

Honorary Minister should confine himself to that.

Hon. C. F. BAXTER (Honorary Minister): I am endeavouring to explain that no strong reason has yet been put forward for the adjournment of the debate. Hon. members have had plenty of time to deal with the Bill, and should be prepared to go on with it. If they had any amendments to propose, surely they should not have waited until the Bill was presented before putting them on the Notice Paper. They must have known what amendments they intended to bring forward.

Hon. Sir E. H. Wittenoom: We never saw the Bill.

Hon. C. F. BAXTER (Honorary Minister): That excuse does not hold good. There is nothing in the Bill. It is merely a re-enactment Bill with one or two small amendments.

Hon. Sir E. H. Wittenoom: We desire to put something into the Bill.

Hon. C. F. BAXTER (Honorary Minister): If hon. members desired to put something into the Bill they had plenty of time to do so between last December and this evening. I must oppose the adjournment. One small speech has been made each evening on this Bill, and this is not making a legitimate attempt to get on with the business before us.

Hon. J. A. GREIG (South-East) [8.24]: I support the motion for adjournment. The Honorary Minister said that if we had amendments to bring forward we should have got them ready before we saw the Bill. That is a peculiar attitude for the Honorary Minister to take up. Seeing that the leading farmers, representatives of this State had interviewed the Minister and asked to have amendments put into the Bill, and seeing that the Chamber of Commerce and the leading financial people of the State had also suggested amendments, we had every reason to believe that the Honorary Minister would have included them in the Bill. When we see the Bill put before us without these amendments, we naturally want time to thoroughly consider the drafting of these amendments. I hope hon. members will take that point of view into consideration when considering the motion. There is no hurry. The agreement has been signed, and the scheme is going on and everything is in order. So long as we are in time for next year, it will be all right.

Motion put and passed; the debate adjourned.

#### ADJOURNMENT—SPECIAL.

The COLONIAL SECRETARY (Hon. H. P. Colebatch—East) [8.26]: I move—

“That the House at its rising adjourn until three p.m. on Friday.”

Hon. J. W. KIRWAN (South) [8.27]: The Colonial Secretary spoke of meeting on Saturday. On a few previous occasions this House has met on Saturday, but whenever it does so it sits in the forenoon so as to give members, who desire to catch a train, an opportunity of doing so. There are no trains on Sunday, and I assume that if it be necessary to sit on Saturday the House will meet in the forenoon.

The COLONIAL SECRETARY: (Hon. H. P.

Colebatch—East—in reply) [8.28]: The only business I have for the House to-morrow is the formal completion of the third reading of the Employment Brokers' Act Amendment Bill, the Rabbit Act Amendment Bill, and the completion of the Appropriation Bill.

Hon. A. Sanderson: That is all.

The COLONIAL SECRETARY: I understand there is one short Bill which has to come from the Assembly, but I do not know much about it. I have no desire to sit on Saturday at all if it can be avoided. If we meet to-morrow at 3 o'clock, and it is found necessary to sit on the following day, we shall certainly sit at such time as is most convenient to hon. members.

Question put and passed.

House adjourned at 8.29 p.m.

## Legislative Assembly,

Thursday, 11th April, 1918.

The SPEAKER took the Chair at 3.0 p.m., and read prayers.

[For “Questions on Notice” and “Papers Presented” see “Votes and Proceedings.”]

### QUESTION—WAR BOND PRIZE LOTTERY.

Mr. BROWN (without notice) asked the Attorney General: Has his attention been drawn to an advertisement in to-day's “West Australian” in connection with Boan Bros' £500 war bond prize lottery, and if so what action does he intend to take?

The ATTORNEY GENERAL replied: I have not seen the advertisement, nor has my attention been drawn to it prior to this.

### BILL—GRAIN ELEVATORS AGREEMENT.

Second Reading.

Debate resumed from the 4th April.

