

Legislative Assembly,

Wednesday, 20th August, 1923.

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

QUESTION—GOVERNMENT WORKERS' COMPENSATION FUND.

Mr. MARSHALL asked the Premier: 1, What was the total or approximate amount of money to the credit of the Government Workers' Compensation Fund at 30th June, 1923? 2, What was the total or approximate amount paid out as compensation at the same date? 3, What was the total or approximate number of successful and unsuccessful applicants for compensation respectively at 30th June, 1923? 4, To what extent has the scheme benefited the Government in the form of premiums? 5, What has been the approximate cost of administration to June, 1923?

The PREMIER replied: 1, £50,000; this being the maximum amount which it has been decided to retain in the fund. 2, Total amount of claims paid up to 30th June, 1923, £106,516 approximately. 3, Successful claims 6,114; unsuccessful claims 150. 4, It is impossible to state any definite amount, but the premiums for ordinary Government departments are about half the tariff rates. A somewhat higher rate is charged for trading concerns, according to nature of the risk. 5, No record has been kept, it being considered as part of the ordinary departmental work.

QUESTION—AGRICULTURAL DEPARTMENT, MILEAGE.

Mr. MARSHALL asked the Minister for Agriculture: 1, Is it a fact that the mileage allowance to field officers of the Agricultural Department is on a flat rate, without consideration as to whether the officer is doing city or country work? 2, it is to be understood that the department does not realise the necessary extra running cost of country officers, due to the heavy, rough, and mountainous nature of their districts? 3, Will he consider the advisability of having the matter gone into with a view to meting out justice and equity to all his field officers alike?

The MINISTER FOR AGRICULTURE replied: 1, Pending consideration, mileage is on flat rate. 2, No. Officers have been requested to keep accounts in order that the question may be reviewed at the end of the year. 3, Answered by No. 2.

BILLS (2)—THIRD READING.

1. Reciprocal Enforcement of Maintenance Orders Act Amendment.

2. General Loan and Inscribed Stock Act Amendment.

Transmitted to the Council.

ORDER AND PROCEDURE.

Notice Paper Priority.

Mr. Hughes moved for leave to introduce a Bill for an Act to control rents.

Mr. A. Thomson: On a point of order. I should like to know why Notices of Motion Nos. 1, 2, and 3 have been given priority on the Notice Paper. Notices of Nos. 1 and 2 were not given until last night. Yesterday No. 3 was No. 21 on the Notice Paper. Why has my notice of motion been put down?

Hon. P. Collier: It simply went down in rotation.

Mr. Speaker: Notices of Nos. 1 and 2 were given yesterday. They have been treated as formal motions. That is why they are where they are on the Notice Paper. In respect of No. 3, I am assured the Minister concerned has agreed to treat it as formal. If any objection be raised, it will have to be placed in its proper position on the Notice Paper. However, the hon. member cannot raise objection to it at this stage.

Mr. A. Thomson: At all events, I raise an objection to the motion for leave to introduce a Bill for an Act to control rents.

Mr. Speaker: Very well, it will have to take its proper position on the Notice Paper.

Mr. Marshall moved for leave to introduce a Bill for an Act to amend the Workers' Compensation Act, 1912.

Mr. A. Thomson: I raise an objection to this motion.

Mr. Speaker: Does the hon. member desire to debate it? If so, it will have to take its proper place on the Notice Paper.

Mr. A. Thomson: No, I do not desire to debate it; I merely raise an objection.

The Minister for Works: Are you a conscientious objector?

Mr. Speaker: Very well, it will be put into its proper place.

Mr. McCallum moved—

That all papers connected with the dismissal of Guard Searle from the Railway Department, together with the shorthand notes of evidence before the Appeal Court, be laid on the Table of the House.

Mr. A. Thomson: I intend to debate this motion.

Mr. Speaker: Very well, it will have to take its proper place on the Notice Paper.

The Minister for Mines: I do not propose to debate it, but I wish to explain that it is not a motion for leave to introduce a Bill. Last week the member for South Fremantle (Mr. McCallum) notified me of his motion, and asked me to treat it as formal. I could not then give such an undertaking but, after making inquiries, I agreed to do so.

Mr. A. Thomson: My point is that this motion was No. 21 on the Notice Paper yesterday, but has now been given priority over mine.

Mr. Speaker: I was correct in my statement that arrangements had been made between the Minister and the member concerned to treat this as formal. However, that does not prevent another member from opposing it. We did not expect opposition to the motion, and so we placed it where it is, as being formal. Since objection has been raised, the motion must take its proper place on the Notice Paper.

Mr. Munzie: I should like to ask whether the hon. member has any objection to the motion.

Mr. Speaker: I cannot say.

Mr. McCallum: May I ask what will be its proper place on the Notice Paper? I think it is properly ahead of any other notice.

Mr. Speaker: It will have to take its proper place.

Mr. McCallum: Will it come on this afternoon?

Mr. Speaker: I cannot say. I will have the notices looked up, and this will go into its proper place.

Mr. McCallum: Yesterday my motion was dropped below others which, properly, it should have preceded.

Mr. Speaker: I will have the original notice looked up and the motion put into its proper place on the Notice Paper.

Hon. P. Collier: The point is, the hon. member will lose his opportunity. He says he thinks it is in its proper place now.

Mr. Speaker: No, it is not.

Hon. P. Collier: In the order in which the notices were originally given, I think it should have priority over that of the member for Katanning.

Mr. Speaker: If the hon. member will look up Notice Paper No. 14 he will see that notice of this motion was given after the notice of motion by Mr. Cunningham, No. 15. Therefore, its proper number is No. 16. I cannot allow debate on it now. If in the course of business its proper position be reached this afternoon, it can be moved to-day.

PAPERS—CATTLE EMBARGO.

Hon. P. COLLIER (Boulder) [4.44]: I move—

That all papers relating to the action of the Government in preventing cattle entering this State from South Australia be laid upon the Table.

I hope I shall be in order in moving this innocent little motion. I do not think the objection of the member for Katanning (Mr. A. Thomson) will lie against this motion, because I gave notice of it on the opening day. I understand the Minister for Agriculture has no objection to laying the papers on the Table. I merely desire to see those papers in order to satisfy myself and the people of the Eastern Goldfields as to the nature of the objection to the bringing in of the cattle.

Question put and passed.

PAPERS—INDUSTRIAL DEVELOPMENT, ADVANCES.

Hon. P. COLLIER (Boulder) [4.45]: I move—

That all papers relating to applications for Government assistance that were referred to, or reported on, by the Council of Industrial Development, be laid on the Table of the House.

This is another harmless notion to which I think the Minister might readily agree. The Minister for Education in another place last week declined to give information to a member of that Chamber regarding applications for assistance dealt with by this body, explaining that they were largely in the nature of banking transactions and it was not desirable to make public the different applications received by this body for assistance. I do not know whether the Minister here intends to adopt a similar course. I see no reason whatever why the papers should not be laid on the Table, or why the House should not be supplied with the fullest information regarding the matters dealt with by the council. It may be opportune to say that when the functions and work of this body were under discussion last year, the Minister said he would have a Bill prepared defining the powers and functions of the council and that the House would have an opportunity to deal with it before the session closed. I do not know whether the Minister has forgotten that statement, but the Bill has certainly not eventuated, and so we find this body in an exactly similar position to what it occupied last year. I do not wish to again go over the ground covered by the debate on that occasion, but I once more register my strongest disapproval of the manner in which the Council of Industrial Development has been permitted to carry on its functions. The reply given by the Minister for Education last week means that members of Parliament are not permitted to know the number or nature of the applications referred to this body by the Government. I object to men, who have no statutory authority and no legal standing whatever, having the privilege and power to recommend how public funds shall be expended. I repeat that the Government have at their command in the various departments all the necessary advice—technical, professional and otherwise—to enable them to

decide what should be done regarding applications for assistance, and it should not be necessary to call into their service private citizens, men engaged in the commercial life of the city, who may be called upon to deal with an application of a rival in business. The whole principle is entirely wrong unless the functions are defined and laid down by this House. I move the motion in the hope that the Minister will be able to present a return. I recognise it would be somewhat difficult to lay upon the Table all the files and papers relating to applications that may have been made during the past 12 months, but certainly some return should be presented to supply us with information as to the work of this body with the high-sounding title of Council of Industrial Development. I do not know how useful this body has been; its members may have rendered great assistance. My attitude is not of a personal nature; I have nothing to say against any of the members of the council. In a semi-public capacity I believe they have rendered good service to the State, but I object to any small body of men, four or five, having authority greater than that exercised by members of this House.

The Premier: No, it is purely advisory.

Hon. P. COLLIER: Of course it is; everything is advisory because, in the final analysis, the members of the Government have the right to determine what shall be done, but the Premier will not deny that the recommendations of this body would greatly influence the Government or Ministers in dealing with applications for assistance. Necessarily the board would be quite superfluous, and, in fact, useless, if Ministers ignored or attached little weight to its recommendations. I do not wish to refer again to the incident discussed last year when it was found that while the president of the Primary Producers' Association was a member of the council and while he was chairman of directors of the South Fremantle freezing works, an application by the works for assistance to the extent of £12,000 was referred to the council.

Mr. Latham: That would be allowed under an Act of Parliament.

Hon. P. COLLIER: Does the member for York approve of four or five men constituting such a council sitting in judgment upon an application for assistance made by their own particular business?

Mr. Latham: He would not take part in it.

Mr. Marshall: He would do only the recommending.

Hon. P. COLLIER: Would the member for York account that unto him for righteousness?

Mr. Latham: It is allowed under most Acts of Parliament.

Hon. P. COLLIER: The council is not operating under an Act of Parliament. Any application for assistance for a business in which any member of the council may be concerned, directly or indirectly, should not be referred to the council by the Government, but should be determined by the Government themselves. I think the hon. member, upon

reflection, will concede that this is a sound and honest attitude to adopt. If any other attitude were adopted, it would be highly undesirable, even though the members of the council were the very personification of rectitude.

Mr. Davies: Would that be overcome if the council were given statutory authority?

Hon. P. COLLIER: It is an obvious safeguard that would be embodied in any Act of Parliament. Anyhow the House should be informed why these citizens are called in to advise when the Government have all the advice necessary in the departments. We should know what matters have been dealt with by the council during the last 12 months and what public funds have been granted to assist industries under the council's advice and recommendations.

The MINISTER FOR MINES (Hon. J. Scaddan—Albany) [4.56]: I think I am justified in assuming that the Leader of the Opposition has no desire to do an injury to any persons who have received assistance from the Government to establish and carry on secondary industries. The Government cannot be regarded as an ordinary banking institution, certainly not from the standpoint of assisting to establish secondary industries. True, we do a fair percentage of the banking affecting certain industries such as agriculture, but the attitude of the Government has been to render assistance for the establishment of an industry when private capital was not available, or when opposition made it dangerous for private capital to undertake it. We have had numerous applications for assistance, but all of them have not been approved. The Leader of the Opposition would not suggest disclosing information obtained by us that led the Council of Industrial Development to recommend and the Government to approve of their recommendation not to make an advance to people who to-day are carrying on industries but who, at the time of making application for assistance, found themselves in a temporary difficulty. We would be disclosing information that no one outside a banking institution would have a right to claim.

Hon. P. Collier: Applications might not be made if the applicants knew their business would be made public.

The MINISTER FOR MINES: I would not say that. People have applied for assistance in the knowledge that if their applications were successful, the fact might be made public. When applications have been refused, however, the Leader of the Opposition would not desire to heap coals of fire upon the unsuccessful applicants and, by the disclosure, possibly damage their business.

Mr. Latham: Before an amount is granted, it is published in the "Trade Gazette."

The MINISTER FOR MINES: That is an entirely different matter. I am not averse to anyone's position being ascertained through the usual channels, but special prominence should not be given to one or two cases simply to provide information that may be obtained

through the usual channels. The hon. member realises that if all the papers were brought here there would be no chance of finding room on the Table for any other papers this session. I am prepared to make any of the information available to him or to other members at any time, that is, information as to who applied for and who received assistance, the extent of the assistance and the degree to which we have granted an extension of time for the payment of interest or principal; but we should not be put in the position of claiming to have information that belongs more to a banking institution than to us, merely to give prominence that will not assist the person or persons concerned to establish or carry on a business. I am not going to discuss the question of the constitution of the council. It is not what it ought to be from the standpoint of constitutional authority. Last session I said we would reconsider the matter, and that if we intended to maintain the Council of Industrial Development we would ask for statutory authority. I have not overlooked the question. It is not an easy matter, however, to give members just what they desire, that is, give powers of investigation to a body that can advise the Government, such body being comprised of men already in the Public Service. On the other hand, it is not a simple matter to get business men interested in the establishment of secondary industries to disclose information to public officers in the way they will do to other business men, who are already carrying on operations themselves and know what it is to keep a confidence. It is difficult to arrange a board that will be satisfactory to Parliament. If the House insists that all detailed information that is collected for the purpose of arriving at a decision on the question of financing and assisting secondary industries be laid upon the Table, we shall not, I fear, receive applications except from sources that are undesirable. My object is to encourage those who have some faith in the country, and some backing, and who require a little assistance in order to make their ventures a success. If it is merely a matter of coming cap in hand to the Government to obtain money for the establishment of an industry that has no prospect of going ahead, it is better to choke off the applicants very quickly. I do not want to put back a number of those who can establish an industry with a little assistance, and I certainly do not want to encourage those who have no hope of succeeding. The Government have no wish to keep back information from the House. There is certain information which should be regarded as confidential.

Mr. Money: If men receive any assistance.

The MINISTER FOR MINES: More applications are refused than are recommended. If I am going to lay on the Table of the House the papers connected with those applicants who have been refused, I

must show the ground on which the council and the Government concluded that assistance should not be rendered.

Mr. C. C. Maley: If assistance is rendered the House and the public should know about it.

The MINISTER FOR MINES: I am not anxious that a man should disclose information he has given to enable the authorities to come to a decision that they will not assist him, or to pass on to the general public anything that will damage his business. It is sufficient to know that we have not rendered him any assistance.

Mr. C. C. Maley: If a private bank will not carry the man why should the public do so?

Mr. Pickering: They do not carry him.

Mr. SPEAKER: Order!

Mr. C. C. Maley: If the proposition is no good—

Mr. SPEAKER: Order! The hon. member must not interject.

The MINISTER FOR MINES: Where would the farming community have been during the period between 1911 and 1916 if it had been compelled to depend entirely upon private banking institutions?

Mr. Stubbs: The farmers would have been off the land.

The MINISTER FOR MINES: Yes. The Government take a point of view different from that which a bank would take. A banking institution will, generally speaking, lend on certain securities, always with a safe margin, and this frequently means crippling the man the bank is trying to help. The case is different with the Government. In the mining industry people would not require any assistance from the Government for developmental purposes but for the fact that most of those claiming assistance are in such a position that they cannot obtain any consideration from the ordinary banking institutions. In the case under review, we frequently take a chance in assisting to establish an industry that would not otherwise be established, and take a risk the private institution would not be entitled to take. The desire of the Government is to assist in the establishment of industries, but the banks look at these matters from the financial point of view. I will obtain for the hon. member all the particulars as affecting those to whom we have granted assistance. We are not concerned about the other men. On the other hand, we should not do anything to cause a setback for those others by publishing information of a private character. I think the Leader of the Opposition will agree with me that the Government ought not to lay on the Table of the House the papers showing the reasons why no assistance has been rendered. The Government have said before, they have no objection to members seeing the papers concerning any matter in which they are interested, and that any information of a specific nature will be got out for them. Some people have been granted financial assistance under certain conditions. Whilst these

conditions are being complied with, apart from the fact that we have agreed to assist, and apart from the amount of assistance that was actually given, we ought not to disclose any of the difficulties being experienced by the enterprise, and thus probably injure its chance of making headway and the Government's chance of getting their money back. That is what I wish to prevent. I have no objection to the hon. member seeing all the papers, but I want the House to know the position so that it can decide whether or not the Government should place the papers on the Table. Information regarding assistance given to any firm, company or individual the hon. member can have. One thing ought to be arranged, and that is some place within the precincts of the House where papers of a confidential nature should be made available to members. We have frequently had to refuse to place on the Table papers containing confidential matters, about which members as a board of directors ought to know, simply because that information is frequently sought against the interest of some individual, firm or company. That is an undesirable thing. All these matters are fully investigated. The question of rendering assistance to the Fremantle Freezing Works was not submitted to the Council of Industrial Development.

Hon. P. Collier: It was.

Hon. W. C. Angwin: Yes.

The MINISTER FOR MINES: It was not.

Hon. W. C. Angwin: I saw the papers.

The MINISTER FOR MINES: The council did not deal with the question of rendering assistance for the establishment of freezing works at Fremantle.

Hon. W. C. Angwin: It was a question of an advance of £12,000.

Hon. P. Collier: I mentioned that very sum.

The MINISTER FOR MINES: I am not denying the hon. member's statement about the £12,000; I say that the council did not deal with the question of assisting in the establishment of freezing works at Fremantle.

Hon. P. Collier: Not originally! No one said they did.

The MINISTER FOR MINES: That was the impression created by the remarks of the hon. member.

Hon. P. Collier: I mentioned an application for £12,000 that was referred to the council. That was long after the Government had started to lend money.

The MINISTER FOR MINES: The question of deciding on the policy of assisting in the establishment of freezing works at Fremantle, or freezing works at Carnarvon, was not submitted, considered, or reported on by the Council of Industrial Development.

Hon. P. Collier: I know it was not.

The MINISTER FOR MINES: That which was submitted was an application, made subsequent to the Government becoming

involved by rendering financial assistance, for an advance of an additional amount of £12,000 to cover liabilities that had arisen due to the ordering of a special compressor for the works.

Mr. A. Thomson: And which the Government wanted.

The MINISTER FOR MINES: I am not discussing the pros and cons of the situation. The council did not handle the question of the desirability of assisting in the establishment of the works.

Hon. P. Collier: I did not say otherwise, but merely stated what the Minister himself has said.

The MINISTER FOR MINES: I am not saying the hon. member did. I only want to clear up the fact that the council did not deal with that particular question.

Hon. P. Collier: Then why contradict something that has not been said?

The MINISTER FOR MINES: Not two members on this side of the House—

Hon. P. Collier: That is a reflection on their intelligence.

