbour Trust a representative on it?

Hon. W. D. JOHNSON: No. This clause virtually places the marketing of wheat in the hands of the Commissioner of Railways. If carried, it would make it absolutely impossible for the company to operate. The company would have no security at all, it could not lay down a policy. It would be merely the agent of the Commissioner of Railways or of this board. There is grave danger that the company will not be able to arrange for finance if it is subject to super-control of this description. The Minister promised that he would have something to say on this clause when it was proposed to alter the definition. I suggest the Minister should let the Committee know whether he intends to modify it. If not, we shall see what amendments can be suggested.

Mr. MOLONEY: For some of the reasons that have been advanced by the member for Guildford-Midland, I will support the clause. I am afraid the hon. member and most of the members of the Opposition are viewing the position purely from the point of view of the company.

Hon. W. D. JOHNSON: From the growers' point of view.

Mr. MOLONEY: No. The growers have been entirely ignored. We have had the specious argument advanced, in season and out of season, that the company is the producer. Of course, those hon. members may have convinced themselves on that point, but they are the only persons who are so convinced. If the company has put money into the scheme, as the member for Guildford-Midland suggested, I would point out that the people of the State have invested £20,000,000 in the railways of the State, and that the Commissioner of Railways is the custodian of that huge asset. He would be on the board to see that there is no congestion on the railways owing to trucks being detained at various sidings. Despite all that has been said, the company is constituted for the benefit of sectional interests.

Hon. W. D. JOHNSON: For 7,000 wheat-growers.

Mr. MOLONEY: Seven thousand nebulous wheatgrowers, who did not have a vote in the election of their so-called representatives who are controlling the company.

Hon. W. D. JOHNSON: They were on the roll.

Mr. MOLONEY: Yes, but can you convince me that these 7,000 wheatgrowers actually voted for these representatives?

Hon. W. D. JOHNSON: They were returned unopposed.

Mr. MOLONEY: I have seen many such elections. They are on a par with a company meeting held in a city office, when directors are elected and balance sheets are adopted. One or two bald-headed men get up and move and second a motion, and then go away for a drink. I am not saying that that applies to the present case. We will admit that; but the fact remains that if the company are so jealous of their rights, we as representatives of the people are called upon to be jealous of the powers vested in the Commissioner of Railways, who is the custodian of the people's interests in this matter. The merchants have a representative on the board, the company have a representative, and the Fremantle Harbour Trust, in view of their assets involved, naturally have a representative; and so there is equal representation of the various interests. These representatives will act in an honorary capacity, at no cost to the company. The member for Guildford-Midland imagines that the Commissioner of Railways will have huge bins and by their

means will control the whole of the bulk wheat at the port.

Hon. W. D. Johnson: No one suggests that.

Mr. MOLONEY: Those who have come in contact with the Commissioner of Railways recognise him as one of the most level-headed men who have held high positions in Western Australia. This whole question hinges upon transport. The functioning of this service is an essential which must receive our attention. The personnel of the board as suggested by the Bill is equitable. I see no reason why a board so constituted should not function satisfactorily. The Opposition have advanced no reason for omitting to give protection to this public utility. The company are operating for profit. They are a restricted monopoly. If they could, they would operate as an unrestricted monopoly. Any corporation operating in that manner should be subject to legitimate restrictions. I support the clause as printed.

Mr. LAMBERT: I am somewhat surprised at the previous speaker's remarks. It may be accepted that the company here in question support the co-operative movement. The fewer the restrictions placed upon such a company, the better.

Mr. Moloney: Why not give them an open go altogether?

Mr. LAMBERT: It is regrettable that this utility could not have been linked up with the railway system. However, so long as the company remain a co-operative concern I will support them. I stand for the principles of co-operation. As regards the representation of the Commissioner of Railways on the board, undoubtedly both the Commissioner and the system are giving good service; but the question here is whether we are to be servants of the railway system or the railway system is to be our servant. Too many potential industries have been crippled or killed in Western Australia by our lack of a clear conception of the extent and degree to which the railway system of the State should serve the people of the State. Admittedly, the Railway Department has served Western Australia well; but the farmers, who equally have done the State good service, have failed to benefit materially by their pioneering work. It is time Parliament took a definite attitude towards the railway

system as an assistant of primary production in Western Australia.