Hon. W. C. ANGWIN (North-East Fremantle) [3.5]: We in this Parliament have very little say in regard to the matter. The whole position is forced on us by the Federal Parliament. I have stated that in this Chamber before, and it has been denied. The Federal Parliament has passed legislation dealing with this question, in which it is provided that the money to be used for the construction of these works is to be under the control of the Federal Government, and that any silos erected must be of a design that meets the approval of the Federal Government, and the commission to be created. Therefore, it will be seen that we have very little say in the matter. Speaking in the House of Representatives on the 18th July, 1917, before the approval of the Wes-

tern Australian Government had been given to this scheme, the Prime Minister said—

They (the silos) are to be constructed of a uniform design at a uniform price, and the charge to be debited against the wheat stored is to be fixed at so much per bushel per annum. It is proposed to create a commission whose members will be a representative of the Commonwealth Government, and a representative of the Governments of each State in which silos are erected. The commission will determine, as hon. members will see by referring to Clause 7, the design of silo to be adopted generally, or the particular design to be adopted in any particular place; the number of silos to be erected, the places where they are to be erected, the cost of each, and the cost per bushel to be charged for storing wheat therein; and it will arrange with the Governments of the respective States for the construction and erection of silos by, or under the supervision of, the proper authorities of those States. The Commonwealth Government will, through its representative and its right of veto over expenditure, supervise the whole matter. The Commonwealth's control over the expenditure is plenary. It will lend moneys to the State Governments, which will construct the silos to the design approved by the Commission, either directly or through the agency of the contractor. The Commonwealth Government is the financier; the State Governments will carry out the work and will pay us interest on the money borrowed, at a rate to be fixed, which will be that which we will pay for the money. It is proposed to debit the wheat with a charge sufficient to create a sinking fund that will extinguish the liability in 10 years, and it has been calculated that a charge of  $\frac{1}{4}$ d. per bushel per month on the wheat stored will do this; but as the charge will be debited against not only the wheat stored but all the wheat, and as we propose to store only one-third of the crop, it will be one-twenty-fourth of a penny per bushel per month.

That is the statement made by the Prime Minister when introducing the Wheat Storage Bill. So it will be seen that we in this State have very little say in regard to the design or construction of silos to be erected. We are undoubtedly in the hands of the commission in regard to the construction; and immediately the elevators and silos are constructed, the whole control will pass to the wheat pool, and the wheat board, against which I have seen a lot of criticism directed in the "Primary Producer." The wheat board has full power to make storage charges. The whole thing is handed over into their control. Let me point out an exceptional feature in regard to this money. In respect of all moneys that in the past have been loaned by the Federal Government to the State Government, the security of the State has been held sufficient; but in this case the Federal Government are to have a special lien on the silos and elevators constructed.

The Attorney General: Where does it say that?

Hon. W. C. ANGWIN: I can read it if the hon. member so desires.

The Attorney General: It is not in the Act.

Hon. W. C. ANGWIN: I have got my information from the Prime Minister's statement.

The Attorney General: The Bill was passed with very little amendment.

Hon. W. C. ANGWIN: There was only one slight amendment. It was this: although South Australia had previously consented to this work

being carried out, a change of Government took place, and the new Government objected to the large expenditure necessary to provide for wheat storage. They desired that other means of storage should be provided, not only for one-third of their wheat but for the whole, and Mr. Foster, one of the Federal members representing South Australia, was successful in inserting an amendment in Clause 7 providing that other means could be used for furnishing proper storage for wheat.

The Attorney General: By arranging for temporary structures.

Hon. W. C. ANGWIN: The same as we are doing at present in the erection of sheds. So it has been arranged that the money advanced to the States can be used for other structures for the storage of wheat. In this State we have very little say in the matter. We have either to fall in with the proposals of the Commonwealth Government, or go on as we are and allow approximately three millions of money, voted for the purpose to be spent in the other States, while our farmers here contribute their share of the cost, whether they use the accommodation or not.

Mr. Pickering: That is scarcely correct.

Hon. W. C. ANGWIN: The whole of the wheat is to be charged. The Prime Minister said they would have to pay through the wheat pool, whether they were in it or not. It is the wheat pool, that is to make the charges and control the business. There was a lot of discussion in the Federal Parliament in regard to the use to which the elevators would be put. Mr. Hughes said it was the intention to endeavour to devise a scheme under which the terminal elevators would be used for the storage of flour instead of the storage of wheat, because under present conditions it was almost impossible to procure machinery for terminal elevators. He pointed out what an advantage it would be to Australia if we could grist a lot of the wheat and make it into flour. Before this is done, however, it is necessary to have proper storage, and it was their intention to use the terminal elevators for that purpose. When we look into the position, so far as we are concerned, we must come to the conclusion that we are almost helpless. We must either be a party to the scheme and accept proper provision for, I think, a third of the wheat.—

Hon. J. Mitchell: A third of one season's crop.