The MINISTER FOR MINES: Nor on the other side of the House—

Hon. P. Collier: Speak for yourself.

The MINISTER FOR MINES: On hearing the statement of the hon. member—

Hon. P. Collier: I accept your statement.

The MINISTER FOR MINES: Unless they had heard the additional statement that the Government were involved in financial assistance to these works to the tune of something approaching £100,000, could have assumed other than that the whole application was for a sum of £12,000, and that this had been submitted to the council.

Hon. P. Collier: I said the application for £12,000 was submitted to the council.

The MINISTER FOR MINES: I am not going to discuss the policy as to whether we should invite business men to join the Council of Industrial Development, or whether it should be made up of departmental officers, and what should be the nature of the statutory authority given to that body. So far as the Government are concerned, however, this session will not close without there being submitted to Parliament a proposal to put on a satisfactory basis a council to advise us on the question of recommending assistance to secondary industries. I hope at that time we shall get such information from the House as will enable us to decide in what direction assistance shall be rendered. I am not keen on merely waiting for someone to ask us to lend money on some proposition or another. I want, most of all, to be able to draw attention to the need for the establishment of secondary industries that will be beneficial to Western Australia. That is largely the policy that has been operating during the last 12 months. We have made it a point that applicants must show that they could not get assistance elsewhere, that Government assistance was necessary, that such an industry has not already been established, and then if we can by helping or advising, or by inquiry

obtain the necessary capital to enable such people to establish an industry, we do it.

Mr. Hughes: Have you not guaranteed an overdraft for a firm which already had uncalled capital?

The MINISTER FOR MINES: Yes. Is there anything serious about that?

Mr. Hughes: The Government should not back a firm which possessed the uncalled capital of wealthy shareholders.

The MINISTER FOR MINES: The hon. member does not know the position. The Government rendered assistance to an industry that had a capital of about £30,000, which had been spent in the establishment of that industry. It was found that the company required additional capital in order to carry on. The Government made it a condition of assistance that there should be a further issue of shares.

Mr. Hughes: You are talking about other people altogether.

The MINISTER FOR MINES: As it was a limited liability company, every individual holding shares was responsible for the total amount of the share value.

Mr. Hughes: That is not the case. In this case you did not give any money, but guaranteed the overdraft. I am speaking of the Rowley Forests Product Company. They had at call capital from their wealthy shareholders.

The MINISTER FOR MINES: If the Rowley Forests Product Company have any wealthy shareholders I do not know anything about them.

Mr. Hughes: You may not know.

The MINISTER FOR MINES: I do not. We certainly took an undue risk in assisting the Rowley Forests Product Company, because we believed they were making some beneficial use of products from raw material which to-day is to all intents and purposes unused. Anyhow, I am not going to discuss that question.

Mr. Hughes: Was not Walter Kingsmill a shareholder?

The MINISTER FOR MINES: I do not know.

Mr. Hughes: Is not he a wealthy shareholder?

The MINISTER FOR MINES: I do not know.

Hon. W. C. Angwin: He may be now.

The MINISTER FOR MINES: There are different forms of companies, as the member for East Perth knows. There are no-liability companies. In establishing a new industry in a State like this, where there is serious competition from manufacturers engaged in carrying on a similar industry in the Eastern States—Western Australia being supplied through a local agency—it is not an easy thing to obtain additional capital. If, however, the man with surplus funds, in addition to putting in capital, is to bear a personal liability, the difficulty of obtaining further capital becomes extremely great.

Mr. Hughes: But as regards limited liability the law protects him.

The MINISTER FOR MINES: As regards the Rowley Forests Products Company, I do not think the hon. member is correct in his statements. If the company have not called up all their capital, we shall compel them to do so.

Mr. Hughes: When they did not pay, you kept putting the thing back and putting it back, and giving extensions.

The MINISTER FOR MINES: Yes.

Mr. Hughes: The last time I saw the file, there was another extension.

The MINISTER FOR MINES: Unfortunately, that is not so. The company did not succeed. That is the sort of risk we sometimes have to take. According to an answer given to a question asked in another place, the company practically failed. As regards the liability of uncalled capital, that is a matter for consideration. A man who has an obligation to a Government must meet it in the same way as he would meet an obligation to anyone else. I thought the hon. member had in mind the assistance granted to a certain company which had established an industry here. The basis upon which the Government granted assistance in that case was to call upon the company to bear a certain liability contingently on our bearing another. We had the security not only of plant, building, and so forth, but also of the uncalled capital, which was in itself equal to the amount of assistance the Government were granting. That is better than requiring the company to call up the balance of capital and spend it, thereby reducing the State's security. I am sure the mover is not really asking that we should put all those papers on the Table. If he will indicate to me what information he requires regarding any person or company, I will give him everything that he desires. Applicants who have been refused assistance, have probably been refused on good grounds; but we do not want the public to know upon what grounds any particular application for assistance was refused. If we cannot help these people to succeed, at all events let us not hamper them in their efforts. As regards the constitution of an advisory board with regard to secondary industries, if the hon. member can give me any assistance whatever, I shall be very happy to have it. I find it extremely difficult to get something that will be satisfactory from the point of view of members of this House, and at the same time satisfactory from the point of view of those who want assistance. I suggest, therefore, that the hon. member should amend his motion so as to indicate exactly what he wants, so that the Government will not be called upon to lay upon the Table files containing matters which it is not desirable should be disclosed, from the point of view of either the Government or the applicants.

Hon. W. C. ANGWIN (North-East Fremantle) [5.22]: Possibly some gain would result from having these papers laid on the Table.

The Minister for Mines: It might be so from your point of view. It does not matter to me personally.

Hon. W. C. ANGWIN: In this State we have a large number of people who are against the Government putting any money into trading concerns.

Hon. P. Collier: No so large as influential.

Hon. W. C. ANGWIN: When public money has been advanced to a trading concern, the Government are taking part in that trading concern, and perhaps the principal part, seeing that they are providing the money for carrying on the concern. We know very well that these people are not consistent in their opposition to State trading concerns. They are willing to trade on Government money.

The Colonial Secretary: It is not the same thing.

Hon. W. C. ANGWIN: No. As the Minister for Mines has said, sometimes it is very dangerous for private capital to embark in an enterprise. But it is not dangerous to private people to introduce State capital into that enterprise. Private persons are not willing to invest their own capital in it, but they have no objection to risking State capital. It is dangerous for themselves, but not dangerous for the State. In such cases the State has no control over the management, though the State's money is being used.

The Colonial Secretary: The State fixes the conditions.

Hon. W. C. ANGWIN: It is desirable that Parliament should have full information regarding applications and the moneys advanced. As a fact, the members of the Council of Industrial Development have more power than the members of this Chamber.

The Minister for Mines: They have no power at all.

Hon. W. C. ANGWIN: Almost in every instance when they recommend, the Government pay.

Hon. P. Collier: This House has no say in the disposal of public funds, but the members of the Council of Industrial Development have.

Hon. W. C. ANGWIN: We are here as representatives of the people to guard the funds of the State, and to see that State funds advanced to any industry are properly advanced. Yet we have no say whatever in the matter. Scarcely any member of this House knows to-day the total of the amounts advanced by the Government to various industries.

The Minister for Mines: You can get the information at any moment.

Hon. P. Collier: I do not know that it is contained in any paper presented to Parliament.

Hon. W. C. ANGWIN: The Minister said it was not desirable that the business affairs of these people should be made public.

Mr. A. Thomson: It would not be fair.

Hon. W. C. ANGWIN: I will admit that. But is it desirable to make their business affairs known to various business men on the Council of Industrial Development who are

very often opposed in business to applicants for assistance? Is that advisable? Is it not a fact that there have been instances of applications for assistance towards the establishment of an industry being made to this board among the members of which were business men engaged or interested in a similar industry? Have not those business men dealt with applications for assistance to start an industry here while they were agents for the same class of industry in the Eastern States? In such cases it would be to the interest of those members of the Council of Industrial Development to turn down the application, seeing that they would lose their agency commissions if the goods being imported from the Eastern States were manufactured here. If it was necessary to have an advisory board of this description, the board should have consisted of members of this House.

Hon. P. Collier: Hear, hear!

Hon. W. C. ANGWIN: Or, if it was not thought wise to form the board of members of this House, then I say the board should have been composed of public servants without any business interests whatever. The recommendations of such a board would be regarded with more confidence. I understood quite clearly the references of the Leader of the Opposition to the advance made by the Government to the Fremantle Freezing Works. The papers relating to the matter were laid on the Table. The whole business was here for any person to see. When the application was made, the Government at first were not too willing to grant assistance. Indeed, the Premier was roundly abused by various members for not agreeing promptly to grant the assistance; and he was written to by some person in language which, had it been used in writing to me, and had I been in the Premier's position, would have caused me to tell the writer to go to Halifax.

Mr. A. Thomson: You know why the Government advanced the money.

Hon. W. C. ANGWIN: I know the reason. The Government had not been paid their interest.

Hon. P. Collier: The interest was owing, and the Government lent the company the money to pay it. That is finance.

Mr. SPEAKER: Order!

Hon. W. C. ANGWIN: Anyhow, the Council of Industrial Development are not assisting those engaged in trying to build up industries here as they should be assisted. Not long ago I was visiting works which had unsuccessfully applied for assistance. I am not going to say whether the refusal to grant assistance was right or wrong. The manager informed me, in the presence of other members of Parliament, that he had been getting on very well with the council, and was expecting to get assistance, but that after a certain person came to the works and asked for the sole right to sell the products, and was refused it, he, the manager, was immediately given the cold shoulder by the council. The member for Perth (Mr. Mann), who is not

in his seat just now, was also present when this statement was made. That sort of thing should not happen. We want industries established here. I do not object to the Government assisting in the building up of industries, but at the same time we must be careful to see that the funds of the State are protected, and we must be careful to see that those who recommend the Government as to dealing with the funds of the State in this connection are not getting commissions on goods brought here from outside.

The Colonial Secretary: The man in question is not always reliable.

Hon. W. C. ANGWIN: His application may have been refused on good grounds.

The Minister for Mines: I know the man you refer to, and I say his application was certainly refused on good grounds.

Hon. W. C. ANGWIN: I merely mention the matter to show the dissatisfaction existing outside.

Mr. A. Thomson: You are leading the House to believe that the board did something very wrong.

Hon. W. C. ANGWIN: I have merely repeated what was stated to me in the presence of other members of Parliament. I am not sure that the member for Leederville (Capt. Carter) was not also present on that occasion.

The Minister for Mines: Was this in the corridors of the House?

Hon. W. C. ANGWIN: No; at the works. The member for Perth was certainly there. The position is not satisfactory. The people who want assistance in building up industries here do not get the same treatment as others received. If the Minister for Mines cannot see his way to lay the papers on the Table, no doubt the Leader of the Opposition will meet him in the matter. I admit that it may be dangerous for some applicants to have their files laid on the Table. The papers ought, however, to be available somewhere on these premises for the information of hon. members.

Mr. PICKERING (Sussex) [5.29]: If this debate has done nothing else, it has served the good purpose of drawing the attention of the House to the fact that last session a definite promise was given that a properly defined board should be established in this connection. Of my own knowledge I can state that there has been serious cause for complaint on the part of various applicants to the board for advances. One instance was given by the last speaker. Great difficulty was being experienced by a certain business in getting an advance, and I think the difficulty was attributable to the fact that certain members of the board were interested in the importation of goods which the industry in question proposed to manufacture here. The firm concerned has done a lot to establish a secondary industry in this State. A very valuable secondary industry was established in Western Australia, and it was only with the very great-

est difficulty that the firm could get a recommendation from the board for the further assistance he needed in order to continue. I am quite satisfied that hon. members recognise it was a very important industry to be maintained. We should take steps to have the board appointed. If the Minister were to apply his undoubted ability in that direction, it would be of service to the State. I do not agree that all papers should be placed upon the Table of the House. Rather would it be better if, when hon. members have a specific complaint, they asked for the papers connected with that particular instance. In the event of a refusal, any hon. member taking action along those lines could get the consent of the applicant to the production of the papers. If all the papers were produced, it would mean that some applicants who do not desire their business made public, would be prejudiced. I hope the Leader of the Opposition will amend his motion along the lines suggested, and thus avoid doing an injustice to others.

Hon. P. COLLIER (Boulder—in reply) [5.32]: I quite appreciate the difficulty in placing the whole of the papers concerned on the Table. The position would be met if the Minister caused a precis to be made showing the applications received, both recommended and refused, and the assistance rendered. If that were made available in his office where members could inspect the precis and get the information they desired, the difficulty would be overcome.

The Minister for Mines: I suggest making it available in the Speaker's room.

Mr. SPEAKER: I will keep the papers under lock and key. I will meet hon. members' wishes in the matter.

Hon. P. COLLIER: It is important that hon. members should know what the position really is, and the Minister's suggestion will meet the case.

The Minister for Mines: I will see that it is done.

Hon. P. COLLIER: It may not be an attractive proposal to place all the papers on the Table, but, as the council is not responsible to Parliament, nor does it report annually to us as is necessary with other boards constituted under Acts of Parliament, we should have this assistance.

Mrs. Cowan: The Minister has promised that it will be remedied.

Hon. P. COLLIER: He has promised, but—

Mrs. Cowan: I hope he means to do it.

Hon. P. COLLIER: I would be the last to vouch that it will be done because the Minister has made a promise. I think he must have looked up his speech in last year's "Hansard" and repeated precisely, with every "i" dotted and every "t" crossed, what he said when he made his promise 12 months ago.

The Minister for Mines: But that was not in this calendar year!

Hon. P. COLLIER: If the Minister assumes that a promise dies at the end of the calendar year, perhaps that is a good policy. We could then wipe the slate clean and begin afresh on the 1st of January. In that case, the Minister's promise does not stand now.

Mr. Money: You would not want those refused included in the list?

Hon. P. COLLIER: Yes.

Mr. Money: It might prejudice them.

Hon. P. COLLIER: It is important that we should get that information, especially as it will not be for publication.

Mr. Hughes: We want to know why the applications were refused.

Hon. P. COLLIER: It may often happen that people who have been refused assistance by the council discuss the matter with members of this Chamber and complain about their treatment. When asked if they will consent to the matter being ventilated by having the papers laid on the Table of the House, they often refuse, preferring to let the matter rest rather than have the papers made public. In the circumstances, I ask leave to withdraw the motion.

Motion by leave withdrawn.

RETURN—RAILWAYS.

Allowances and Overtime.

Mr. HUGHES (East Perth) [5.35]: I move—

That a return be laid upon the Table of the House showing: (a) The number of loco. drivers and firemen who have received the "away-from-home" allowance during the months of June and July. (b) The names of such men and the amount received by each. (c) The number of loco. drivers and firemen who have received overtime during the same period. (d) The names of such men and the amount of overtime received by each.

My object in moving for the return is to verify information that has been brought under my notice. I have been told that certain men have been retrenched from the Railway Department. While there was considerable retrenchment prior to June and July, much overtime was worked during those two months by the remaining engine-drivers and others in the loco. section. In addition to that, owing to the retrenchment, large numbers of men had to be transferred away from their home stations. They received what is known as "away-from-home" allowance. Further than that, in the vicinity of the home stations where some of the men who had been retrenched had previously been employed, the amount of money paid on account of the allowance to which I have referred, and in overtime, necessitated by the retrenchment, actually amounted to more than the salary received by the men who had been dismissed. If these statements are correct, they are very serious. I do not believe men should be retrenched and other men made to

work overtime in order to cope with the work formerly carried out by those who were dismissed. It is also complained that as a result of this retrenchment, men have to work overtime and drivers and firemen have remained on the footplates of engines for a longer period than they consider is safe for men to do that work. Thus, in addition to displacing a number of men from the railways, the safety of the public has been endangered owing to the men having to remain on the footplates for excessive hours. In order to ascertain what degree of accuracy characterises the statements made to me, I ask hon. members to agree to the motion.

The MINISTER FOR MINES (Hon. J. Scaddan—Albany) [5.39]: I expected that the member for East Perth (Mr. Hughes) would tell the House what prompted him to ask for this return. He said something about statements made to him that some men had been retrenched prior to June and July and that, owing to the payment of the "away-from-home" allowance and overtime, there was an actual loss in cash to the Railway Department. A statement of that kind would not warrant him in asking for a return of this nature, because the men who are directly concerned are able to get it.

Mr. Hughes: How can I verify the statements made to me if I do not get the return?

THE MINISTER FOR MINES: The member for Geraldton (Mr. Willecock) can tell the hon. member how the information can be obtained. The member for Geraldton has been for years a member of the railway union concerned, and he knows that organisation is in possession of full information regarding these matters. The members of that organisation must know what the position is.

Mr. Hughes: The secretary of the union is not very friendly disposed towards me.

The MINISTER FOR MINES: I do not know whether it would be rude to say I am not surprised at that.

Mr. Hughes: He is something like yourself.

The MINISTER FOR MINES: A lot of people are not friendly to me, and that perhaps would not cause any surprise. The member for Geraldton, however, is directly interested in the work done by the members of the organisation affected. He came to Parliament from the footplate himself. He knows that the organisation is in possession of the information sought to be obtained in this return. When occasion arises, the executive complain straight away.

Mr. Willecock: They can get this return whenever they ask for it.

The MINISTER FOR MINES: There is no question about that. The men's interests are pretty well looked after by the Engine Drivers, Firemen and Cleaners' Union and the member for Geraldton knows it. When the union asks for the information, it is supplied. The union objects to men working unnecessary overtime. The union waited

upon me regarding that question two months ago. The member for Geraldton, who knows something about these matters, knows how difficult it is to operate a big railway system extending over such distances as ours, without overtime. We have to pay overtime rates as a penalty for working the men longer than ordinary time. There is no advantage from the point of view of the Commissioner of Railways or of the department itself in working the men overtime unnecessarily. If we have a rush of traffic in the Bunbury district, we have to transfer a number of men from their home stations for a week or two, in order to handle the excessive traffic at Bunbury. We may have to pay them overtime rates in addition to the "away-from-home" allowance. We cannot avoid that in the operations of the railways. Hon. members will realise that we could not possibly keep sufficient men at any home station all the year round to cope with the rush traffic without calling in men from other parts. We keep it down to the minimum, and when business is slack at one point and heavy at another, men are transferred from the former to the latter station and the work is thus carried out effectively. If the member for East Perth knows anything about railway working, the return will not be much good to him; if he knows nothing about it, as I anticipate he does not, it will be less useful to him.