Mr. Moloney: The railways have done that pretty well, have they not?

Mr. LAMBERT: I do not assert that they have failed in the slightest degree. The failure lies in the omission of Parliament to take the right view of the conduct of the railway service. It is impossible for the Commissioner of Railways to make the railway system pay and at the same time give assistance to primary production. It is impossible for primary producers to pay the tolls demanded by the Commissioner of Railways when he is required to balance the departmental budget. Only a couple or so of our railway lines return working expenses and interest on capital. I am not blaming the Commissioner of Railways, but I do see a danger ahead. We should be the masters, and not the servants, of our railway system.

Mr. Moloney: What about the board?

Mr. LAMBERT: I am speaking of the board in referring to the Commissioner of Railways. I will support an amendment eliminating the representative of the Commissioner of Railways. If Parliament is to take a sane view of the position of the railways in our economic life, we must consider their relation to other industries as well as to wheatgrowing.

The CHAIRMAN: Order! I think the hon. member had better discuss the clause, not the railways.

The Minister for Justice: Yes, we dealt with that on the Railway Estimates.

Mr. LAMBERT: Then I shall limit my remarks to expressing the wish that the Commissioner of Railways shall be excluded from a seat on the board.

Mr. DONEY: The Committee possibly will realise that the Minister is hardly likely to eliminate the Commissioner of Railways from the board. I intend to submit an amendment in the nature of a compromise, and I hope the Minister will accept it. I move an amendment—

That in line 4 "a chairman" be struck out and the words "one member" inserted in lieu. Later on I propose to move the inclusion in line 11 after "member" the words "who shall be the chairman." The Minister must see that the growers have a paramount interest in this matter, and should have a far larger representation on the board than is implied by the clause. We must assume that the

Government chose Co-operative Bulk Handling Ltd. for the task of handling the State's wheat because they comprise men with a full knowledge of the subject, long experience, proved probity, and undoubted knowledge of wheat handling. It seems wrong to place men of that calibre under the control of persons inexperienced in the task of wheat handling.

The MINISTER FOR LANDS: Members appear to have lost sight of the main object of the clause. The principle proposed to be established is already an accepted fact. The Shippers' Board exists and for a very good reason.

Mr. Patrick: It has nothing to do with the railways.

Hon. W. D. Johnson: It has to do with the chartering and loading of vessels.

The Minister for Justice: But the co-operation of the Commissioner of Railways is required.

The MINISTER FOR LANDS: The board came into operation because there had been considerable friction.

Hon. W. D. Johnson: No; they came in from the inception. There will always be friction.

The MINISTER FOR LANDS: If the board are abolished and the monopoly have a free run, merchants and shippers will be embarrassed, as they have been embarrassed. The family circle wish to keep the wheat business to themselves.

Hon. W. D. Johnson: As long as it belongs to the growers, that is as it should be. They should control their product.

The MINISTER FOR LANDS: It is not the growers' wheat that is transported, unless it is in the Pool. It is the buyers' wheat. The shipper will be at the mercy of this body unless we have a shippers' board.

The Minister for Justice: If the growers did not want the merchants, they would have to go out of the business.

The MINISTER FOR LANDS: I do not consider that, because some people talk of co-operation and handling and control, they necessarily are efficient. They are not efficient people. The Wheat Pool in New South Wales controlled bulk handling there and the Government had to take it over.

Mr. Patrick: In South Australia it is being offered to a co-operative concern.