Hon. W. C. ANGWIN: I would say a fourth of one season's crop.

The Attorney General: Five million bushels are provided for.

Hon. W. C. ANGWIN: The Minister does not intend to have an elevator to provide for that?

The Attorney General: Not one, but the whole of the elevators contemplated under the agreement will house five million bushels.

Hon. W. C. ANGWIN: That means the whole of the elevators and the silos that we will erect.

The Attorney General: The whole of the storage.

Hon. W. C. ANGWIN: Yes. In 1916 our wheat crop was an 18-million bushel one. As I was saying, our position is almost a helpless one. It either means that we have to accept proper provision for the storage of a small portion of our wheat, or the farmers will have to pay whether they accept this or not. It is the only conclusion we can come to if we follow the discussion in the Federal Parliament, and observe the replies given by the Minister, who was in charge of the Bill. The Federal "Hansard" will bear out my contention that the Prime Minister said he wished hon. members of that House to understand that

the Government intended to take full control and lien over the property until the money for its construction was repaid. Immediately the construction is completed the whole of the control is handed over to the central wheat board, which has to fix the charges necessary for the storage of the wheat. This virtually raises the whole question of bulk handling of wheat, and in my opinion such a question should not be brought down at the tail end of the session. There is great diversity of opinion throughout Australia as to the probable success of the bulk handling system. Whilst the Bill we have before us provides for the erection of silos and terminal elevators, and the attempt is being made to limit the discussion, as far as possible, to the question of the storage of wheat, for the Bill is a wheat storage Bill, it is really the thin edge of the wedge as regards the bulk handling system. I do not think that hon. members would desire at this late hour of the session to enter into a discussion as to whether bulk handling was desirable or not. South Australia expressed itself as strongly opposed to the system, by an overwhelming majority. We have no estimate given to us so far as this State is concerned of the probable cost of such a system. If we adopt the principle what is it going to cost the State? The Minister in charge of the Bill pointed out that in all probability there would be placed at our disposal a sum of £285,000 for the purpose of making this temporary provision. If the system is adopted, and this is really the thin end of the wedge, the Minister is taking the right stand, with regard to other portions of the State, in saying that such a large sum of money should be spent in this direction.

The Attorney General: As an integral part of the whole scheme.

Hon. W. C. ANGWIN: Yes. Members should be told what the total cost is likely to be, and what it will cost to control such a scheme when it is put into force. In 1913-14 the amount of money which was paid at the port of Fremantle for taking the wheat from the truck into the hold of the ship was about £10,000. According to the estimates I have seen, and to what was brought out by the Royal Commission which sat in Victoria for some considerable time, it will cost between £17,000 and £18,000 per annum, inclusive of interest, sinking fund, and depreciation, to run one elevator such as the Government intend to erect at Fremantle.

Mr. Maley: How do you make that out?

Hon. W. C. ANGWIN: I do not wish the hon. member to take my word for this, but will show him the source of my information. It is proposed to erect at Fremantle an elevator to hold between one million and 1,500,000 bushels of wheat. The Royal Commission in Victoria was appointed on the 1st March, 1912, and reported, I think, in 1913. They give the estimated annual cost of running an elevator at Geelong, with a holding capacity of 1,250,000 bushels.

Mr. Pickering: That should be a fair basis to go on.

Hon. W. C. ANGWIN: That is so. Interest at  $3\frac{1}{2}$  per cent. is provided for there, but it would be nearer  $6\frac{1}{2}$  per cent now. The total cost per annum was given at £13,949.

Mr. Maley: For storing?