Mr. Hughes: Why do you object to the return being made available?

THE MINISTER FOR MINES: I do not object.

Mr. Hughes: Well, why oppose it.

The MINISTER FOR MINES: I am suggesting there is no reason for asking the department to furnish the return when those directly interested, who do not desire to work overtime, can obtain the information whenever they ask for it. When retrenchment is taking place, the union and the individual members are keen in seeing that no unnecessary overtime is worked. The member for Geraldton knows full well it is impossible to operate the railways without incurring overtime and without transferring men from home stations to places where rush traffic has to be coped with, and he also knows that the information covered by the motion is readily available to the men themselves.

Mr. Hughes: What about the man who is not in the union?

Mr. Latham: Surely you are not taking up his case.

The MINISTER FOR MINES: There is nothing in the motion that cannot be obtained by the men concerned for the asking.

Mr. WILLCOCK (Geraldton) [5.45]: As the Minister has informed the House that the information is available, there is no reason why it should not be supplied. It will then be possible, when the Estimates are under consideration, to intelligently discuss the matter. Regarding the away-from-home allowance, a considerable amount of money has

been paid away unnecessarily. People in close touch with the railway service know that on many occasions this allowance has been paid when there has been no justification for the payment. Being of that opinion, an hon. member should surely have the right to criticise the administration of the department. I know that in June a man was sent from Perth to Geraldton on this allowance and he did nothing beyond a job that could have been carried out by a local man. No purpose was served in that case and it is difficult to ascertain the reason for such a procedure. Men who are stationed in a certain place, instead of being sent out from there, are kept in the depot. Geraldton men have to work Sandstone every week or fortnight, as the case may be, but if there is a man there who is on expenses, he should be sent to Sandstone instead of a man from Geraldton, and a man being sent from Perth to relieve the employee sent out from Geraldton. There should be no objection to the return being supplied. But the importance of the request is in connection with the retrenchment that has taken place in the Railway Department, particularly in the refining branch. I drew attention to the fact that on a previous occasion when I told the House that it was retrenchment run mad. We know that during the next few months the railway service will have to be built up by the employment of inexperienced men who will be needed to take the place of the experienced men who were retrenched, and who probably have found employment elsewhere. This is the position practically every year. Personally, I do not think that it pays the department to get rid of experienced men and replace them later with novices. The service has been cut right down to the bone, until we now know that it is undermanned. If the information desired is available, it should not be within the province of the Minister to tell us to go to the secretary of the organisation for it.

Question put and passed.

MOTION—SANDALWOOD TENDERS.

Hon. P. COLLIER (Boulder) [5.50]: I move—

That in the opinion of this House no tender conferring the sole right to pull and remove sandalwood from Crown lands or to deal with sandalwood under the grant of a monopoly should be accepted by the Government until Parliament has had an opportunity to approve or otherwise of the tender or tenders. And in the meantime, to enable members to inform themselves of the nature of all tenders submitted, all such tenders and all papers relating thereto be laid on the Table of the House.

It will be remembered that the question of handling sandalwood in this State was brought prominently under the notice of the public and this House about three years ago. At that time the Government set out to make

a radical departure from the practice that had obtained previously, and as the result of a general protest and opposition that was offered to the proposal by those concerned, the Government for the time being abandoned their intentions. I think I am safe in saying that a majority of members considered that that was the end of the intended policy, and they were greatly surprised to find that in March of the present year the Government had reverted to the proposals of three years before, and had inserted advertisements in a newspaper inviting tenders for the sole right to pull and deal in sandalwood. The matter was rather hastily dealt with. Tenders were called for by an advertisement in the "West Australian" on the 16th March, and they were receivable on the 29th of the same month. The period that was being allowed to elapse was merely 13 days, and I know of my own knowledge that no announcement appeared in the goldfields Press until some days later. In fact, I think it was a week later that an advertisement was published in the goldfields Press. It should have been obvious to those handling the matter that 13 days was an insufficient period in which to permit all those interested to become aware of the alteration in the policy. Many of those who deal in sandalwood are in the remote parts of the State and live in places where mails are few and far between. Thus, the time allowed was not sufficient. I am aware that when a protest was made, the period was extended, and of course there was then ample opportunity for those concerned to deal with the matter. I do not think that such a radical alteration of policy—and it is a radical alteration—should be carried out without Parliament having some indication of the intentions of the Government. It was not until March that members and the public concerned knew anything about the intentions of the Government. When a particular policy has been pursued for a long course of years, it is always wise, when it is proposed to make a radical change, to at least acquaint Parliament. I have no doubt that, had it not been for the strong deputation that waited on the Premier in connection with the matter, a contract would have been finalised before the present time.

The Minister for Mines: That deputation ought to answer for the loss that has accrued to us.

Hon. P. COLLIER: I do not know about that. The Minister is answerable for the loss of the last three years in not carrying out the original intention.

The Minister for Mines: That is quite true.

Hon. P. COLLIER: The responsibility of the deputation is not nearly so great as that of the Minister. The House does not know the real reason why the Government have made an alteration. We do know, perhaps, that it is contended that in the past—and I think it is admitted by everyone concerned—the handling of the sandalwood industry has been unsatisfactory, except perhaps to the dealers. It has certainly not been satisfac-

tory to the pullers. Neither has it been satisfactory to the State in that the public revenue has not benefited to the extent that was the case in years gone by. Prior to 1920 the royalty was only 5s. a ton, and as the result of the step taken at that time, the royalty was increased to £2 a ton, which was certainly a very important increase in the amount, but not nearly—as we now learn—as much as those concerned are willing to pay. The Government, stating that it was their desire to place the industry on a more satisfactory basis, decided that the only way by which that could be done was to grant a monopoly, or the sole right to pull sandalwood, to some firm or company or individual, and to call for tenders. That is a very important step to take in the matter of an industry, and I do not think it has been supported by anyone concerned. We have been told that during the past month or two the Government were going to make inquiries amongst the getters in order to ascertain their views. I am not in possession of any information regarding the result of those inquiries, or as to the steps taken by the Government to get into touch with the pullers. So far as my knowledge goes, all those who are called pullers have been most emphatic in their opposition to any proposal which means the granting of a monopoly.

The Minister for Mines: They were only pushed by the traders.

Hon. P. COLLIER: I do not know that the Minister is entitled to say that. Those people are in a position to judge for themselves.

The Minister for Mines: They do not know.

Mr. Marshall: They knew enough to protest quickly against the proposed contract.

Hon. P. COLLIER: They were protesting against the granting to any single firm or company the sole right to deal in sandalwood. It may be that the Minister will contend that in their attitude they were acting without full knowledge of the facts and circumstances, even relating to their own interests and their own welfare. That is why I am asking that the papers be laid on the Table of the House. If there is a sound reason why the alteration should take place, I think all interests will be best served by having the papers tabled so that we may be in a position to ascertain the facts. Notwithstanding that the getters have been informed that the price they will obtain for their work under the proposed tender will greatly exceed the amount they have been receiving in past years, they are still—so my information goes—as strongly opposed as ever to the proposal to grant the sole right to cut to any particular company or individual. They argue that although the money paid to them may be increased, they will be at the mercy of one trader, who may be disposed to embarrass them or interfere with the carrying on of their business. So they believe their interests will be best served by allowing the existing competition to continue. The Government say their object is to en-

sure a higher return to the pullers and an increased royalty to the Crown. Those opposing the new proposal are unable to see that to achieve this dual object it is necessary to grant a monopoly to any firm. If the Government feel that, say, £12 or £15 per ton is a fair price for the pullers, and that a £6 or £8 royalty would not be too much, I see no reason why they should not fix those sums and allow those persons in the business to continue as in the past. It is a serious thing for the Government to take any step which will put out of action men who have been engaged in the sandalwood industry for a number of years. The House should be allowed to see all the papers dealing with the question, and later be afforded opportunity to pronounce judgment as to whether the proposed new policy should be put into effect. The Government, when calling for tenders, have actually fixed the price, because one of the stipulations is that the tender should provide a minimum royalty.

The Minister for Mines: Upset, not minimum.

Hon. P. COLLIER: It amounts to about the same thing.

The Minister for Mines: Not quite. We would accept no tender that did not provide an upset price of £10. Then the tenderer must state his minimum above the £10.

Hon. P. COLLIER: Yes, that is so, £10 to the puller and £2 to the Government. They may tender for any higher amount on either head, but neither amount must be lower. So the Government have fixed a rate below which they are not prepared to consider any tender. Well then, what is the objection to letting the Government fix the amounts to be paid to the puller and to the Government, and allow the business to proceed as in the past?

The Minister for Mines: It could not be done.

Hon. P. COLLIER: I know the Minister has often said it could not be done, but I have never been able to understand why. It may be argued that competition would set up the same results as we had in past years. Although it is contended that the average quantity which China can absorb is 6,000 tons per annum, we know that in some years as much as 13,000 and 14,000 tons have been exported, and as a result the market has been overstocked, and the business brought to a standstill for perhaps a year or more, the whole of the operations being upset. That happened two or three years ago, when nearly all engaged in the sandalwood industry on the goldfields were thrown out of employment.

Mr. Heron: And it will happen again under the new proposal.

Hon. P. COLLIER: I cannot see why the production cannot be regulated. Men will not engage in a business unless able to make a profit out of it. If the Government were to fix £12 for the puller and, say, a £5 royalty for the Government, we should have a total of £17 per ton. Any man or company engaged in the business would have that as a

basis to go upon in buying and selling and dealing with the product. If the market were unable to take more than 6,000 tons in the year, some of those in the trade would go out of it, just as any other unsuccessful trader has to do.

Mr. Money: It operates the same as any other State enterprise.

Hon. P. COLLIER: It has nothing to do with State enterprise. I do not know what the hon. member means.

Mr. Money: It is like State enterprise, in that it will put private people out of business.

Hon. P. COLLIER: It has no relationship to that at all. In this case, persons unable to compete would go out of business automatically. That has nothing to do with the principle of State trading. However, I am sure hon. members would like to peruse the papers asked for, and also to know that no definite action will be taken until they have examined the files. I repeat that it is not necessary for the Government to grant a monopoly of this industry in order to secure the objects they have in view. The two points advanced by the Government are, that the pullers should get a fair price for their work, and that the Government should receive a fair royalty. Those two ends can be achieved without granting the sole right to any particular firm. It will be much more satisfactory to all concerned if that can be done without putting out of the business those who have been engaged in it for so long.

The MINISTER FOR MINES (Hon. J. Scaddan—Albany) [6.9]: In ordinary circumstances I might have moved the adjournment of the debate so that the points raised by the mover of the motion could be duly considered. As it is, I propose to state in general terms the position that led up to the Government's action, which evidently is not approved by the Leader of the Opposition and certain other members. Without any offence, I say the Leader of the Opposition and his supporters are not in possession of certain facts relating to the industry, facts affecting not only the revenue of the State, but affecting also the sandalwood pullers. Let me state briefly, and largely from memory, the position as I understand it. First of all, sandalwood taken from private property does not pay any royalty to the State. The owner of the property may deal with the sandalwood just as he would deal with anything else in his lawful possession. But sandalwood on Crown land belongs to the State, and the State, through its Executive, is entitled to take any action that will bring for the commodity the best possible return. If that Executive were to fail to employ in the disposal of the property any knowledge that would enable them to obtain greater benefit for the State, they would be lacking in their duty as a board of directors representing the whole of the community. Frequently it is assumed that the sandalwood taken by the pullers on Crown lands is the property

of the pullers. True, we issue licenses to persons to take sandalwood from Crown lands and dispose of it to dealers, subject to the payment to us of a royalty. Until three years ago the royalty was 5s. per ton. That sum had subsisted for about 35 years, until we had practically denuded our Crown lands of a very valuable commodity without having received for it so much as the value of a stamp over and above the cost of controlling the operations. The sandalwood belonging to the State was used, not by the people of the State, but by people outside of Australia altogether. Nor did those people return to us as the owner, or to the puller for his work, anything like a fair return. When it was decided to alter the system and call for tenders for the issue of a permit under the Forests Act, a great commotion was raised by a few of those—not many—in the sandalwood industry. As a matter of fact some of them were not even direct traders in the community, but were agents acting for Chinese merchants, being paid an annual retainer plus a commission. By such a process has the Chinaman been obtaining from Western Australia a very valuable commodity at much less than a fair price. Consequently the State has lost a tremendous amount of revenue, and the puller has been working for a starvation wage.

Sitting suspended from 6.15 to 7.30 p.m.

The MINISTER FOR MINES: Before tea I referred to the fact that during the period sandalwood had been taken and exported from this State, the amount recovered by way of royalty was 5s. per ton, a very small return, not exceeding by much the value of the revenue stamp. The getters almost invariably received just sufficient to keep body and soul together, and the Chinaman was reaping the advantage of a commodity he required at a price very much below its true value. Traders interested in the export of sandalwood are much concerned about the policy of the Government, but I ask members in all fairness whether it is right to consider half a dozen persons who have been interested in sandalwood for the last 10, 15 or 20 years, and who have given no consideration at all to the sandalwood getter. When it paid them handsomely to purchase from the sandalwood getter-wood for which they could obtain a profitable market, the getter was engaged, but when the market went against the traders, they cared nothing about putting the getter out of employment. It did not matter to them that they closed down their business for a time, but when it comes to the point that they may have to suffer what they have imposed upon others, they are loudest in their squeals. It is evident from the statements that have appeared in the Press from time to time that while calling for tenders, we shall in no circumstances permit anyone to obtain a monopoly that will enable him to impose restrictions on the sandalwood

getter. No tender will be considered by the Government that does not provide for a higher payment to the getter than he ever previously obtained, even in boom periods, and no tender will be considered that does not provide for a higher royalty to the Government.

Hon. P. Collier: That is not so because the upset price was £10.

The MINISTER FOR MINES: We stated that definitely. The hon. member knows that when we submit Crown lands to enable people to take the timber therefrom, we fix an upset price, but that is not a price with which we would be satisfied in the event of competition. It did not mean that because there was an upset price of £10, that amount would be satisfactory.

Hon. P. Collier: Then it means nothing.

The MINISTER FOR MINES: It is a starting point, but a starting point only. We could not declare what a tenderer who obtained a permit could pay. Since the tenders were opened we have obtained knowledge that we did not possess before. We have discovered certain conditions prevailing in the taking and exporting of sandalwood, of which we were not previously aware. The greatest piece of knowledge we have gained is that the State has lost a million of money or more in the last 10 years through permitting the existing conditions to continue.

Hon. W. C. Angwin: That was not the fault of the getters or of the traders.

The MINISTER FOR MINES: No; those conditions permitted the Chinaman to take advantage of the position and he was not slow to do it. Three years ago we made investigations of all the proposals that have since been submitted. The suggestion to take the sandalwood from Crown lands and pool it, say, at Fremantle, and allow anyone to bid for it and sell to a foreign market, was considered. I have no hesitation in declaring that, if such an arrangement were carried out to-morrow, it would not result in the selling of 10 tons of sandalwood. The Chinamen who hold stocks in China could carry on without purchasing from Western Australia for two to five years. Immediately we imposed such conditions, there would be no buyers. Unless there were buyers in China, there would be no buyers in Fremantle, and the sandalwood getter would be forced into claiming a subsidy from the Government. Either the Government would have to take the sandalwood and heap it at Fremantle until the Chinamen would buy it, or the getters would have to starve. Rather than adopt this course, it would be better to bring about keener competition amongst those who have been getting our sandalwood at less than its proper price, and make the Chinaman pay for what he values more than he is paying to-day. If sandalwood had been used in this State as wheat and other commodities are used, there would have been a better appreciation of its value, and we could have compelled oversea buyers to pay a proper price for it, but no

one was interested except the getter, and he knew little of the business ramifications. All we knew was that we collected 5s. per ton royalty. When sandalwood became scarce, the getter woke up, but the Chinaman was on the box seat, and took advantage of a favourable exchange to build up his stocks. I attempted to make a casual study of the exchange question. I worried Professor Shann for a couple of months and he eventually introduced me to the University library. Then it was I discovered why the Chinaman could deal in sandalwood as he had been doing. The normal value of the Chinese or Mexican dollar is 2s. 2d. in English money but, as it is a silver currency, the value of the Mexican dollar fluctuates. During the war period it touched 8s. 5d. To purchase an English sovereign to pay for our sandalwood at the normal value of the Mexican dollar, the Chinaman would require eight dollars. If the value of the dollar rose to 8s., he would require just over two Mexican dollars to deposit with the bank in order to get credit for one English sovereign. Taking the value of the Mexican dollar at 3s. 6d. or 4s., as it was for many months, the Chinaman had to find five dollars in lieu of seven or eight in order to buy an English sovereign with which to purchase sandalwood. The result was that, while he was apparently paying a good price through the merchant to the getter, say, £16 a ton, it was costing him, with the dollar at 5s., four times sixteen or 64 dollars a ton. If the dollar fell back to 2s. 2d. and he had to give eight or more dollars for the pound, the ton of sandalwood would cost him 128 dollars. Thus the Chinaman has invariably taken advantage of the rise in the value of the dollar in China in order to purchase his sandalwood cheaply. During the period when the exchange in China was high, the Chinese purchased in one year 17,000 tons of sandalwood, although the ordinary requirements of the last 50 years have been 6,000 tons a year. Thus in 12 months they built up three years' supply, and although they appeared to be paying a fair price, they were getting their sandalwood probably cheaper than at any time during the last 10 years.

Mr. Stubbs: Is your information about the stocks accurate?

The MINISTER FOR MINES: There is no doubt about it—we sent a man to China—and I am referring only to wholesale stocks, not to stocks distributed amongst the retail shops that in themselves would amount to a great deal. Having acquired three years' stocks, the Chinese, as soon as the value of the dollar fell to the neighbourhood of 2s. 2d., ceased buying. The ex-member for Kalgoorlie, Mr. Green, now Federal member for Kalgoorlie, thought it would be advantageous to sandalwood getters if more traders were brought in. I pointed out to him that any new firm would be in the business only so long as there was a market at the other end, and that as soon as the exchange turned against the Chinaman, and consequently to the advantage of the getter, the Chinaman

would go out of business, at all events for the time being.