The MINISTER FOR LANDS: South Australia is offering it to anyone with the capital and resources, and is tying the pro-

motors down. South Australia will not have a family circle like this. In June, 1933, the company agreed to handle wheat for the merchants for a period of five years. The terms of the warehouse receipt provided that the delivery of the wheat be made by Co-operative Bulk Handling Ltd. and the wheat made available on trucks, delivery to be in the order in which delivery warrants were issued by the company. What merchant would stand that? The direct nominees of Western Farmers Ltd. would have the right to deliver where and as they thought fit. What hope would the merchants have? The wheat belongs to the merchants and the shippers. What hope would they have against the combination? They would undoubtedly be embarrassed.

Hon. W. D. Johnson: You can look after them very well.

The MINISTER FOR LANDS: We have to look after them. The farmers need that competition. In New South Wales the Government had to take over bulk handling from the Pool. Are we going to have that happen here? If the board be not provided, the company could embarrass every competitor, and it would not be human nature if they did not do so. What object would I have in proposing the Commissioner of Railways if it were not to expedite the flow of wheat to the ports?

The Minister for Works: What other power would he have?

The MINISTER FOR LANDS: To get efficient despatch, should not he be a member of the board?

The Minister for Works: He is the very man to consult.

Mr. Seward: To consult, yes.

Mr. Patrick: You are supporting the amendment?

The MINISTER FOR LANDS: The object of the shippers' board is to create harmony. If the board be not provided, what shall we have in its place?

Hon. W. D. Johnson: A shippers' board free from railway direction.

Mr. Doney: I am not suggesting in my amendment that the Commissioner of Railways should not be on the board.

The MINISTER FOR LANDS: Until terminal facilities are provided at the ports the presence of the Commissioner or his deputy is desirable, seeing that the railways are responsible for the transport of the wheat. The

statement by the member for Irwin-Moore that the company would be in the hands of the board and would have to do as they were told is not correct, as Clause 35 shows. The board must pay due regard to the facilities available for the handling, transport, storage and delivery of the wheat, and could not insist upon anything that was impossible or unfair.

Hon. P. D. Ferguson: Look at Clause 33.

The MINISTER FOR LANDS: If the Commissioner of Railways is not to be a member of the board—

The CHAIRMAN: The amendment is to make the Commissioner a member of the board, but not chairman. It is suggested that the chairman be nominated by the company.

The MINISTER FOR LANDS: I do not think I can object to the first part of the amendment; but what is the proposal regarding the chairman?

Mr. DONEY: If the words "a chairman" be struck out, I propose to move a further amendment to provide that the chairman shall be nominated by the company.

The Minister for Lands: I would agree to the Commissioner of Railways being a private member.

Amendment put and passed.

Hon. P. D. FERGUSON: I move an amendment—

That the words "one member to be nominated by the Fremantle Harbour Trust Commissioners" be struck out.

I can see no necessity for the Fremantle Harbour Trust being represented on the board.

Progress reported.

House adjourned at 10.45 p.m.

Legislative Council,

Tuesday, 10th December, 1935.

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

QUESTION—RIOTS, EASTERN GOLDFIELDS.

Dwellings Replaced by Government.

Hon. H. SEDDON asked the Chief Secretary: 1, How many dwellings were replaced by the Government on the Eastern Goldfields for persons who suffered as a result of the riots? 2, What was the average cost? 3, What was the total cost?

The CHIEF SECRETARY replied: 1, 60. 2, £168 15s. 3, £10,125.

BILL—RESERVES.

Report of Committee adopted.

Read a third time and returned to the Assembly with amendments.

BILL—LOAN, £2,627,000.

Second Reading.

Resumed from the 5th December.

THE CHIEF SECRETARY (Hon. J. M. Drew—Central—in reply) [4.36]: I propose, in the first place, to deal with statements made, under cover of the Loan Bill, reflecting on the character of one of the Commissioners of the Agricultural Bank. It is the first opportunity I have had because of the length of the second reading debate on the measure. Mr. Holmes commenced the onslaught. He said that, when the Agricultural Bank Bill was under discussion, members had heard a lot about people getting away with pigs that really belonged to the