Hon. W. C. ANGWIN: No, for running the elevator. For the men who are employed, wages at 8s. a day are provided. These wages would now be somewhere about 10s. a day, and to the

increase of wages we will have to add the additional interest of three per cent. to which I have just referred, when considering the cost of running an elevator at Fremantle. In addition the Royal Commission provided for an engineer at 12s. a day, whereas the wages would be 16s. a day here, a brakeman 9s. a day, foreman at 15s. a day, other employees at 8s. a day and a clerk at £150 per annum, or a total wages expenditure of £2,302. There would to-day be an increase on all those wages. The interest at  $3\frac{1}{2}$  per cent. is set down at £4,677, and maintenance and depreciation at  $2\frac{1}{2}$  per cent., 4 per cent., and  $8\frac{1}{2}$  per cent., account for £5,774. For fuel, etc., a further amount is provided, making a total of £13,949, or approximately £14,000 per annum, as the estimated cost of running one elevator. We must seriously consider the question of the probable cost of running our elevators in this State.

Mr. Harrison: Have you reckoned on the advantages to be gained on the other side?

Hon. W. C. ANGWIN: The Engineer-in-Chief can best give that information.

The Attorney General: That deals with the completed elevator.

Hon. W. C. ANGWIN: Yes. I would advise the hon. member to look through this report for himself.

Hon. F. E. S. Willmott (Honorary Minister): It is all a matter of how much grain goes through the elevator in the course of a year.

The Attorney General: The elevator you speak of is dealing with at least five million bushels?

Hon. W. C. ANGWIN: No, with 1,250,000 bushels.

The Attorney General: This is only the capacity.

Hon. W. C. ANGWIN: Yes.

The Attorney General: It can deal with three times that quantity.

Hon. W. C. ANGWIN: That is so, under normal conditions, but I am talking about the position as it stands now.

The Attorney General: We are only dealing with storage bins, not the completed elevator.

Hon. W. C. ANGWIN: I have pointed out the attitude taken up by the Federal Parliament. I know that we are only dealing with storage at present. It has been pointed out that this is the thin edge of the wedge, so far as bulk handling is concerned, and that the ultimate result will be the introduction of that system. Whilst it is not my intention to oppose that system, for I am not in the position to do so, I must say that I have more confidence in our own officers than in the advertisements put forward by those who are anxious to carry out these works. There is grave doubt, so far as this State is concerned, as to whether we shall effect any saving by having the bulk handling system. Under present conditions perhaps there will be a saving on account of the increased price of bags. But present conditions are utterly abnormal; in ordinary times bags would be considerably cheaper than they are to-day. Moreover, there is a strong probability that a large percentage of the farmers of Western Australia will need bags even if this system is brought into force. The estimate of the Engineer-in-Chief is that, with the system in good working order and with the whole of the farmers using it, there is a possibility of saving  $\frac{1}{2}$ d. per bushel. That undoubtedly will run into a considerable sum on the total harvest.

Mr. Munsie: Does that allow for capital expenditure?

Hon. W. C. ANGWIN: Yes. That will be the saving to the farmer.

Mr. Munsie: But not including the cost to the State?

Hon. W. C. ANGWIN: That will be the saving to the farmer after every payment has been made, including all costs to the State.

The Attorney General: Including depreciation and sinking fund.

Hon. W. C. ANGWIN: Yes. The saving might exceed the  $\frac{1}{2}$ d. by a little. That estimate of the Engineer-in-Chief, however, was made under normal conditions, before the war broke out. By reason of the war we shall now have to pay a much higher price for the construction of the storage bins and elevators. Very likely the increased cost of material and the increased cost of the money which will have to be borrowed for the construction of the works might wipe out, and more than wipe out, the  $\frac{1}{2}$ d. saving per bushel. Thus there is a great deal of doubt whether the estimate of the Engineer-in-Chief will be verified. This matter has been gone into very thoroughly in New South Wales and South Australia. I know that some time ago a large firm in England, anxious to do business, hearing that Western Australia was contemplating the introduction of the bulk handling system, wrote for particulars of the local conditions here. All such particulars were furnished to the firm, particulars as to the scattered nature of our settlement and as to the best localities for the erection of storage bins and country elevators. The firm asked for this information with a view to submitting to the Government of this State designs of the necessary plant. They were anxious to supply the machinery, and if necessary were prepared to erect the elevators. But, although the firm wanted to do business, a reply came from them that they had grave doubts whether it would be advisable "in present circumstances"—this was before the war—to introduce the bulk handling of wheat in Western Australia, owing to its scattered population. The reply said that it was very doubtful whether such an undertaking would prove profitable. Had I liked, I could have produced a copy of the firm's letter and read it to the House. However, these facts show that there is a good deal of doubt about the scheme. Some of the farmers of this State seem to think that bulk handling of wheat will remove all their difficulties. I wish to point out to them, however, that the farmers are the persons who should give this matter the closest consideration, because they are the persons who will have to pay for the system.