Hon. W. C. Angwin: Would not that apply to a monopoly?

The MINISTER FOR MINES: No; presently I shall explain why. The result was we had a serious slump for a period. The getters had to stack their wood in the bush as they cut it, or go out of business. These slump and boom conditions are of no advantage to the sandalwood getter. The genuine getter works throughout the year, obtains his sandalwood, and disposes of it as a regular commodity. When there is a boom on we get what are called "week-enders" engaged in the business. Very often school boys from the Boulder take an ordinary spring cart for a few days, cut sandalwood, a good deal of it below size, having been left by the genuine getter until later on, and sell it to the buyer. These youngsters take not the slightest interest in the industry from the point of view of a regular livelihood. Instead, therefore, of the genuine getter receiving the advantage of the cutting of 17,000 tons in one year, he only gets through his ordinary quantity, and leaves "sundowners" to get the balance. The getter has had to starve for nearly three years because there is no market for his commodity.

Mr. Stubbs: Do you propose to give a monopoly to one man?

The MINISTER FOR MINES: I will come to that.

Resolved: That motions be continued.

The MINISTER FOR MINES: China, in effect, controls the sandalwood market. That is practically our only market. The conditions in China practically govern the conditions in Western Australia according to the value of the Mexican dollar. If the getter is of any value to the man who has teams for carting, and is placing the sandalwood on the market, he ought to be of still more value to him on a stabilised market. Everybody would then know exactly what amount would be taken each year, and this would be for the benefit of those who are genuinely engaged in the business, rather than of those who are in it to-day and out of it to-morrow. We thought of the possibility of pooling the sandalwood, of getting all those together who were in the trade. We found that the same position regarding the Mexican dollar would also apply to the trade. If we could not get a sale at the other end, we could not enforce a definite price here. When it was proposed to issue permits under the Forests Act, deputations protested against the proposal, and eventually the Government yielded. Those interested said, "If you are not satisfied with a royalty of 5s. make it £2 a ton." We adopted that suggestion. This has yielded a matter of over £50,000 in extra revenue to the State. Not long after this, the boom burst. I foretold that it would, because China was taking more than her normal requirements. The same people immediately came along and said the £2 a ton royalty was

crippling them, and that the sandalwood getter was starving. They asked us to reduce the royalty to something approaching the previous amount. This showed that so long as the conditions, that had prevailed during the last 50 years, continued, we should never get any result by fixing a definite royalty and allowing trade to continue as it had done in the past. We resisted this last claim. I told the deputation that if we reduced the royalty to £1 a ton the getter would not get a threepenny bit out of it, but that the trader would get it all. The trader has to buy at the minimum amount he can induce the getter to sell at, plus royalty and freight. If we took £1 off the royalty it would mean £1 off the returns to the getter. The getter has been receiving from £8 to £10 a ton for wood, and has paid freight and royalty out of that. It is impossible to cart sandalwood 80 miles to a siding, pay the freight, say, from the Murchison to Fremantle at £2 15s. a ton, and make a living at the game. This is what the getter has had to put up with during the last 12 months because of the attitude adopted by a few. About six months ago exactly the same sort of agitation arose.

Mr. Stubbs: From the same people?

The MINISTER FOR MINES: Yes. It came from exactly the same quarters, from those who were opposed to the scheme of the Government.

Hon. W. C. Angwin: Is that not natural when you are taking away their business?

The MINISTER FOR MINES: Does the hon. member stand up for half a dozen people as against hundreds?

Hon. P. Collier: But the objection came from all the getters.

The MINISTER FOR MINES: No, it did not.

Hon. P. Collier: It did. I had letters from nearly every getter in the State.

The MINISTER FOR MINES: Too frequently the getter is confused with the store-keeper or the teamster.

Hon. P. Collier: Not at all.

The MINISTER FOR MINES: We have had this question inquired into by a forest ranger, who came into contact with the men who are pulling the bush. They admitted they knew nothing about the matter except that they are pulling the trees, cleaning off the bark, and taking the wood to the siding.

Hon. P. Collier: Nothing of the sort.

The MINISTER FOR MINES: A man the hon. member knows, and whom I knew in Kalgoorlie, is a sandalwood getter on the Great Western railway. I saw him not long ago coming in with a load on a camel team. He said, "What is the strength of this business of granting a monopoly to someone to take our sandalwood?" I said, "What is your idea of the matter?" and he replied, "From what I am told you propose to give one man the right to take our sandalwood, and we shall be out of a job." I said, "How did you hear that? I did not say it." He said, "What is the strength of the position," and I replied, "What are you getting to-

day?" His answer was, "I am getting a good price to-day. I am quite satisfied. I am getting £14 a ton on rails." I then said, "Who pays your freight?", and he replied that he did. I said, "How much does it cost you," and he answered, "£2 13s. plus 2s. handling charges at Kalgoorlie." I then said, "Who pays the royalty of £2 a ton to the Government," and when he replied that he did, I pointed out that this left him £9 5s. a ton nett for his wood. I then said, "Suppose you got £15 a ton at siding; what would you think?" He replied, "Let them come at it to-morrow. I am wanting it badly, God knows." There never has been a proposal on the part of the Government to put any getter out of business. What they did propose was that we were, under the terms of the Forests Act, to grant a permit which would enable a man to handle the sandalwood as the sole selling agent. The conditions under which it is proposed to grant the permit are practically on all fours with those prevailing to-day in the sale of the products of the Wyndham Meat Works. We do not permit the agent to employ any man at the Wyndham works, or to say what cattle shall be sold at the works. We simply say to the agent, "There is the output. Place it on the market, and you will get your commission." In the case of sandalwood we say, "Subject to your giving the getter a price that is satisfactory to him and to us for his labour, and pay a royalty that is also satisfactory to us, you can take that sandalwood and market it outside Western Australia."

Hon. W. C. Angwin: The position is entirely different from that at Wyndham. In the case of Wyndham you pay a commission but in this case you pay none.

The MINISTER FOR MINES: We appoint only one firm to handle the meat.

Hon. W. C. Angwin: But the increased price goes to the owners of the cattle, and in this case it will not go to the getters.

Mr. C. C. Maley: It is giving one man the sole right to handle the sandalwood.

The MINISTER FOR MINES: Yes, to handle it, but not to get it.

Mr. Hughes: I suppose he will charge the full price to China.

The MINISTER FOR MINES: Yes. If he can get £50 a ton for it and circulate that money in the State, why should he not do it?

Mr. Hughes: But should not the State sell it?

The MINISTER FOR MINES: The hon. member has in mind the creation of a Government monopoly. I have not. I do not know enough about foreign exchange, and I think the hon. member knows less.

Mr. Hughes: It is impossible to know less than you do.

Mr. SPEAKER: Order!

The MINISTER FOR MINES: I think I am correct in what I am saying.

Mr. Hughes: It is like all your statements.

Mr. SPEAKER: Order!

The MINISTER FOR MINES: I have my own opinions upon the matter. It is suggested we should create a State monopoly. We must not forget the stocks that are held in China by traders and merchants, sufficient to last at least three years.

Mr. C. C. Maley: That would make no difference to the growing of sandalwood in this country.

The MINISTER FOR MINES: No. One way out would be to allow China to eat out her stocks during the three years.

Mr. C. C. Maley: After all, it is only a matter of supply and demand.

The MINISTER FOR MINES: I wish I thought so, for I should not have been worrying for the last three years. Apart from the extraction of oil from sandalwood by certain firms here, there is no use for it in this State. We are in duty bound to get the last farthing for our taxpayers out of this commodity, which is being taken from our plantations.

Mr. C. C. Maley: If the sandalwood is not cut, it will still grow.

The MINISTER FOR MINES: But while the tree is growing, the getter is starving. We could adopt several methods. We could tell the sandalwood getter to starve for the next three years, until China wanted more sandalwood, and that it would not matter to us what became of him. No value would accrue to the State if we adopted such a course, when other courses are open to us. We propose to issue a permit under the terms of the Forests Act. We are doing that regularly. In order that the purchaser may give us a good royalty and the getter may get a fair price for his labour in pulling and raiiling the sandalwood, we give the permit holder the sole selling agency on trucks at Fremantle. He declares what he will pay by way of royalty, and what he will pay to the men we employ. He does not employ anyone in the getting of the sandalwood. Under the terms of the permit the getters would all be employed by the authority granting the permit. The permit holder will not employ a single additional man. If there is a shortage of sandalwood, he must apply to the Conservator of Forests for additional licenses to be issued. These will be issued to returned soldiers or to worn-out miners. Further, the permit holder will not interfere with the men in the forests. He will appoint agents to pay cash on delivery on rails at sidings, and deduct the amount of freight at Fremantle. He will then pay to the Government, not to the getter, the amount of the royalty reserved under the terms of the permit. In past years the State has been injured to the tune of a large sum of money by traders in sandalwood. I do not say they have done something for which they ought to be prosecuted; the result to them was due to the conditions of trade.

Hon. W. C. Angwin. You are putting up a splendid case for State trading.

The MINISTER FOR MINES: If we were to establish a State monopoly, we would have to take into account the stocks already

held in China. We would have to keep the getters employed for three years, and would have to advance to them not less than they have been getting in the past, and not less than they are able to get under free trading. Under State trading they would not get any greater return for their labours. The State would have about £200,000 tied up, with the possibility of loss during the first five years. The getter would not receive any greater return than under the conditions we now propose that the trade should be handled, that is under permit. Under this proposal the Government take no financial risk at all, and the sandalwood getter takes no risk. The sandalwood getter will receive a better price than he ever got before, and will receive it during the whole period of five years. He will be paid promptly by the agent in the district where he delivers sandalwood. He will not have to worry about paying the royalty: this will be paid by the permit holder.

Mr. Hughes: It sounds like De Garis.

The MINISTER FOR MINES: Yes; but there is this difference, that the Government will deliver the goods. Such being the case, there is no risk on the part of the Government, and there is no risk on the part of the sandalwood getter. The sandalwood getter is assured better prices than he ever previously obtained, and there will be a better bargain for the State as regards royalty, which fact alone ought to make it worth our while to give this proposal a five years' trial.

Hon. W. C. Angwin: How can you say the sandalwood getter has a guarantee if the Chinese have enough sandalwood for three years?

The MINISTER FOR MINES: By the time four or five years elapse, the man trading in sandalwood in this State will have been enabled to stabilise the business in China sufficiently to sell the sandalwood advantageously there, though he may have to sell some of it at a lower price. At any rate, he is prepared to take the risk of making the market in China.

Hon. W. C. Angwin: Is there anything in the agreement to compel him to buy?

The MINISTER FOR MINES: Yes. The conditions of the permit are that the permit holder shall not take more than 6,000 tons in any one year. In the first form of tender we proposed a minimum of 3,000 tons, but now we have made the minimum 5,000 tons in order to stabilise the industry and to prevent the sandalwood getters from starving. The permit holder must take 5,000 tons, or be fails in his contract with the Government. If he fails, we are in the same position as to-day. If he succeeds, then during the next five years the Treasurer of the State, without a penny of risk, will have received half a million sterling.

Lieut.-Col. Denton: Do not the Government know how much sandalwood is available to-day?

The MINISTER FOR MINES: No; we do not. Nobody knows that.

Mr. Hughes: Is the tenderer putting up any cash deposit as evidence of good faith, as guarantee that he will carry on for five years?

The MINISTER FOR MINES: Oh, yes. We are not overlooking the small things.

Mr. Hughes: I hope it is a big deposit.

The MINISTER FOR MINES: That will depend largely on the conditions of tender. The tenderer will buy the permit, not sandalwood, and the conditions of the permit must be complied with. If he fails to comply with the conditions, he loses the right to purchase sandalwood and dispose of it. However, such a difficulty is not likely to arise. A fair amount of money will have to be found by the permit holder to tide him over the first four or five years. Have the Government, I ask, so much money that they can afford to splash it around the country in order to establish an industry which somebody else is prepared to establish? The Government are wanting money for the purpose of assisting development in many other directions. Moreover, our proposal is not to hand over the sandalwood industry for the term of our natural lives, but only for five years. As a matter of fact, owing to our being compelled to hold up the tenders until this discussion could take place, the State has already lost £40,000 or £50,000. It may seem an absurd sort of statement to make, but it is a fact.

Mr. Munsie: Yes; the agents are getting in and buying all they can before you put up your regulations.

The MINISTER FOR MINES: I know that is the case. We ought not to have taken any heed of the protests, but should have accepted an offer on the day that tenders were opened. However, we could not do it. There were difficulties which I cannot mention here. The meeting of Parliament was approaching, and there was a demand by members of Parliament that this matter should be held up until it could be discussed in the House. No one should be regardless of his responsibilities in the matter. I am not regardless of mine. All sorts of things have been suggested concerning me. My friend from Yilgarn (Mr. Corboy) in the course of a letter spoke of "the most damnable and cursed attitude of the Minister for Mines." If this thing means so much to the community, I do not object to the use of such terms. As regards pooling the sandalwood and putting it up to auction at Fremantle, if ever such a course is adopted there will be such chaos among the sandalwood getters that they will be coming to the Minister for advances on sandalwood at a rate much above the public auction rates, merely in order to prevent them from starving.

Capt. Carter: What would cause such a chaos?

The MINISTER FOR MINES: The fact of there being no buyers. The Chinamen are the only buyers. Recently it was suggested in the Press that the Chinamen would come to Fremantle to buy sandalwood which they will not require for the next three years.

The possibility of getting the royalty and the prices paid exists only if we get a tenderer. In plain English, it means that the tenderer must make the Chinamen pay. I do not care a twopenny dump about what the Chinamen pay. They do not care for us. They have been exploiting us for 50 years in this sandalwood business. Of course we can fix a minimum price, but if that minimum price is more than the Chinaman feels disposed to pay, he will not buy.

Mr. Hughes: He will not buy from the other fellow.

The MINISTER FOR MINES: What other fellow?

Mr. Hughes: This friend of yours, who is to get the monopoly.

The MINISTER FOR MINES: This friend of mine, as the hon. member suggests, will have to engage the sandalwood getters. He will have to take the timber from them at the rate of 5,000 tons per annum for the next five years. The price will be profitable to the sandalwood getter, and the royalty will give the State a revenue which it ought to have been getting for many years past. I know there are all sorts of accusations hurled about.

Member: They are not worth noticing.

The MINISTER FOR MINES: I have had it said of me that I am a millionaire. No doubt that is the reason why I have an overdraft at the bank.

Mr. Clydesdale: How did you manage to get that?

The MINISTER FOR MINES: The member for Kanowna (Hon. T. Walker) knows that when he was Attorney General and I was Premier I consulted him concerning allegations made as to what I got out of the purchase of the trams, out of the contract for the power house, out of the purchase of the ferries, and out of the Wyndham Meat Works. When those amounts were all totalled up, they exceeded the total of the contracts.

Mr. Clydesdale: If you got it, you kept it to yourself.

The MINISTER FOR MINES: I went to my banker once and asked him would he give me an advance on the strength of the statements made concerning me. He said that unfortunately he knew too much about my affairs. All I am worrying about is that the conditions under which sandalwood has been got here for years past have robbed the State of revenue and the sandalwood getter of a decent living. The methods now proposed, in connection with these tenders, may be detrimental to five or six traders in sandalwood, who, however, claim that with them sandalwood is only a side line. It is true that these five or six traders will suffer, but they will not suffer any more than a man whose orchard becomes affected with disease, and who on that account has to start afresh. The arrangement I suggest will be better for the Treasury of the State and better for the sandalwood getter, and I care not what the accusations hurled at me in the

matter may be: I say that I am in duty bound, as the trustee of the people, to do what I conceive is best in the interests of the people.

Mr. Clydesdale: How many firms in this State are now dealing exclusively in sandalwood?

The MINISTER FOR MINES: I do not think there is a single one.

Capt. Carter: What about the corporate firm?

The MINISTER FOR MINES: There is a corporate firm, I know. But I know of no sandalwood agent who handles sandalwood alone.

Capt. Carter: There is a firm covering about 75 per cent. of the getters.

The MINISTER FOR MINES: The hon. member is confusing the sandalwood getter with the storekeeper and the teamster. The sandalwood getter is the man who pulls the tree and gets the bark off. He is the man who has been fleeced year in and year out. In many cases he is not now in a position to come in to the head of the line, because he has been getting so small a price that he has to stay in the bush and live on tinned dog. The arrangement I propose will enable that man to have a decent living. So far as I am personally concerned, I would not have the slightest hesitation at this moment in completing the arrangement I propose, because I believe that the result for me would be that I should get, not, as has been suggested, the abuse of the sandalwood getter, but a pretty satisfactory testimonial in less than three years, and an inquiry why I had not made this arrangement 10 years ago. I know better than anyone else what will be coming to the sandalwood getter. This arrangement means prosperity to him. When a tender has been accepted, the trouble will only commence, for the reason that it will be so profitable to be a sandalwood getter that we shall have numberless claims from all sorts of people desirous of following that calling, and so I shall have the greatest difficulty in preventing many people from getting licenses.

Mr. Clydesdale: There will be a chance for members after the election.

The MINISTER FOR MINES: Outside the question of price, there are the conditions. Let me assure the House that the prices of tenderers are satisfactory from the point of view of royalty, and also from the point of view of payment to the sandalwood getter. Consideration, therefore, should now be concentrated on the question of the conditions, in order to protect the sandalwood getter and the State as well. What are the conditions proposed? The contractor shall employ those licensed by the Forests Department and no one else. Further, we say he shall take pro rata either 5,000 tons or 6,000 tons per annum—the maximum or the minimum quantity—on the basis of the consumption of sandalwood from the several districts during the past three years. Under that condition the contractor cannot choose one

district, take all he requires from there, and at the same time starve the getters in other districts. He has to take his supplies pro-rata from each district so that the getters will continue operating and have the same opportunities as during the past three years. We reserve the right to take the roots so that we can extract sandalwood oil locally and put that commodity on the markets of the world. We are prepared to make a contract with a manufacturer so that we can give the sandalwood getters a better price for the roots uncleaned, than they have received previously for clean sandalwood. In the past, the getter has not been able to dispose of the roots at all. Under the arrangement we propose, the getter can pull the tree, bark it, cut off the roots unbarked and place them on trucks, and for those roots he will get, as I have already stated, a better price than he received for the clean sandalwood in the past. That is all "bunce" to the getters. On our side we will get the oil from roots that was previously lost. We shall market the roots locally with a distilling works. Under this arrangement the getters will be assured a better price and a better deal all round.