Mr. Harrison: The farmers always do pay.

Hon. W. C. ANGWIN: I am not saying that they do not; but they growl a bit about it. If the system of bulk handling is introduced, the farmers will not be able to come along in a few years to the Government and say that it is impossible for them to farm if they have to pay interest, sinking fund, and depreciation on the bulk handling scheme. They would have to pay those charges. Under the scheme now proposed the farmers would have no say whatever. However, that scheme might not prove permanent, because at any time the wheat pool might be dissolved, and, once that occurs, the Commonwealth Government will undoubtedly tell the States, "We want you to take complete control of the system for us, but we have a lien over it until it is paid for." Then we might find the

farmers approaching the Government with requests for reduction of these charges. The view of the Prime Minister, when bringing forward the scheme, was that the whole of the system should be paid for in 10 years; but in the course of the discussion it was pointed out that to require the farmers to pay the whole of the capital cost in 10 years would be unreasonable, since at the end of that period the plant and the buildings would be as good as they were when first erected. I believe, therefore, that the condition as to payment within 10 years will be waived. However, the scheme we have before us is a scheme forced on the States by the Commonwealth Government. I hold that in view of the system of management proposed—the Commonwealth Government say that they intend to have full power over the scheme and to appoint boards for controlling the scheme—the Commonwealth should have provided the money, and not have thrown the burden on the States. The Federal Government should have taken full control and the full risk. If they saw that it was necessary to provide a scheme of this nature, they should have constructed the works, making them a Commonwealth undertaking and running them in what they considered the best interests of Australia. The Federal Government should have taken the risk, instead of saying to the States, "We expect you to find interest and sinking fund on this scheme." They should have taken the risk in the same way as it would have been taken by a co-operative society or a private person embarking on such a scheme. Next as regards the contract we have before us in this Bill. When the Attorney General was introducing the measure, I stated by way of interjection, that the second agreement had not been approved of by the Labour Government. The Attorney General thereupon said that he would prove such was the case. I wish to say again, however, that if it was so I do not know of any alterations which were made; that I was not present when they were made; and that my colleagues do not know anything about the matter either. The Attorney General, I agree, was right in his statement; but I was right also. The Attorney General was right on the proofs which he had before him. I was always opposed to this agreement from the very start. The Minister has pointed out that under the agreement the contractors have to provide, in return for a fee of £9,000, plans for the construction of certain terminal elevators, and country elevators, and other facilities required. But the agreement also provides that within, I think, 12 months the State must pay 75 per cent. of the fee. Further, if the cost of the work is increased, there shall be a corresponding increase on that fee of £9,000. For the fee mentioned, the contractor has to provide 10 copies of the plans in blue prints.

The Attorney General: He has to provide a great deal more than that. He has to provide plans for the complete bulk handling scheme.

Hon. W. C. ANGWIN: Certainly; plans for the whole lot, but 10 copies of each plan. However, blue prints can be bought by the dozen. Other people would give us the blue prints. For some considerable time I have felt in our service there are officers competent to inspect, and indeed to take control of, the erection of these works. The Engineer-in-Chief, after travelling through Canada, submitted to the Government of the day a recommendation as to what, in his opinion, should be done in the way of erecting such works. During his absence from the State,