Mr. Heron: When will that start from?

The MINISTER FOR MINES: Right from the beginning of the contract. Then again, there is provision that a minimum of 400 tons or a maximum of 500 tons shall be procured each month. We will also provide for the exclusion of the "week-enders," who came in and robbed the sandalwood getters. We may be asked where the prospectors will come in under this arrangement. We propose that, in addition to what I have already stated, 750 tons per annum will be reserved for distribution by the Mines Department amongst genuine prospectors. Those men in the past have been accustomed to go out and get sandalwood, thus filling their tucker bags. This arrangement in their interests will mean that £10,500 per annum will be put into the tucker bags of the prospectors of the State.

Mr. Heron: Do you know how many prospectors were concerned previously?

The MINISTER FOR MINES: No, not off hand. There are some who call themselves sandalwood getters. It will not affect them, for they can continue as in the past. It will mean that 750 tons will be set aside for those who are genuine prospectors. When we get applications from prospectors, we will give them the right to take a portion of that reserved quantity. In any case, it means that the prospectors will get that £10,500 after paying royalty and freight as well. That alone should be worth something to the State. Are we, in the interests of four or five individuals who trade only casually in sandalwood, to refrain from adopting a course which will give the results I have indicated? Then we propose, in the event of a shortage in applications, to give preference to worn-out miners who have been taken out of the mines under the provisions of the Miners' Phthisis Act.

Thus we will give them an opportunity to engage in a healthy, profitable employment at a time when they cannot any longer carry on their occupations as miners.

Hon. W. C. Angwin: You can always do that under a permit.

The MINISTER FOR MINES: That is so.

Hon. W. C. Angwin: Whether there is a monopoly or not.

The MINISTER FOR MINES: There is no monopoly about it. The hon. member will insist that there is a monopoly. I say there is not a monopoly.

Hon. W. C. Angwin: All right, go on!

The MINISTER FOR MINES: The man taking the contract is in the hands of the Conservator of Forests and of the Government.

Mr. Davies: It will be all right for the getters.

The MINISTER FOR MINES: In the future there may be a cry regarding the monopoly in the hands of the getters. In addition we reserve the right to license worn-out miners and injured returned soldiers. We reserve the right to take a limited quantity of sandalwood in addition to the roots, for the purpose of distilling sandalwood oil. That will be at a price that will be satisfactory. The Government never had any other intention than to get a fair return by way of royalty and a fair price to the getter. We did not anticipate securing anything like the price we can get. At the same time we impose conditions so that the workers will be assured of some stability in their occupation, as well as a living wage. Is it a fair thing that because all sorts of suggestions are made and there is talk about a monopoly, we should lose all these advantages, merely in the interests of four or five traders? If hon. members view the position fairly and calmly, they can come to no other conclusion with these facts before them, than that the Government have no right to dally any further before concluding an agreement along the lines I have suggested.

Mr. Teesdale: And the pullers' interests are protected by the Government?

The MINISTER FOR MINES: Of course they are.

Mr. Teesdale: And they do not have to fight the contractor?

The MINISTER FOR MINES: They will have nothing whatever to do with him.

Mr. Teesdale: And the getters will be in a better position than they were in before?

The MINISTER FOR MINES: That is so.

Mr. McCallum: Sit down and let the member for Roebourne make the speech for you!

Mr. Hughes: You have not told us what deposit will be put up.

The MINISTER FOR MINES: It is not a question of what the contractor will put up, but what we say he shall put up.

Mr. Hughes: And what is that?

The MINISTER FOR MINES: What we say it shall be.

Mr. Hughes: Is it set out in the tender?

The MINISTER FOR MINES: No contract will be accepted unless the interests of the State as well as of the sandalwood getters are protected. Surely hon. members will be prepared to admit that we will not take the responsibility of accepting anything unless all interests are properly protected in the contract.

[The Deputy Speaker took the Chair.]

Mr. Corboy: You need not worry about the contract being dropped, once it is secured.

The MINISTER FOR MINES: It may be said that we asked that a deposit of £1,000 should be put up. It was thought we should make the deposit higher. In that case we would shut out, it was contended, a number of traders who were anxious to participate, but could not raise a larger deposit. I could not see that, because I contend that a company that cannot face a deposit of more than £1,000, would not be regarded as suitable to be given such a contract. In order to meet that objection, however, I gave everyone a fair field and let all come in. The variation in prices submitted by way of royalty and payment to the getters would astonish hon. members. For my part, I certainly was astonished.

Mr. Hughes: It shows what a good thing this monopoly will be for those who get it.

Mr. A. Thomson: Better for the State.

Mr. Teesdale: What about the puller too?

The MINISTER FOR MINES: The hon. member seems concerned about the monopoly. If he likes to regard it as such, even then would he object to the Government making this selling agency available so that the commodity might be disposed of outside Western Australia and by this means secure for that commodity, which we do not make use of locally, £500,000 within five years? Is it not worth while bringing that money into the State?

Mr. McCallum: That is not an answer to the question.

Mr. Hughes: Why cannot we have it all.

Mr. Teesdale: You can't do it.

Mr. Hughes: Why should not the State have it, instead of a monopoly being given to a private individual?

The MINISTER FOR MINES: Now the member for East Perth changes his ground.

Mr. Hughes: Not at all.

The MINISTER FOR MINES: He practically asked why we should not set up a State monopoly.

Mr. McCallum: You are side-stepping the whole point.

The MINISTER FOR MINES: I am very sorry.

Mr. McCallum: So are we.

Mr. Hughes: Your footwork is beautiful.

Hon. P. Collier: You are jazzing all round the point.

The MINISTER FOR MINES: The member for South Fremantle (Mr. McCallum) wants me to answer the question. What is it?

Mr. McCallum: You are making the speech I will have something to say later on.

The MINISTER FOR MINES: The member for East Perth asked why the State should not get the lot.

Mr. Hughes: I asked why we should not get the lot, without creating a private monopoly. Why should not the State step in, handle the sandalwood, and sell direct to China?

The MINISTER FOR MINES: Then the hon. member wants us to create a State monopoly.

Mr. McCallum: That was not the question put to you at the start.

Mr. Munzie: In any case, why should not the Government do that rather than give the trade to a private individual?

The MINISTER FOR MINES: Surely the question put by the member for East Perth suggests a State monopoly. He asks why the State cannot take the sandalwood from the getter, market it in China, and get the full benefit of the trade. If Parliament desires that course to be adopted, let that decision be made and I suppose that course will have to be followed. Parliament will not agree to any such thing on my advice or with my concurrence, because I know the dangers connected with the business. It is not merely a matter of selling sandalwood, but of trading generally. Whatever a man buys to sell in China, before he can do business he has to make sure that he secures a return in British money. Unless he can do that by trade, he will not get the same return.

Mr. Pickering: That is the point.

Capt. Carter: And he requires a big trading concern to do it.

The MINISTER FOR MINES: That is so. He has to establish his operations for the first 12 months at least. He can do that only by means of big trading concerns in China.

Mr. Lutey: If you corner the whole of the sandalwood, the Chinese will have to come here to buy it.

The MINISTER FOR MINES: If we created a State monopoly, we could dispose of the sandalwood only by turning the returns into British sovereigns. We would have to face the fluctuations of the market, which are marked. It would be a totally different proposition if the contract were let and the risk had to be shouldered by a private trader. The reserves of sandalwood in China are so great that the Government would be foolish to have anything to do with that business. It would be better to adopt the arrangement I have outlined and thus retain in the State to assist development, the money, which would be necessary to fix the trade in China. If we did that, in addition to fostering local industries, we would secure at least half a million pounds within five years, and we would not be taking a risk in the business. If at the end of five years we found the so-called monopoly was detrimental to the State, we could put an end to it. We could then create a State monopoly. Let us rather give

a trial to the proposal, which will be of advantage to the State.

The Minister for Agriculture: They have had a fifty years' trial on the other line.

The MINISTER FOR MINES: It is suggested that a good thing would be made out of the monopoly. If that is so, why has not the getter been given a better deal in the past? On the other hand, the Chinamen have received all the benefit. We should protect our own people rather than give all the advantage to the Chinese.

Mr. Pickering: That is the real point.

The MINISTER FOR MINES: The member for Brown Hill-Ivanhoe (Mr. Lutey) asks why we should not corner the sandalwood business, and force the Chinese to come here and buy our commodity. To do that would involve stacking between 12,000 and 18,000 tons of sandalwood at Fremantle, and we would not realise on that for some three years to come. The Chinese will not buy sandalwood, seeing that they have a surplus that has been built up for some time past. The State would have to find the money necessary to get the timber and stock it at Fremantle. We would have to face that expenditure to enable the getter to make a living. On the other hand, if we adopt the course I have outlined, we can get a good return and a fair deal for the getter without the State having to do anything except send out railway trucks along some side lines. Instead of paying out money, we will receive something for our sandalwood. In the circumstances there can be no question about the desirability of proceeding on the lines proposed by the Government. More could be said about developing the trade in sandalwood, but that does not concern us very much unless Parliament should decide to go into the business as a monopolist, buying the sandalwood here and selling it in China. After careful consideration I have no hesitation in saying that with proper permit conditions the sandalwood getter will be entirely protected, and we shall be able to assure to him a certain market, and continuity of employment at satisfactory prices, while the State will get something like fair recompense for a commodity belonging to the State. For years past have I thought there must be a great deal in sandalwood if properly handled, but I confess that never at any time had I any idea of the value disclosed by some of those tenders. We should be acting the part of lunatics to refuse to grasp an opportunity such as is presented to us. Somebody once asked what guarantee had we that the Chinaman would go on buying sandalwood if the price were made too high.

Mr. Harrison: The past is the guarantee for the future.

The MINISTER FOR MINES: I have no guarantee, but I know that sandalwood can be raised enormously in price and still be very much cheaper than is tobacco in Australia. Customs duties have been piled on

tobacco, manufacturers have piled up its price, and still there is more smoked in Australia to-day than ever before. Yet there is no religious flavour about the consumption of tobacco. We can much easier do without tobacco than can the Chinaman without his sandalwood. There is no possible chance of the Chinaman going without sandalwood to burn in his Joss-houses.

Mr. Chesson: To insure that, you require to keep the missionaries away from him.

The MINISTER FOR MINES: They may spoil the market in time, but I do not think they will make much inroad on it during the next five years. According to his wealth will the Chinaman continue to buy sandalwood, but I hope that in future the price he will have to pay for it will be more in keeping with its economic value. It is quite certain that if the Chinaman were selling us sandalwood he would make us pay ten times as much as we are asking from him. It is an entirely different proposition from creating a monopoly in a commodity required by our own people. Since the so-called monopoly is to enable a product of Western Australia to be sold outside of Australia at an increased price, it is an altogether desirable monopoly. Call it what we may, the fact remains that the proposal will hurt nobody in the State, except perhaps a few persons running sandalwood as a side line, whereas not only the sandalwood getter but the taxpayer also will be greatly benefited. I repeat, it cannot be claimed that the proposal will be prejudicial to our own people, whatever its effect may be on the Chinaman, about whom I am not concerned, believing as I do that charity begins at home.

Hon. W. C. ANGWIN (North-East Fremantle) [8.35]: The Minister has overlooked an essential point. If I were a Minister and suggested for a moment that we should interfere with the general trade of the community, I should have every member opposite in arms against me. The Minister forgets that we have in this sandalwood business in Western Australia men who have assisted to build up the trade, who have expended their money in getting trade in China and elsewhere. Yet the Government now propose to put those men out of the sandalwood business. I deprecate that. Even if all the persons at present in the business were allowed to carry on, there would be nothing to prevent the Government from collecting the proposed increased royalty, nor would there be anything to prevent the sandalwood pullers from getting the proposed increase in price.

The Minister for Mines: It would be quite impossible.

Mr. Pickering: Would they pay the increased royalty?

Hon. W. C. ANGWIN: They would have to. What would be said if the Minister for Works seriously proposed that all exported hewn sleepers should be sent through him? Yet the same provisions apply.

The Premier: No, sleepers go all over the world, whereas sandalwood goes to China only.

Hon. W. C. ANGWIN: The same provisions apply, because the hewer can work only under a permit from the Forests Department.

Mr. Underwood: There is no analogy between sleepers and sandalwood.

Hon. W. C. ANGWIN: Yes there is, because the hewer cannot carry out his work without a permit from the Forests Department, and the same provision will bind the sandalwood getter. I admit that only one country is a purchaser of sandalwood. Still, for many years past this business has been in the hands of several firms who in the first instance had to spend a good deal of money to build up their connections. The Minister must admit that.

The Minister for Works: They must have made a lot of money out of it since.

Mr. Underwood: They have got it all back, and more.

The Minister for Mines: Much depends upon whether they were legitimate traders, or merely acting as agents.

Hon. W. C. ANGWIN: The Minister pointed out that dealers in sandalwood cannot confine themselves to sandalwood.

Mr. Pickering: He said they did confine themselves to sandalwood.

Hon. W. C. ANGWIN: No, he said they had to build up other connections, and that it would cost £200,000. Now, what is the position? The Government propose to hand over this trading monopoly, not to a company with a capital of £200,000, which the Minister says is necessary, but to a company with a nominal capital of £30,000, and a paid up capital of only £3,000.

The Minister for Mines: It does not follow that they have no other capital. How much did De Garis have when he started Kendrup, and how much did he get afterwards?

Hon. W. C. ANGWIN: I was a little surprised that any proposition for a monopoly should come from the Minister and his colleagues.

The Minister for Mines: There is no proposition for a monopoly.

Hon. W. C. ANGWIN: The Minister has endeavoured to convince us by side issues. He has appealed for the sandalwood getter, for the soldier, and for the worn-out miner. To all of those the same conditions would apply whether there was one firm or a dozen in the trade.

The Minister for Mines: No.

Hon. W. C. ANGWIN: Yes, because the permits of pulling will have to be granted by the Forests Department.

The Minister for Mines: What are you proposing?

Hon. W. C. ANGWIN: I would not presume to propose; I merely suggest that if the Government are not getting sufficient royalty they should raise the royalty until it seems to them sufficient; while if the getter is not making sufficient, they should fix the price to be paid to him.

The Premier: Why didn't you do it when you were in office?

The Minister for Mines: Suppose you did that, and the pullers could not get any work at the price?

Mr. Underwood: Put them on a group settlement.

Hon. W. C. ANGWIN: The Minister said that if the selling were not put exclusively in the hands of one company there would be no purchaser for the sandalwood, for the reason that the Chinaman has large stocks on hand. Suppose after the agreement is entered into—there is no agreement for the selling price—the Chinaman says "I am not going to purchase at that price"; could he not say it as well to one individual as to the five? Are not the stocks the same, whether there be one person or a dozen in the trade?

The Minister for Mines: He must take his minimum.

Hon. W. C. ANGWIN: Then the Minister said that by having this one sole agency as seller, it will mean half a million to the Treasury in the five years.

The Minister for Mines: I said State, not Treasury.

Hon. W. C. ANGWIN: You said the Treasury would gain half a million of money.

The Minister for Mines: No, I said the State.

[The Speaker resumed the Chair.]

Hon. W. C. ANGWIN: This firm that is to have the sole agency has to purchase a minimum of 5,000 tons per annum, on which a royalty of £10 per ton has to be paid. That means in five years, not half a million, but £250,000. I ask members to weigh the other words of the Minister.

The Minister for Mines: What do you say he has to pay?

Hon. W. C. ANGWIN: A royalty of £10 on 5,000 tons for five years means £250,000, not £500,000.

The Minister for Mines: I did not say "to the Treasury." I said, "to the State."

Hon. W. C. ANGWIN: The Minister said, "to the Treasury."

Mr. Corboy: He certainly inferred the Treasury.

The Minister for Mines: I said "the State."

Hon. M. F. Troy: We understood you to mean the Treasury.

Mr. Corboy: Everybody understood it.

Hon. W. C. ANGWIN: The Minister turned round to the Premier when he made the statement.

The Minister for Mines: I am telling you now it will go to the State.

Hon. W. C. ANGWIN: Then the Minister made a mistake.

The Minister for Mines: I did not make a mistake.

Hon. W. C. ANGWIN: The Minister tried to make a strong argument of the statement that there would be no financial risk to the State: the Government would take no risk

whatever. When the agreement is signed the getter will receive a certain amount per ton and a certain royalty will be paid by the agent. If the stocks are held and any losses are incurred, the Government will run no risk whatever. That is the Minister's argument. Would there be any risk to the Government if the firms in the business to-day continued under the same conditions? Where would that involve any risk to the Government?

Mr. Teesdale: There would not be a guaranteed price to the puller if six people were cutting into it.

Hon. W. C. ANGWIN: Yes, there would be; the Government would make the conditions.

The Minister for Mines: You are seriously suggesting that as a solution, are you?

Hon. W. C. ANGWIN: Parliament has no right and is not justified in cutting persons out of their private business.

Hon. P. Collier: If the object can be attained without doing it.

The Minister for Mines: That is the point.

Hon. P. Collier: The Minister spoke for an hour and a half and could not show it.

The Minister for Mines: You take the responsibility of applying that and see how it works out.

Hon. W. C. ANGWIN: A few years ago we passed a Forests Act. Was any attempt then made to cut out those already in the business? Were not their rights and privileges protected?

The Premier: The hewers, not the sellers of timber.

Hon. W. C. ANGWIN: There was a provision to protect Millars' concession and business. I could quite understand a proposal of this kind emanating from my side of the House. We maintain that the public should have full control, and we can get control without handing this business over to one individual. That is the sore point with us. We are satisfied that the Government should protect the sandalwood getter and that the Government should receive the revenue they are entitled to, but we object to one individual or company having a monopoly of any product of the State and being granted the monopoly to the detriment of other persons in the State.

The Minister for Mines: There are no other persons in the State.

Hon. W. C. ANGWIN: There are other persons who for years have been trading in sandalwood.

The Minister for Mines: What did they care about the getter when the conditions did not suit them?