a Royal Commission was appointed for the express purpose of inquiring whether bulk handling of wheat would be beneficial to Western Australia. That Commission put forward a small scheme for a start—the erection at Fremantle of a terminal elevator to hold 500,000 bushels. As I said previously, the Engineer-in-Chief based his estimate of the saving to the farmer on pre-war conditions. But he pointed out that he had recommended that, in the first place, a site should be fixed upon, plans prepared, and borer put down for the express purpose of testing the foundation of the site, and that then this information should be submitted to the Agent General with instructions to call tenders for the erection of the works complete, the contractors to provide their own plans. The Engineer-in-Chief further suggested that when tenders were received, the best offer, according to design and cost, should be accepted, and the work carried out by the contractor under the supervision of our officers. It would not cost us one penny then. When we talk about those plans, if an hon. member wrote a letter to any of the contractors who have been carrying out this class of work in various parts of the world, and asked them to submit a design, no difficulty would be experienced in getting the plans. I have a plan here for bulk handling, a typical American elevator.

The Minister for Works: There would be more than that.

Hon. W. C. ANGWIN: I admit that. The capacity is 15,000 bushels. There is also a plan here of another kind, the capacity being 25,000 bushels, and another with a capacity of 40,000 bushels. These are copies of plans which were provided for the Victorian engineers when they were travelling through America engaged on the question of investigating bulk handling of wheat. There is no difficulty whatever with regard to plans and the Minister can hear me out. If he wanted certain parts of machinery he could send to the manufacturers, and they would supply him with a blue print immediately.

The Minister for Works: That is a different thing.

Hon. W. C. ANGWIN: Not at all. In these places they have their plans already prepared for almost every size of elevator and silo.

The Minister for Works: You would not get working drawings from the manufacturer.

Hon. W. C. ANGWIN: It would be possible to get them if tenders were called. The manufacturers have blue prints which are struck off by the hundred, and for any size machinery required. Again, in the agreement, in addition to the five per cent. provided for the plans and inspection of the works, an officer who may come to Western Australia to discuss the question with the Minister or the Engineer-in-Chief, will have his travelling and other expenses paid. He receives £1 ls. a day while travelling and while here, and that is in addition to the 5 per cent. I interjected the other day that a year or two ago when 5 per cent. was considered to be a fair thing and a usual charge we were told by the present Minister for Works who was on this side of the House then, that the only amount that should be charged was two per cent.

The Minister for Works: That was in connection with the Nevanas business, and it was in accordance with your agreement.

Hon. W. C. ANGWIN: No, it was not. The same agreement was entered into then and it was provided that three per cent. should be paid

for the plans only, and if the works went on, a contractor should have five per cent.

The Minister for Works: Nothing of the sort; it was two per cent. for the plans and three per cent. for the plans and supervision if the work was carried on.

Hon. W. C. ANGWIN: Nothing of the kind. The agreement here is precisely similar and the Minister for Works when on this side of the House, thought that two per cent. was sufficient. Of course five per cent. is right now, because the Minister is on the other side of the House.

The Minister for Works: If a man likes to offer to do work for two per cent., would you not accept the offer?

Hon. W. C. ANGWIN: He never did.

The Attorney General: It is the recognised payment expected by the Society of Engineers.

Mr. Green: Pretty stiff just the same.

The Attorney General: It may be.

Hon. W. C. ANGWIN: It will also be noticed in the agreement that the provision is for a period of five years, and if the work is not constructed in five years time, there is the possibility of a renewal for another five years or any period the Government may think fit. It would be safe in saying that if we are to carry out this work in its entirety it will be five years at least before the State can find the money. It will cost a million and a half or two millions sterling, and it is only a small portion of the wheat that is going to be stored; the balance of the wheat will still be left unprotected.

Mr. Maley: It will be only the commencement of the scheme.

Hon. W. C. ANGWIN: It is a matter of impossibility to provide any scheme which will be large enough to store the whole of the wheat in Australia. The Prime Minister told us that. We have nearly 6,000,000 tons of wheat in Australia.

The Attorney General: What would be the capacity of the scheme we could get for an expenditure of £2,000,000?

Hon. W. C. ANGWIN: It would be necessary to have an elevator at each port and it would be necessary to have at least 70 or 80 silos throughout the country. In 1913 there were 65 sidings in Western Australia, which had wheat delivered to them, totalling over 30,000 bushels.

The Attorney General: I have the Engineer-in-Chief's estimate for the 30 million bushel scheme and I wanted to know something about yours.

Hon. W. C. ANGWIN: I will give the Attorney General my figures directly. This paragraph appeared in the "West Australian" on the 17th December last.

Finality was reached by the State Cabinet yesterday regarding the acceptance of tenders for the erection of country wheat silos, and a Sydney terminal elevator. The Minister for Agriculture (Mr. Graham) subsequently announced that the total sum to be expended under all contracts was £1,172,000. The Government was now in a position to put in hand the whole of the work which was immediately necessary in connection with the silos, including machinery for the terminal elevator.

As soon as I saw that I took the opportunity of communicating with the Minister for Agriculture in New South Wales for the purpose of inquiring as to what provision he was making in regard to the storage and handling of wheat in that State. The paragraph I have read did not state what

provision was being made. I received this reply on the 9th January.

In reply to your letter of the 19th ultimo asking for certain information in regard to the number of silos, etc., included under the contracts let by this Government, I have to inform you that there are 71 silo plants in all in the country, and one terminal elevator at Sydney. The country silos consist of from one to six sets of tanks. Each tank has a capacity of 50,000 bushels, and the total capacity of the 71 silo plants is 11,000,000 bushels. In addition thereto there will be a terminal plant at Sydney which will have a capacity of about 5,000,000 bushels, and only the latter will have cleaning machinery attached thereto at present.

Hon. members will see that there is only one elevator provided for there, and the cost without extras, will be £1,172,000. We have 65 sidings in Western Australia to which were conveyed more than 30,000 bushels of wheat. Consequently it would be necessary to erect silos at each one of these sidings for the purpose of carrying the 50,000 bushels of wheat.

Mr. Broun: It would not be necessary to erect silos there for storage.

Hon. W. C. ANGWIN: In a large number of instances farmers would have to erect silos as well because they would not be in the position to get their wheat away as it came from the harvester. It is proposed there to have only one elevator, but in our proposal the Minister intends that there shall be one at Albany, one at Bunbury, one at Geraldton and one at Fremantle.

Mr. Maley: There should not be one at Fremantle.

Hon. W. C. ANGWIN: I know that is the intention. My reason for mentioning this now is because of the interjection of the Minister when he asked me how much I thought it would cost. If it will cost £1,172,000 to provide 71 silos in New South Wales, and only one terminal elevator, and we are to have four in this State, and a large number of silos because of the scattered nature of our areas, I do not think I am far from the mark when I say that the cost will be in the vicinity of £2,000,000.

The Attorney General: Have you in mind a 10 million or 20 million bushel scheme? The Engineer-in-Chief's scheme is one of a 10 million bushel capacity which will handle 30,000,000 bushels.

Hon. W. C. ANGWIN: At the present time the Bill provides, not for 500,000 bushels storage at Fremantle, but 1,500,000. This is to be carried out as a storage scheme and consequently increased buildings will be necessary for storage purposes. There is no doubt in my mind that there is reason for a diversity of opinion as to whether bulk handling will be beneficial to the people of the State. In regard to this agreement, the Minister has pointed out that the Engineer-in-Chief is to have full control. The Engineer-in-Chief is to be the final arbiter as far as the works are concerned, but I think I am safe in saying that in this agreement there is only one thing about which the Engineer-in-Chief is the final arbiter and it is that if the person that Metcalf & Co. sent over to Western Australia to supervise the work does not carry out the work satisfactorily, the Engineer-in-Chief can object to him, and another person would then have to be sent in his place. The agreement is contradictory. Whilst it says in one part that the Engineer-in-Chief shall be the sole judge as to the services rendered under the agreement,

in another clause it provides that, as to the drawings, specifications, supervision and execution of the work, and the estimates, if any disputes arise in regard to the same the matter is to be submitted to arbitration.

The Attorney General: That is where it is specifically provided for.

Hon. W. C. ANGWIN: That is as to the man in charge of the work. That is the only thing specifically provided for.

The Attorney General: It is a double-barrelled safeguard anyhow.