Hon. W. C. ANGWIN: They are in precisely the same position as everyone else. I agree with the Minister in his statement that they carry on the purchase of sandalwood as a side line, but other companies do the same thing. The Minister, during the latter portion of his speech, admitted that even this company would have to carry on other business with the sandalwood agency. The Minister drew a comparison with the Wyndham

Meat Works. He said it was proposed to act just the same, and that the Government would have a sole agent just as they had a sole agent for Wyndham meat. But look at the difference between the two arrangements! The agent for Wyndham meat is paid a commission. Any increased price received when the meat is sold goes to the grower.

The Premier: He takes no risk.

Hon. W. C. ANGWIN: Commission agents seldom take risks. There is no risk here. If the agent does not sell anything, he does not get paid. If he sells, he gets his proper commission. If the agent for the meat gets an increased price, the increase goes to the grower, but with regard to sandalwood the sole agent would be able to limit the supply. He would not be compelled to get more than 5,000 tons a year, and he could obtain the highest price possible in the Chinese market. He may not get a high price for the first year or two because the Minister informs us big stocks are held in China. When the sole agent does reap a high price, where will it go? Will it go into the pockets of the getters? Will it go to the Government in increased royalty? No, it will go into the pocket of the agent.

The Premier: Then let the getter take what he has had in the past.

Hon. W. C. ANGWIN: The Premier's interjection a while ago was not to the point.

The Premier: What did I say?

Hon. W. C. ANGWIN: The Premier asked why we did not alter things when we were in office. We have been out of office for seven years. Why has not the Premier increased the royalty and protected the interests of the State during the period he has been in office?

The Premier: We did increase the royalty.

Hon. W. C. ANGWIN: By only a very small amount.

The Minister for Mines: And they have been at us to reduce it again.

Hon. W. C. ANGWIN: That is only natural.

The Premier: You did not know, and we did not know.

Hon. W. C. ANGWIN: The Premier did not say that just now. I contend that we should maintain these people in their business. We are not justified in taking their business rights from them. We should not repudiate the business rights they have built up. Impose the same charges on them and make them comply with the same conditions with regard to the getters and the royalty. Say to them, "These are the prices you have to pay; this is what you have to pay the State. If you cannot carry on, that is your own concern." Then, if they dropped out, the Government could not be blamed. But for the Government to say these people must drop this portion of their business—well, there is not a man on the Government side of the House who, similarly affected, would not complain.

The Minister for Mines: We have the right to decide who shall sell our goods.

Hon. W. C. ANGWIN: Sandalwood is useless while it is in the paddock.

The Minister for Mines: Of course it is.

Hon. W. C. ANGWIN: The Government issue a permit for it to be gathered, but they now say that while they are entitled to a certain royalty, they will permit only one person to deal with it.

Mr. Mann: Everyone had an equal right in tendering.

Hon. W. C. ANGWIN: The Government have no right to make it a monopoly. Do the Government, when they offer permits in the timber industry, call for tenders?

The Premier: Yes, permits are put up to tender.

Hon. W. C. ANGWIN: The royalty is fixed by regulation.

The Minister for Mines: No, it is not.

Hon. W. C. ANGWIN: It used to be.

The Minister for Mines: Tenders are called with an upset royalty. We take the highest.

Hon. W. C. ANGWIN: But the person holding the selling right of sandalwood will have the selling right for the whole of the State.

The Minister for Mines: There is no selling in the State.

Hon. W. C. ANGWIN: It will not matter if the sandalwood comes from the far North-West—

The Minister for Mines: The North-West is excluded from the permit.

Mr. Munsie: Because there is no sandalwood up there.

Hon. W. C. ANGWIN: Yes, there is some very good sandalwood not far from Derby.

Mr. Teesdale: Some of the best in the State.

Hon. W. C. ANGWIN: I understand it is of very high grade.

Mr. Teesdale: Everything in the North is of high grade.

Hon. W. C. ANGWIN: But I understand the quantity is not great. The Minister pointed out that a lot of the sandalwood would come from the Murchison, from the Eastern Goldfields, and from the Trans-Australian railway; it covers the greater portion of the State but, when dealing with timber licenses, only a small area is granted.

Mr. Pickering: There is only a small area of timber.

Hon. W. C. ANGWIN: There is a large area of timber.

The Minister for Mines: There is not very much sandalwood.

Hon. W. C. ANGWIN: I admit there is not a great deal. At Fremantle to-day, however, stacks of sandalwood may be seen. Why?

The Minister for Mines: Because we have created a fictitious market. Up to the time tenders were called, getters were netting £7 per ton; to-day they are netting £9 5s. If we decided definitely not to accept a tender, the getters would again receive £7 per ton.

Hon. W. C. ANGWIN: I disagree with that entirely.

The Minister for Mines: I am sure of it.

Hon. W. C. ANGWIN: How could the getters receive £7 a ton if the Government fixed the amount and the conditions?

The Minister for Mines: Then they would get nothing because they would be out of work.

Hon. W. C. ANGWIN: And the same would apply under the conditions proposed by the Minister.

The Minister for Mines: Nothing of the sort.

Hon. W. C. ANGWIN: The Minister said £200,000 would be needed to stand out against the Chinese market.

The Minister for Mines: For us to do it, that amount would be required.

Hon. W. C. ANGWIN: The Minister informed us that China had three years' supply of sandalwood. The company will require this money to fight the Chinese. If we had a dozen sellers in the market, would not they be better able to financially resist the action of the Chinese than one company with a nominal capital of £30,000?

Mr. Pickering: But most of the sellers are Chinese.

Hon. P. Collier: No, they are not.

The Minister for Mines: If one company had control of the sandalwood, no one else could supply it.

Mr. Pickering: There are Chinese agents, too.

Hon. W. C. ANGWIN: I do not know whether there are Chinese agents or not. That does not concern me. What does concern me is that the getters as well as the State receive their just dues.

The Minister for Mines: That is what we want.

Hon. W. C. ANGWIN: It will all go to the Chinese, whatever we do. We are not justified under present conditions in cutting out of business those who have built up the trade. They are entitled to claim the protection of Parliament.

The Premier: We are going to get our royalties, at all events.

Hon. W. C. ANGWIN: I quite agree.

The Minister for Mines: You take the responsibility afterwards when the men come down here out of work. I am warning you.

Hon. W. C. ANGWIN: It would make no difference on that score.

The Minister for Mines: I know it will.

Hon. W. C. ANGWIN: If one man handles the sandalwood he will never give it up. China may take 5,000 tons a year only and no more. Once he gets the selling monopoly, he will work the conditions so as to charge a price considerably above what he has to pay for the wood.

The Minister for Mines: And at the end of five years he will have established a fine market for us.

Mr. Money: It will mean more money brought into the State.

Hon. W. C. ANGWIN: Let not the hon. member be sure of that. Money that comes into the State through the Treasury and

through the getter will be of advantage to us, but I do not say that money received by a company or an individual will be of advantage to the State.

Mr. Money: Of course it is; it will be liable to taxation.

Hon. P. Collier: He may shift himself out of the State and so avoid taxation.

Mr. Money: We must make our taxes so moderate that he will not shift out of the State.

Hon. W. C. ANGWIN: The Minister said unless we entered into this sole agency business we should lose all the privileges of the trade on account of the bogey of monopoly.

The Minister for Mines: All the benefits. It is a bogey.

Hon. W. C. ANGWIN: He also said, "If it can be termed a monopoly."

The Premier: It is a monopoly now on the part of those who have the trade.

Hon. W. C. ANGWIN: I have always understood that a monopoly is a trade or business that is placed in the hands of a single individual or company. There could be a State monopoly.

Mr. Davies: No State monopoly is harmful.

Hon. W. C. ANGWIN: It might be.

The Minister for Mines: That depends on whether a monopoly is created on behalf of the people or against them.

Hon. W. C. ANGWIN: We cannot sidetrack the question. The Government say they propose to make a contract.

The Minister for Mines: A permit.

Hon. W. C. ANGWIN: They propose to allow one man to be the sole selling agent on his own behalf. In other words, they suggest handing the sandalwood of the State to one man or company. It is possible this will act detrimentally to the State.

The Minister for Mines: How? Do not forget it is my wood.

Hon. W. C. ANGWIN: It may be a means of limiting the number of getters employed.

The Premier: That is limited now.

The Minister for Mines: Yes, by means of starvation.

Hon. W. C. ANGWIN: If the Government and the getter are receiving their fair dues, what difference does it make whether we sell 5,000 tons or 10,000 tons annually?

The Minister for Mines: You would not sell either quantity under these conditions.

Hon. W. C. ANGWIN: The Government and the getter would be protected. If it takes so many men to obtain 5,000 tons a year, it will take double the number to obtain 10,000 tons.

The Premier: There is a market for only 6,000 tons.

Hon. W. C. ANGWIN: Because of the price the agent may bring down the output to 5,000 tons.

The Premier: The market has been down for the last year or so.

Hon. W. C. ANGWIN: Not much sandalwood has been sold lately.

The Minister for Mines: There has been some selling during the last month or two. Last month the getters lost £30,000.

Mr. Munsie: One firm only is buying. It will get all back within 24 hours of the contract being signed.

Hon. W. C. ANGWIN: I am with the Government in their desire to protect the getter, and to see that the State get a fair royalty for the sandalwood that is pulled.

The Premier: Come over here.

Hon. W. C. ANGWIN: But I am strongly opposed to the Government entering into any monopoly. I am altogether opposed to monopolies. The Government are acting wrongly if they make any attempt to put out of business those who have spent years in building it up.

Mr. Teesdale: They have not done much for the getter. They paid me £9 a ton at Bullfinch. The proposals of the Government would at least mean a guarantee of a flat rate and a continuity of work for the getter.

Hon. W. C. ANGWIN: The Government could make the conditions such as I have suggested, and enforce the necessary guarantees. The Minister for Mines: It is not a guarantee.

Hon. W. C. ANGWIN: If the traders will not pay the price there will be no purchases.

Mr. Teesdale: And the men will be out of work.

Hon. W. C. ANGWIN: If there is no market.

The Minister for Mines: The market will be set up by the permits.

Mr. Teesdale: And five years' work will be guaranteed.

Hon. W. C. ANGWIN: Evidently the hon. member has not listened carefully to the Minister's speech.

Mr. Teesdale: I did listen carefully.

Mr. SPEAKER: Order! The hon. member will have his opportunity later.

Hon. W. C. ANGWIN: The Minister said there would be a minimum output of 5,000 tons a year. Does he realise that?

Mr. Teesdale: Yes.

Hon. W. C. ANGWIN: Is it not possible the agent would make that the maximum output?

Mr. Teesdale: I recognise the juggling that has been done up to now.

Hon. W. C. ANGWIN: The Minister really knows no more about the matter than I do. Both he and the Premier said they were not aware of the position, though they know it now. Are we justified in doing men out of a business they have spent years in building up? They have all been in the same boat.

The Minister for Mines: They will all be in the same position.

Hon. W. C. ANGWIN: If members on this side of the House had been engaged in buying sandalwood under conditions that were not beneficial to the State and the getter, and one of them received the position of sole selling agent, the others would all be in the same boat.

The Minister for Mines: If you are prepared to pay the highest price, why should you not be permitted to do so?

Hon. W. C. ANGWIN: We are opposed to a monopoly.

The Minister for Mines: This is not a monopoly.

Hon. W. C. ANGWIN: We are opposed to handing over the trade to a sole agent.

Mr. Teesdale: They have all had their chance. It will go to the highest tenderer.

The Premier: I do not care so long as we get our money.

Hon. W. C. ANGWIN: That is all we want.

The Premier: Show us how to get it.

Hon. W. C. ANGWIN: I have already told the Minister.

The Premier: No.

Hon. W. C. ANGWIN: Impose the conditions that will govern the trade.

The Minister for Mines: But you will not have to answer for them. We have to do so. It would not pan out at all beneficially.

Hon. W. C. ANGWIN: That is mere supposition.

The Minister for Mines: I know upon whom they would come.

Hon. W. C. ANGWIN: Each trader could then sell a smaller quantity.

Mr. Money: Then why has this arrangement not been made in the past?

Hon. W. C. ANGWIN: The Premier said he did not know the position and that it has only lately been discovered.

The Minister for Mines: The Chinese have been doing this for years. It has taken us 50 years to wake up to the position.

Hon. W. C. ANGWIN: This is the first time Parliament has been requested to drive people out of business. If any member of the House was placed in a similar position, and was about to have his business of years taken away from him, there would be the strongest possible objection raised by us all.

Mr. MUNSIE (Hannans) [9.12]: One or two phases of the matter have not yet been touched upon by the Minister. I have great objection to the granting of a monopoly, whether for sandalwood or anything else. I have a still greater objection to the granting of a monopoly behind the back of Parliament. Why has the Minister gone outside the terms of the motion? He painted a glowing picture of the getter and the Treasury if this contract is let.

Mr. Corboy: He painted black white.

Mr. MUNSIE: If the position is all the Minister claimed for it, what is wrong with the motion? If there is nothing behind all this why should it not be carried?

The Minister for Mines: You cannot produce papers when you call for tenders unless you accept one or other of them.

Mr. MUNSIE: The Government have no right to accept a tender granting a monopoly of any of the products of the State without parliamentary sanction.

The Minister for Mines: That is all right.

Mr. MUNSLIE: And without Parliament knowing what they are doing. The Minister invites me to go to his office to see the papers and the conditions of tender, what the individuals are prepared to quote as a royalty, and what they are willing to pay the getter. I do not intend at any time to go to his office to get information of this kind conveyed to me privately. If I obtained the information I should feel bound to treat it as confidential, whereas all the time I should be wanting to give it publicity.

Mr. Money: Would people tender if they thought everything was to be made public beforehand?

Mr. MUNSLIE: The intention is to let the contract first and make everything public afterwards. That is not the way to deal with the business of the State.

The Minister for Mines: What?

Mr. MUNSLIE: When the Government were dealing with the question of the hardwood timber trade, and the conditions to be imposed upon the individuals engaged in it, the first thing they did was to bring down the Forests Bill so that the whole subject could be discussed? The House discussed the Bill in all its bearings, many of which are similar to those of this sandalwood business, though there is to be only one purchaser of sandalwood, whereas our hardwoods are open to the purchasers in all the markets of the world.

The Colonial Secretary: That is an important difference.

Mr. MUNSLIE: The Minister said a good deal about what the sandalwood cutter was to receive, but he said nothing about the size the cutter was to get. In by far the greatest proportion of the sandalwood areas of this State, the cutter is better off at £9 per ton under existing conditions than he would be at £15 per ton under the Minister's new regulations.

The Minister for Mines: Nonsense!

Mr. MUNSLIE: Quite recently the Colonial Secretary was on a visit to the Eastern Goldfields. On a Sunday morning, when he was going from Kalgoorlie to Coolgardie, he and I were on the Kalgoorlie railway station together. We walked up and down the platform and examined several trucks of sandalwood which had come from Leonora. There was not half a truck of wood out of the five full truck loads which would have passed the regulations proposed by the Minister.

The Minister for Mines: I think you are quite wrong.

Mr. MUNSLIE: At least two-thirds of the sandalwood that has been landed in Fremantle week after week during the last six months would fail to meet the requirements of the regulations in the contract which the Minister is about to let. And then the Minister talks about the wonderful position the cutter will be in at the new price.

The Minister for Mines: What are the stipulations?

Mr. MUNSLIE: Fourteen and a half inches in girth at 16 inches from the ground.

The Minister for Mines: Fourteen inches in circumference.

Mr. MUNSLIE: Yes.

The Minister for Mines: What is the diameter?

Mr. MUNSLIE: I have not gone into that with absolute accuracy. It is about four inches, or four and a half inches.

The Minister for Mines: No.

Mr. MUNSLIE: The regulation says 14 inches in circumference.

The Minister for Mines: That is uncleaned. Do not forget that. It is before barking.

Mr. MUNSLIE: I will give all that in.

The Minister for Mines: The sandalwood you saw in the trucks was all cleaned.

Mr. MUNSLIE: And what would that average 15 inches from the ground?

The Minister for Mines: Tell me what you thought it was in circumference when you saw it in the trucks.

Mr. MUNSLIE: A stick or two here and there might have reached the 14 inches.

The Colonial Secretary: You claim that it should be seven inches in circumference?

Mr. MUNSLIE: No.

Hon. P. Collier: Is the Colonial Secretary an expert in sandalwood as well as in mothers' meetings?

The Colonial Secretary: Yes.

The Minister for Mines: This wood that you saw, was it three inches in diameter?

Mr. MUNSLIE: An odd stick of it was.

The Minister for Mines: I saw several truck loads of sandalwood to-day, and I do not think there was a stick that was not three inches in diameter, which is the size we want.

Mr. MUNSLIE: Have you altered the regulations in that respect?

The Minister for Mines: No.

Mr. MUNSLIE: The regulations which have been published do not provide for a diameter of three inches.

The Minister for Mines: I have the regulations in front of me.

Mr. MUNSLIE: All members on this side of the House, at all events, have had to talk about sandalwood on the regulations which have been published in the Press. Those are all we have seen. The Minister cannot produce a regulation which has been published in the Press and which provides for a diameter of three inches at 14 inches from the ground.

The Minister for Mines: Fourteen inches would be 12 inches when cleaned.

Mr. MUNSLIE: The Minister cannot even say that such a regulation has been published in the Press. The Minister this evening has not said anything at all about the regulations which are to govern the contract. I want to know something about those regulations. Moreover, I want to know who is going to get the contract.

Mr. Teesdale: Whom do you want to get it?

Mr. MUNSIE: If there is nothing underhand about this, I want to know who is to get the contract.

Mr. Teesdale: I ask you whom do you want to get it?

Mr. MUNSIE: I do not want any one firm to get it. I do not care who gets the contract.

Capt. Carter: Do you really think the Government are guilty of underhand practice?

Mr. SPEAKER: Order!

Mr. MUNSIE: If the Minister will agree to the appointment of a Royal Commission or a select committee to inquire into this matter, and if I happen to be called to give evidence, and if the member for Leederville (Capt. Carter) is a member of the investigating body, I will submit to such cross-examination then. But I am not here to be cross-examined. The member for Roebourne (Mr. Teesdale) has asked me whom I want to see get the contract. To be candid, I want to see the State get all it can out of sandalwood, and I want to see the cutter get a fair deal.

The Minister for Mines: That is what I am prepared to guarantee under this proposal.

Mr. MUNSIE: The Minister is again prepared to guarantee. I say, let us have a look at the contract. It will not be spoiled by being shown to the members of this House. They will not go to the Table and rewrite the contract or alter its conditions. I ask the Minister to give us a look at the contract. If the conditions are as good for the State as he has said to-night they are, and as good for the man who gets the sandalwood as the Minister says they are, he has nothing whatever to be afraid of.

[Several interjections.]

Mr. SPEAKER: Order!

The Minister for Mines: I am not afraid.

Mr. SPEAKER: Hon. members must keep order. The member for Hannans will address the Chair.

Mr. MUNSIE: From what I have seen of the contract, that is to say from what has been published in the Press, I again must differ from the Minister when he paints such a glowing picture of what the cutter is going to get. If the Minister insists on the regulations published, there will be no sandalwood got on the goldfields to come up to those regulations, except the wood to be got on big flats.

The Minister for Mines: That is not correct.

Mr. MUNSIE: The Minister will not find it growing on the hills, and the greater proportion of the sandalwood that is brought down comes from the stony ridges on the goldfields. The Leader of the Opposition has justified the moving of this motion, if only by the information the Minister has given us to-night regarding the terms of the proposed contract. Although there has been such a lot of talk, and such a lot of controversy in the Press, people writing from all quarters, the Minister has kept absolutely silent and

has not said a word until to-night. The chief objection I had to the proposed contract up to this evening was that the prospector would be cut out altogether. Undoubtedly he would be under the conditions as published in the Press. But the Minister comes along here and tells us that he has made provision for all those things. Why does not he let us have a look at the contract? Why has the Minister submitted to all this criticism? It seems to me that had it not been for the criticism, some of the regulations would not have appeared in the contract. They did not appear in the first draft. It is only the objections which have been raised that have brought about these new conditions. Therefore the motion has justified itself.

The Minister for Mines: I will not go to the trouble of denying that. Will you tell me who has ever suggested that the prospector should be protected in this way?

Mr. MUNSIE: I never heard of the suggestion before. I am quite frank about that.

Mr. Teesdale: That protection was scarcely fixed up by the Minister in his chair to-night.

Mr. MUNSIE: I do not say that, but I do say that even when that large and influential deputation of members from both sides waited on the Premier, that protecting regulation had not been fixed.

The Minister for Mines: All right; suppose it was not. There was no tender accepted then, either.

Mr. MUNSIE: The improvement in the regulations has resulted from the opposition which has arisen all over the State to the letting of the contract. If it is the policy of the Government to let a contract to one firm—I care not which—I say, bring along the conditions, and probably the combined wisdom of all members of the House may frame even a better contract than the Minister has drawn up to the present time, a contract better for the State and for the cutter, the only two parties for whom I feel any concern. As to what the Chinaman has to pay, that does not concern me in the least. When we cannot get from the Government what is their intention, we have to draw our own conclusions. Since the conditions of tender have been made public, and since it has been known that the Government would call for tenders, and that their intention was to let the contract to one particular tenderer, one particular firm has been purchasing sandalwood throughout Western Australia. Almost exclusively, one particular firm has been purchasing sandalwood during the last four or five months all over the State. That firm's agents have been outbidding everybody else. No one else has had a chance to compete with them. It looks suspicious to me.

Mr. Teesdale: Surely you do not object when the pullers are benefiting?

Mr. MUNSIE: In that respect I do not object in the least, but I do think the firm in question knew more than their competitors. The firm must have known how they stood with regard to getting the sole agency, or

they would never have set out to purchase the quantity of sandalwood they did purchase.

The Minister for Mines: All the firms are buying.

Mr. MUNSIE: Not all.

The Minister for Mines: If they have any money, they are buying.

Mr. MUNSIE: I say they are not all buying. The agents of one man are outbidding all the other agents, and are getting the sandalwood at a much lower rate, if what I am told is true. I do not know what the cutter is to be guaranteed, or what royalty the State is to receive. I have heard many figures mentioned as to what the firm in question are prepared to pay the cutter and as to what royalty they are prepared to pay the State. Whether the figures, or any of them, are correct or not I do not know. I have not seen the tenders. If there is nothing wrong with the business, why do the Government want to let the contract before Parliament has a chance to consider the question?

The Minister for Mines: It is not a question of submitting a tender to the House. The Government would have to accept the tender, and then justify their action to the House.

Mr. MUNSIE: The Government do no business in that way with any other commodity. They do not call for tenders and accept one of them and then come along and submit it to Parliament. They ask Parliament's opinion on the matter first.

The Minister for Mines: The Government do nothing of the kind. You cannot cite a single tender that has ever been submitted to the House.

Mr. MUNSIE: No other commodity in this country has ever been proposed as a subject for monopoly in the same way as this sandalwood.

The Minister for Mines: What about the construction of a railway such as the Eastern Goldfields line?

Mr. MUNSIE: The sanction of Parliament is obtained for the construction of the railway before tenders are called at all.

The Minister for Mines: The sanction of this permit is in the Forests Act.

Mr. MUNSIE: The sanction of a sole permit is not in the Forests Act, and has never been agreed to by the House.

The Minister for Mines: It is in the Act, though not in those words.

Mr. MUNSIE: It is all very well for the Minister to say that. The Minister cannot show it in the Act. The Government are not authorised by that measure to grant to anyone a monopoly of pulling sandalwood. The Forests Act provides that permits may be granted to men to go out into the bush and pull sandalwood.

The Minister for Mines: By public tender.

Mr. MUNSIE: Not by public tender.

The Minister for Mines: Yes; that is in the Act.

Mr. MUNSIE: Public tender for a permit to pull sandalwood?

The Minister for Mines: Yes. The Act provides that permits may be let for the purpose of taking any forest product by public tender.

Mr. MUNSIE: That may be there; I will not say it is not. That does not contemplate the right being given to the Government to give a monopoly to an individual by accepting such a contract.

The Minister for Mines: But he cannot pull a stick!

Mr. MUNSIE: I know that is in the Forests Act, and that the Government can grant the right to pull by way of permit. The fact remains that the getter will be compelled to sell to one party.

The Minister for Mines: It provides for a satisfactory buyer and that has not obtained during the past fifty years.

Mr. MUNSIE: The Minister says that is so.

The Minister for Mines: I am sure of it.

Mr. MUNSIE: Then let us have a look at the tender.

The Minister for Mines: I want to conclude it first. I want to take the honourable course.

Mr. MUNSIE: Why keep this matter secret? Why keep all the good things from the public?

The Minister for Mines: Can there be much of a secret seeing that it has been floating round the departments during the last six months?

Mr. MUNSIE: I do not think there is a single member on the Opposition side of the House who knew there were conditions providing protection for prospectors.

Mr. Heron: I knew it was suggested.

The Minister for Mines: Then you are agreeably surprised.

Mr. MUNSIE: That may be so. If the Minister comes into the open, he may be more agreeably surprised still. Irrespective of who is to get the contract and what the conditions are to be, I protest against the Government letting a monopoly to any one firm to deal with products that belong to the State. I protest all the more because the Government are letting a contract behind the back of Parliament.

Mr. MONEY (Bunbury) [9.32]: The debate has been somewhat interesting, but I will not say, confusing. Apparently it has been admitted that the sandalwood industry has not been satisfactory in the interests of the cutter, the puller, or the trader. Only one party has received proper consideration under the old system and that was the foreign buyer in China. The conditions are somewhat unique. For many years the buyer has been the sole monopolist; the sellers have been diversified and many.

Mr. Willcock: It was a monopoly extending to 400,000,000 people!

Mr. MONEY: The buyers of sandalwood are in a unique position. I know of no other product that is supplied to only one country in the world. The conditions being unique it is necessary, particularly in view of the fact

that the business has been so unsatisfactory to Western Australia for so long—we have been told that the State has lost at the rate of about £50,000 per year for a long time past—

Mr. Willcock: That is a matter of opinion.

The Minister for Mines: It is a matter of fact.

Mr. MONEY: We are told by the Minister that the State will receive £50,000 per year if this project is carried through. Careful consideration should be given to this question before any interference is made with the applications called for by the Government. When I first read the notice of motion, I wondered whether the calling for tenders was in order, but we have had the assurance of the Minister in charge of the Forests Department that the provision is contained in the Forests Act.

The Minister for Mines: It was recommended by the Forests Commission.

Hon. W. C. Angwin: The Act has not been amended?

The Minister for Mines: No.

Hon. W. C. Angwin: I do not see the provision in the Act.

Mr. MONEY: In view of the Minister's assurance I cannot understand the delay in dealing with the applications. I say that advisedly, because we have had many complaints in the past regarding tenders, including those dealt with by the Public Works Department.

The Minister for Works: There was good reason for that; there had to be that delay.

Mr. MONEY: That may be so. At times, however, the fact that there were State trading concerns here made some people wonder whether competition with these concerns had something to do with the delay. It looked as though the delay was for the benefit of the State trading concerns. I cannot conceive why this undue delay has taken place if the tenders are in accordance with the Forests Act, if they are satisfactory to the State, and most satisfactory to the cutter. Certainly they must be satisfactory to the tenderer, otherwise the tender would not have been put in. As to the question of monopoly, there may be good and bad monopolies. In Western Australia people have been satisfied with the railways existing as a State monopoly. I cannot conceive of one who, admittedly, has been in favour of State monopolies, objecting to dealing with a tender that must benefit very considerably the people of Western Australia. The sandalwood is our own product and we have not been receiving a proper price for it in the past. I cannot conceive any objection to an organisation being given the right to sell our product at its proper value in the markets of the world. When the buyer has a monopoly he can do as he likes, and play one seller off against another. Under the proposed arrangement, the seller is placed in the same position as the buyer, for they will be on an equal footing. This would have been unnecessary if the countries of the world

had been buyers of sandalwood. With Chi the only buyer, it is essential that such step should be taken. It is very simple. We, as owners of a product, being dissatisfied with the system obtaining in the past, have decided to put our product up for auction, and secure the highest price for a period of five years. I assume that those objecting to this tender being accepted probably put in tenders themselves. I do not know whether it is so or not, but if it is so, they should not be heard in objection to the highest tender being accepted. If they did not put in a tender, that is their fault. Those people should not be listened to for a single instant.

Mr. Johnston: What about the gentleman who tendered 5s. per ton above any other bona-fide tenderer?

Mr. MONEY: It would not be fair to have the right to interfere with the ordinary course of a business transaction. I hope, now that there is an opportunity to improve the finances in this way and obtain better value for our product, there will be no question about the Government accepting the highest tender.

Mr. CORBOY (Yilgarn) [9.41]: I am sure the House has been very impressed by the intimate knowledge displayed by the member for Bunbury (Mr. Money) of the conditions operating in the sandalwood industry. He displayed a wonderful grip of the sandalwood position.

Hon. P. Collier: A staggering knowledge.

Mr. CORBOY: There are circumstances operating which take away much of the gold from the picture painted by the Minister for Mines. Those parts of the picture we conceived were black, he showed were white, and those we thought were white, he demonstrated were black,—to his own satisfaction. He most carefully avoided the whole point in the motion moved by the Leader of the Opposition who merely asked that the papers should be laid on the Table of the House. The Minister objects by saying that he cannot do so until the tender has been accepted.

The Minister for Works: Is that not so too?

Mr. Money: It would be unfair to the tenderers who did not expect it would be done.

Mr. CORBOY: What harm could be done? We would not be disclosing information to trade competitors.

Mr. Heron: Of course not, because the time for accepting tenders has closed.

Mr. CORBOY: A man cannot put in an amended tender.

Mr. Money: Has a tender been accepted?

Mr. CORBOY: The tenders have been lodged.

The Minister for Works: It is not business to disclose the details of a tender before accepting it.

Hon. W. C. Angwin: You stick up tenders as soon as they are received, whether they are accepted or not.

Mr. CORBOY: It might as well be said that because we have used the railways for years past, we must not use motor cars now. Does the member for Bunbury (Mr. Money) suggest that because certain things have been done for years, we must do nothing else?

Mr. Money: On the contrary, I said we should do it.

Mr. CORBOY: The hon. member has objected to the course suggested being adopted, because it has not been done in the past! In no other instance has a tender been called by the State in respect of a monopoly. The circumstances are unusual. We are to give away rights in connection with the industry to one individual where previously there were a number of competitors. Not one of those competitors would gain anything from the knowledge obtained if the motion were agreed to. If I were in the Minister's place, unless there is some much graver reason than he has given us to-night, I would be eager to make known the information before accepting the tender. That, and that alone, would serve to remove the suspicion in people's minds.

Mr. Money: What is the suspicion?

Mr. CORBOY: One has merely to walk down the street to hear all sorts of suggestions as to why this tender is going to be accepted. Nothing would do more to confound that suspicion than the disclosing of the tenders. The people engaged in sandalwood pulling are full of apprehension.

Mr. Johnston: Public Works tenders are disclosed immediately on being opened.

Mr. CORBOY: Of course they are. Those engaged in the sandalwood industry are entirely opposed to the granting of this monopoly. The pullers, instead of being benefited by the monopoly, will be penalised.

The Premier: Then let us drop the puller and get our royalty. That is what you would say.

Mr. CORBOY: I am saying nothing of the sort. I am trying to protect the puller.

The Premier: But you said he would not be protected.

Mr. CORBOY: I do not think this proposal will benefit him.

Mr. Pickering: Why not?

Mr. CORBOY: I will tell you. The Minister explained that the conditions provided that the wood must be of 12-inch girth, stripped.

The Premier: That is the regulation now.

Mr. CORBOY: If so, it is not being enforced.

Mr. Chesson: It was disallowed last year.

Mr. CORBOY: That is so. The member for Menzies was instrumental in getting it disallowed. Even if the regulation existed to-day, it is not being enforced.

The Premier: What size do you suggest? Any old size.

Mr. CORBOY: Any size that is marketable.

The Premier: That would include immature wood.

Mr. CORBOY: Of course, we must have some sensible control. The wood being marketed to-day is approximately of the right size. The Minister said a 12-inch girth would mean practically three inches in diameter. I said it would be more like four inches. Actually, it is just over $3\frac{3}{4}$ inches. Given the girth, it is a simple sum in arithmetic to find the diameter.

The Minister for Mines: It has taken you a long time to find it.

Mr. CORBOY: Not so long as it took the Minister to compromise the glowing statement he gave us to-night. The bulk of the wood being marketed to-day is considerably under the size stated. If we are to insist upon a 12-inch girth, it will mean that, despite the £14 per ton which the Minister says the puller is to get, the puller will earn considerably less than he earns to-day. The Minister says the Forests Act gives him power to grant this proposed monopoly. There is in the Act a section providing for the issue of permits. However, it was never the intention of Parliament to confer on one permit under that section, the whole of the State for the pulling of sandalwood. If such thing had been suggested when the Bill was going through, not one member of the Assembly would have agreed to that provision.

The Minister for Mines: It does not do that, for only one small portion of the State is included in the permit area where sandalwood grows.

Mr. CORBOY: Of course, no man would apply for a permit to pull sandalwood in Perth, where none grows.

The Minister for Mines: Yet that area could be included.

Mr. CORBOY: It was never intended by Parliament that a monopoly should be granted under the Forests Act.

The Minister for Mines: No monopoly is to be granted.

Mr. CORBOY: That is a futile statement. What is the tender for but to grant a monopoly of the right to buy sandalwood from the puller and sell it overseas.

The Minister for Mines: That is not taking sandalwood off Crown lands.

Mr. CORBOY: What does the Minister mean by that?

The Minister for Mines: I don't know.

Mr. CORBOY: The Minister waxes humorous. The motion merely asks for the tender. It can neither benefit nor hurt any of the tenderers. Clearly, it is the right of this Chamber to know the whole of the details before any monopoly is granted by the Minister.

On motion by Mr. Pickering, debate adjourned.

MOTION—SOLDIER SETTLEMENT.

Royal Commission's Recommendations.

Mr. WILSON (Collie) [9.54]: I move—

That in the opinion of this House immediate effect should be given by the Government to the recommendations of the Royal Commission on Repatriated Soldiers of the A.I.F. under "The Discharged Soldiers Settlement Act, 1918."

Although I shall be going up for election next year, I can assure hon. members I am not moving this motion by way of propaganda. Before the report of the Royal Commission was laid on the Table, a member of another place was reported to have made the following statement.

The Premier: Never mind what he said.

Mr. WILSON: This report was in the "West Australian."

Mr. SPEAKER: Is it a report of something that took place in the other Chamber?

Mr. WILSON: It is a report of some words used by a member in the other Chamber.

Mr. SPEAKER: Then the hon. member cannot quote it here.

Mr. WILSON: But if a member of another place is allowed to call men undeserved names, we should——

Mr. SPEAKER: I cannot allow you to read that here.

Hon. P. Collier: Quote it from memory; don't read it.

Mr. WILSON: This hon. member in another place said in effect that the Royal Commission was made a buffer between the soldier settlers and the Government. He also said the Commissioners did not know skinless barley from bearded wheat. The man who said I was a buffer between the Government and the soldiers—well, I can only say he is a liar.

The Premier: You ought not to say that.

Mr. WILSON: I am a buffer for no one.

The Premier: No one who knows you would think you were.

Mr. WILSON: Well, some men have said it. As for knowing skinless barley, the barley required for the manufacture of the whisky I have drunk was more than the hon. member of another place ever saw growing. Why, Scotland is the land of barley!

The Premier: And you can carry it like a Scotchman.

Mr. WILSON: It has been said that even an imbecile politician can make one joke in his lifetime. I am going to leave that gentleman to enjoy the joke he made at our expense.

The Premier: Who was it made the joke?

Mr. WILSON: If you read "Hansard" you will find it was the Hon. J. Mills. When moving for the Royal Commission last year I made certain statements that did not meet with the approval of some members opposite. I am sorry to say those statements have been more than verified; in fact, have been tragically verified by the evidence taken before

the Royal Commission. I said that some land had cost £23 5s. per acre to clear. We had it proved to us that the land had cost over £40 to clear, and that certain other land had cost £60. I also drew attention to a statement that the Noombling estate had been purchased for the soldier settlement scheme. The statement I then made has since been accepted by the Lands Department as being correct. We found instances of the cost of pulling alone reaching £14 17s. 6d. per acre. Just imagine that for pulling the timber! In addition to that, something like £20 per acre was paid for clearing, the total cost being in some instances over £40 per acre. Thus we begin to realise what the soldiers have to carry, and we find it is an impossible burden.

The Premier: The soldiers did the clearing.

Mr. WILSON: That is so. Actually the Government did the clearing and employed the soldiers on it. I will deal with that later. The Commission visited one place at Boyanup and found something very uncomplimentary to those who had done the work of clearing. There was a paddock of five or ten acres and, in the timber lying on the ground, holes had been bored indiscriminately and not a shot had been fired. The holes had been bored for over two years. I could have carried some of the timber on my shoulder and put it on the fire. The Government overseer had allowed the men employed to bore the holes at the expense of the soldier.

The Premier: Over five acres, was it?

Mr. WILSON: Yes. The Commission were appointed to endeavour to get justice for the soldiers, and I am sure the Government wish to see justice done. That is what I am advocating to-night. I want the House to concur in the opinion that the Government should give effect to the recommendations of the Commission. After our having travelled through the country and made the inquiry, the work of the Commission should not be permitted to go by the board. The House should see that effect is given to the recommendations. A Government inspector, Mr. Brinkworth, said work that had cost £290 should have cost only £100.

Mr. A. Thomson: They put £190 on it?

Mr. WILSON: Yes.

Mr. A. Thomson: That is helping the soldier all right.

Mr. WILSON: He is "settled," without doubt. I think the Government are desirous of helping the soldiers. A statement was made in another place recently that the cost of clearing on some of the group settlements in the South-West had been £32 or £33 an acre. We have an instance of a higher cost than that. Any land in the South-West that costs over £30 an acre to clear cannot be profitable to the settler, and it is with a desire to remedy this state of affairs that I am speaking to-night. There was an instance of a block at Noombling being over-capitalised and Mr. McLarty stated he was prepared to have a revaluation made. That estate was

offered to the Government two or three times and was turned down, but ultimately it was purchased at an enhanced price. The settlers in the poison country can never make a success of their holdings at the present valuation. It is not my intention to deal with the cost of dam construction; we have had enough about it.

The Premier: You got into a tangle about that.

Mr. WILSON: We got into no tangle about it, but the Government department did. There seems to be something wrong when dams put down by Government Departments cost 3s. 2d. per yard, and a private individual could get a dam constructed for 1s 9d.

The Minister for Works: Every dam was constructed by tender.

Mr. WILSON: I am afraid the cost per yard was too great. In evidence both Mr. O'Brien and Mr. McLarty said 2s. 6d. a yard would be a fair price, but the department are charging the digger 3s. 2d.

The Minister for Works: Not all of them.

Mr. WILSON: The department are practically charging a flat rate.

The Premier: You are quite wrong.

The Minister for Works: Yes, you are wrong there.

Mr. WILSON: I should be glad to hear the Minister quote the evidence.

The Premier: We will quote it.

Mr. WILSON: My statement is correct. Mr. McLarty said 2s. 6d. a yard was sufficient for dams that had cost 3s. 2d. Even if only one digger were affected, he should not be charged the additional 8d.

The Premier: Are they paying more than the dams cost?

Mr. WILSON: Yes.

The Premier: Who?

Mr. WILSON: The men on the spot. I have a dam at Bruce Rock that cost 1s. 6d. a yard.

The Minister for Agriculture: For the excavation only?

Mr. WILSON: The practice is to charge for the excavation and for putting in the drain. If the dam has a capacity of 1 000 yards and there is 80 yards of drain, a charge is made for 1,080 yards. One phase of the question into which we did not inquire was that of marketing. Wherever we went we met soldier settlers who said they might be able to make a success of their holdings on the price paid for the land and on the deal they had received from the Government, but they were afraid the markets would jeopardise their prospects.

The Minister for Agriculture: Which markets?

Mr. WILSON: The local markets. A man at Kalamunda sent 20 cases of tomatoes to market and the result was a debit of 1s. 9d. A settler at Balingup forwarded six large bags of onions to market and after all his trouble he received 3s. 6d. These men are trying to make a living on the land, but

how can they do it in the face of such returns?

The Minister for Works: They will not get such low returns every time.

Mr. WILSON: They are getting them. Lack of markets and poor prices were grounds of complaint to the Commission. Settlers at Kalamunda stated that they could not make a success of their propositions on the prices paid for the land and the cost to them if the price they obtained for their produce was not more satisfactory. New South Wales is the only State where the position of the soldier settlers is being reviewed. To the 30th June, 1922, Western Australia had spent £4,651,325 on soldier settlement, and New South Wales £13,406,319. I do not know the number of soldiers settled in New South Wales, but I wish to show that the Government there have tackled this problem and are going to help to keep the soldiers on the land. Seventy per cent. of our men in the South-West are holding on in the hope of the Government giving effect to the report of the Royal Commission and affording them relief.

The Premier: Of 4,000 men you could induce only 260 to come before you.

Mr. WILSON: Did the Premier want the Commission to examine any more?

The Premier: You were engaged for months on the inquiry.

Mr. WILSON: The Premier told us he would allow only a certain time in which to complete the inquiry; consequently we examined only a limited number of witnesses in each district. After we had taken the evidence of five or six men in a district, we considered that their evidence was representative of the district and would make out a case for it. It is useless for the Premier to say that only a certain number of soldiers appeared before us. We could have got the evidence of many more.

Mr. Corboy: The Commission would have been kept going until now if we had examined all the witnesses that desired to give evidence.

Mr. WILSON: I do not think the Premier would contend that men paying £40 an acre for land in the South-West will be able to make a success of it.

The Premier: You are referring to two men at Piesse's Brook, I suppose.

Mr. WILSON: I have in my mind many more, some at Kirup, Balingup, Boyanup, and Brunswick, those at the latter place on the State farm.

The Minister for Agriculture: What about them?

Mr. WILSON: Owing to the prevalence of Spanish radish something must be done for the Brunswick settlers. The recommendations of the Commission are very similar to the suggestions offered by a committee of inquiry in New South Wales. I wish to show the spirit in which the New South Wales Government have accepted the recommendations made there. Mr. Walter Wearne, M.L.A., Secretary for Lands and Minister for Forests, speaking on

the Address-in-reply in the New South Wales Parliament on the 31st August, said—

Since June, 1922, I have confirmed 482 holdings of a capital value of nearly one million pounds. Every block was revalued because I would not put my name to any value unless the Closer Settlement Advisory Board or the Surveyor General satisfied me the value was a fair one no matter what the land cost. In accordance with that policy I find that the disposal values of 11 estates are a good deal below the cost of acquisition and development, namely, to the extent of £125,000. Within three months the whole of the estates purchased, except one, will have to be revalued, and have had the capital values notified and gazetted and confirmed.

The Government there are having revaluations made.

The Minister for Agriculture: Are we not doing it here?

The Premier: They gave four times as much for their land as we did here.

Mr. WILSON: We have no indication that the Government are doing it here. The Minister in New South Wales talks about one estate in particular. He says—

The purchase price of the Clinton Estate, near Inverell, was £19,128, and the cost of development was £39,925, making a total of £59,053. The disposal capital value of that estate was £15,691, making a loss of £44,382.

That is what the Government there are doing.

The Premier: They lost £500,000 in one case alone.

Mr. WILSON: I shall be satisfied if we get out of it for half a million. We shall be lucky if we do.

The Minister for Agriculture: Do not cry stinking fish.

Mr. WILSON: I am not doing so. On a capital of nearly five millions it is not crying stinking fish to suggest losing 20 per cent.

The Premier: Most of our fellows have bought pretty cheap farms.

Mr. WILSON: The sooner the Government come to the relief of these people the better for all concerned. It is no use keeping them on tenterhooks. They must be helped.

The Premier: I am going to deal with every case you have mentioned.

Mr. WILSON: I ask Parliament to agree to the recommendations we have put up.

The Premier: Tell us what they are.

Mr. WILSON: I am going to deal with them one by one. If there is any objection I shall be pleased to hear it.

The Premier: Let us have it.

Mr. WILSON: I am not going to be laughed out of this. The soldiers want a fair deal.

The Premier: They will get it.

Mr. WILSON: Whether I offend or please, I am going to have my say in this matter. I do not intend to be influenced by the Government or by party considerations. I have no desire to say anything nasty about what

has been done, for that would not alter the position.

The Minister for Agriculture: You would not say they have not had a fair deal.

Mr. WILSON: The Government have done their best according to their lights. A considerable sum of money has been squandered, and for this the diggers must pay. When asking for the Royal Commission I said the soldiers, when they came back, were not normal. They were placed out in the country in order that they might get away from the city and no one reckoned the cost. They were put on to clearing land. They could not do this work although they did their best. It was the duty of the Federal Government to look after them, but the State took over that obligation. They arranged to clear the land. This should have cost only about £15. Is it fair, therefore, to burden the men with a cost of £40 an acre?

The Minister for Agriculture: We generally charge the cost of the work done.

Mr. A. Thomson: Provided it is a reasonable cost.

Mr. WILSON: One of the recommendations of the Royal Commission was—

That the cost of clearing be written down to approximately the amount it has cost private individuals to clear some of the land in the same locality.

Is that not a fair proposition to the digger?

The Minister for Agriculture: That recommendation has been given effect to. In many cases the capital cost will have to be written down.

Mr. WILSON: There was the case of Mr. Hunter, at Cascade.

The Minister for Agriculture: That was costly clearing.

Mr. WILSON: Not as costly as it has been elsewhere.

The Minister for Agriculture: The Cascade estate has been written down.

Mr. WILSON: To £16 an acre. Mr. Hester says it should be written down to £8, which is what it cost to clear his land.

The Minister for Agriculture: People put forward all sorts of ideas.

Mr. WILSON: Mr. Hester knows what he is talking about.

Capt. Carter: There is also the case of Mr. Johnson, at Balingup.

The Minister for Agriculture: You could not do to-day what Mr. Hester did.

Mr. WILSON: But the reduced price now charged is by no means liberal. In fact, it is exorbitant.

The Minister for Agriculture: Clearing spread over a number of years is much cheaper than clearing green timber.

Mr. WILSON: Everyone knows that. In Gippsland the trees were ringbarked and fires put through at intervals.

Capt. Carter: It was not green timber at Cascade.

Mr. WILSON: Why did the Government insist on pulling green timber? Take Piesse's Brook. A man named Shaw had the tree pullers on his ground, the cost for pulling

being about £16 an acre. He was then advised by the foreman that it would be better to have his timber snigged. He agreed to that, but asked what it would cost. The foreman said it would cost £1 an hour or £8 a day for the team operating the puller. I asked him how he got on. He replied, "After two days they had pulled a quarter of an acre." This meant an expenditure of £16, at the rate of £64 an acre for snigging only.

Capt. Carter: And they pulled the timber up a steep grade at that.

Mr. WILSON: Is that a fair deal? The heads of Government did not know of these matters, and it is my duty now to tell them.

Capt. Carter: That is the point.

Mr. WILSON: The Government must not take umbrage at what we say. Let the digger be told that he will get immediate relief. An independent commission of practical men should be appointed to revalue these estates. The Government would have the appointment of the commissioners. They need not be members of Parliament, but should be men who have lived in the country and know values. By this means the Government would get a fair deal, and the discontent amongst the diggers would be overcome. We are not asking too much in requesting that recommendation No. 1 should be given effect to. It would be only a fair thing to the men who have saved us. The question of interest is an important one. The soldiers want their interest deferred. Very few have paid any up to now.

The Premier: At Piesse's Brook they have paid it all.

Mr. WILSON: They have a Minister living up that way, and that may influence them.

Capt. Carter: Some of them used their gratuity bonds in order to keep going.

Mr. WILSON: The man who out of his earnings has to pay interest on 2,000 has a hard struggle. The recommendation of the New South Wales committee is as follows:—

That the full indebtedness of each settler be written down to such a figure that the repayment of the capital and interest will not amount to more than £65 per annum, and that repayments could be made monthly or quarterly instead of weekly.

The Government there want, and have had, the estates revalued for the digger. Some of our men have nearly £200 a year interest to pay, and they have no market. There are men at Balingup paying interest amounting to just under £200. One man told the Commission he had put £2,000 of his own money into his block, and he is practically stoney-broke.

The Premier: He made a private purchase.

Mr. WILSON: No. He bought his land from the estate purchased by the Government.

The Premier: No.

Mr. WILSON: Yes. What is the use of the Premier shouting across at me, when he does not know what he is talking about?

The Premier: I do know.

Mr. WILSON: I was there and will not be contradicted. I took the evidence. The man put in his bond.

The Premier: He bought as a private person.

Mr. Smith: That is Shenton of Balingup.

Mr. WILSON: Yes.

The Premier: What estate was it?

Mr. J. H. Smith: Brookton.

The Premier: No, Ferndale.

Mr. WILSON: Here the soldier settlers are at the present time being asked to pay up to £180 and £200. New South Wales says the amount should be reduced to something that the man can pay. I hope the Government here will adopt the same course. I suggested that the Federal Government should be approached in regard to helping our returned soldiers. I think it is not too late to approach the Federal Government with a request to pay something towards the cost of clearing done by people who were practically taken out of the streets of Perth for that work. The State Government did not get a fair deal, simply because the men were physically unfit to do the work. Some of the men sent down to do it were not 10 per cent. fit for it, and yet 100 per cent. is charged for their labour to the soldier settler. In my opinion the Federal Government should be approached at the next Premiers' Conference, or even earlier, for a refund in that respect. We ask that three commissioners be appointed, and it is suggested that one of them should be from the staff of the Agricultural Bank, and one an expert chosen by the Government, and the third, if possible, a man nominated by the returned soldiers. I trust the Government will give consideration to this recommendation, and especially to its last feature. I do not think we shall ever get a fair valuation until the work of valuing is done by an independent body. At the Williams we heard that the Government had approached a man to make valuations. My hope is that the Government will go even further than that, and appoint a body of three to make valuations.

The Minister for Agriculture: One cannot give effect to a general recommendation like that. Every case must be treated on its merits.

Mr. WILSON: We say in our report, quite clearly, that a flat rate cannot apply.

The Minister for Agriculture: Surely you can rely on the Government to give the necessary consideration?

Mr. WILSON: Yes, we rely on the Government; but the Government want some help from the House. The House should ask the Government to give effect to the Commission's recommendations. It is no use for a Commission to investigate matters if no heed is taken of its recommendations.

The Minister for Agriculture: But heed has been taken.

Mr. WILSON: We shall be glad to know it, and to have specific cases quoted. Since the Commission adjourned, we have had requests for relief from pressure being put on soldier settlers at the present time. That fact does not agree with the Minister's statement.

The Premier: Can you give the names?

Mr. WILSON: Yes. I do not come here and make statements which I cannot verify. I will give the Premier the names. As to the question of the interest, in that respect the fault does not lie with the Government, but with the times, which have compelled the Government to charge these men such high rates of interest as 6½ and 7 per cent.

The Premier: The Federal Government charge us £6 7s. for the money.

Mr. WILSON: Yes, but there is a move in the right direction at the present time. When Mr. Bruce, the Prime Minister, was here, he indicated in his public speeches that he was prepared to reduce the rate which the Federal Government were paying for money. Mr. Bruce spoke as follows:—

Under the soldier land settlement scheme, which was operated in conjunction by the Commonwealth and the States, the Commonwealth agreed to raise for the States all moneys required for soldier land settlement and to allow a rebate of interest of 2½ per cent. for five years. The States were under an obligation to pay to the Commonwealth the same rate of interest as the Commonwealth had to pay for moneys raised for this purpose, less the rebate of 2½ per cent. Moneys raised by the Commonwealth for this purpose had carried varying rates of interest, and at the present time £33,660,664 have been so raised at the average rate of interest of £6 3s. 11d. per cent. The Commonwealth Government realises the grave difficulties that have had to be overcome by the States with regard to the soldier land settlement schemes, and in order to assist the States and to enable them to give fair and equitable treatment to the soldier settlers, the Commonwealth is prepared as from January 1, 1924, to reduce the rate of interest to 5 per cent. from the £6 3s. 11d. which the money is actually costing the Commonwealth.

The Premier: The Commonwealth have now refused to do that. We did not agree to their other terms.

Mr. WILSON: The Premier himself stated in this House that he hoped to reap some advantage from that offer. I have also here a cutting from the "West Australian," containing a telegram dated Melbourne, February 20th, in reference to "proposed abolition of interest on advances to soldier settlers." The telegram states—

The Minister for Lands (Mr. Oman) said that the plan under which soldiers had been settled provided very liberal concessions of money for the purpose of acquiring land and making advances to the soldier settlers, of whom there were 10,000 in

Victoria. The average cost of that money—about £18,700,000—was 6 per cent., and the State Government lent it to the settlers at 5 per cent.

The Premier: We cannot reduce the interest.

Mr. WILSON: Why not? If these men are to succeed, there must be a revaluation, and the interest must be either deferred or reduced. I must draw attention to that terrible pest at Brunswick—Spanish radish. Something has got to be done, otherwise the people whose land is affected will not be able to live.

The Premier: The pest is everywhere.

Mr. WILSON: But not on small allotments. It is all very well for a man who has a fairly large area of ground. It is to be hoped that the Agricultural Department will do something to overcome the trouble. In conclusion let me say that when I was travelling round the country I was more than surprised to learn the degree of hardship which the soldier settlers have to put up with. Members get up in this House and talk about the hardships of the group settlers. Those hon. members simply do not know what they are talking about in comparison with the soldier settlers. The soldier settler has to work his way from the very jump. He and his wife and family do not get any £3 a week to live on. If they are to live there at all, the high imposts which they have to shoulder must be reduced. Even if the imposts are reduced, some assistance must be rendered in connection with the marketing of the produce. A lower rate must be charged on the railways for the carriage of their products.

The Premier: They have to pay so much for their coal, and so on.

Mr. WILSON: Coal is a commodity we cannot do without. These people have to live just as well as the coal miners. If for a term of from three to five years there was a lower flat rate and the people were induced to take their produce into consumption, something would be gained. With a reduction in the valuations I have referred to, and attention to the other matters, there will be some hope of settling these people satisfactorily. Unless the Government come to the aid of these men quickly, I believe that 40 per cent. of them will be forced off their holdings, for they have no £3 a week coming in to keep them going.

On motion by Capt. Carter, debate adjourned.

House adjourned at 10.43 p.m.