Hon. W. C. ANGWIN: If members will refer to paragraphs 13 and 14 of the agreement they will find that the Engineer-in-Chief must have the whole of the work carried out with his approval. He is the officer to say whether the work is carried out satisfactorily or not. He is to know if the plans are suitable for the work that it is intended to erect, whether they will meet the requirements of the State as to the handling of the wheat, whether the machinery is satisfactory for the handling of the wheat. He is the one officer who has the knowledge. Yet the Attorney General says we have not an officer in the department who is competent to carry out the work.

The Attorney General: Quite a different thing.

Hon. W. C. ANGWIN: When the Royal Commission sat in Victoria that is the one thing that I could not understand for a considerable time. It was suggested that Victoria should send to America to bring a man over at a cost of £10,000, I think it was, to report and bring forward a scheme for bulk handling in Victoria. It was introduced by the gentleman who was agent for the scheme. It was pointed out that that was not necessary, that instead of bringing an expert from America Victoria should send one or two of the officers of the Railway Department, who would have charge of the scheme, to Argentina, Canada, and other parts, to see the scheme in full working there. They were to go while the harvest was being dealt with so as to obtain full information, instead of an expert being sent to Victoria.

The Attorney General: That was the Victorian undertaking.

Hon. W. C. ANGWIN: The engineer of the Railway Department was in Victoria before the commission sat and gave evidence and it was surprising to me, when I saw the recommendation of the committee. But when I read the debate in the Commonwealth "Hansard" I had no reason to be surprised because the conditions were to be the same as those applying in Western Australia. They had to abide by the conditions placed before the Western Australian Government, or their Government, because the Commonwealth had to find the money. I do not intend to go more fully into this matter because it is really a question for the farmers' representatives.

Mr. Broun: The farmers are not responsible for this.

Hon. W. C. ANGWIN: I admit that, but I heard the expressions of the farmers' representatives before the hon. member came back to this House the second time. I do not want to raise the question as to the capability of Metcalf & Co. for carrying out the works but there is a postscript in a letter from the Agent General which leads one to believe that Metcalf & Co. have not carried out the works which they claim to have erected. Anyone who reads the file from the Agent General can come to no other conclusion. There is only one conclusion that an officer like the Agent General could come to. Having visited

Montreal, he would have been notified that certain persons or firms erected the works provided for, but I do not want to say that Metcalf & Co. did not carry out any portion of the works in Montreal. They provided the elevators, the designs for construction of part 2, as far as the Montreal works were concerned. It was only portion of the work and naturally the Agent General, seeing other works there which were much larger than Metcalf & Co. had carried out, only heard of the persons who carried out the larger schemes. I agree with the Minister as far as the Engineer-in-Chief is concerned, that he has heard this firm very highly spoken of. They are principally machinery experts. They are more machinery experts than construction people. There is not much in the construction because the buildings are very plain. I am not raising any objection to Metcalf & Co., however, because I am not in a position to say anything in regard to them. But I ask the House to consider the recommendations of the Engineer-in-Chief as to the best system to be adopted in carrying out the works, that is if we had the power, the liberty. If we had the liberty and the power, and could call for tenders, it would be all right. Most of these plans are run off by the hundred. There is no difficulty in getting plans submitted and if the plans are submitted and examined by the Engineer-in-Chief, who must understand the working of the machinery, because he has been to Canada and understands the working of these things; if he did not understand them he would not be in a position to approve of the work to be carried out by these people. He must have the knowledge. But if the work were carried out under his supervision, it would not cost the country a penny, and perhaps we should have a better design and a better elevator system than is being provided for now. I know that some English firms made application to tender for these works, and I regret they never had an opportunity of tendering. I do not know the reason why.

The Attorney General: England is not a bulk handling country.

Hon. W. C. ANGWIN: Of course it is. The machinery has to be smaller there but elevators for receiving the wheat when it arrives have to be provided and the great majority of the elevators there are erected by English firms. The hon. member cannot make me believe there are not as good men in England as in Canada. The people there have had equal experience and they are spoken highly of and have carried out works of this description. I think it is a crying shame that English firms have not had an opportunity of tendering for these works.

Member: Is this not an English firm?

Hon. W. C. ANGWIN: This is a Canadian firm. Why English firms have not had an opportunity I do not know. I was in Sydney a couple of years ago, when there was a good deal of controversy there in regard to bulk handling schemes, and I think then the game was blocked, whatever it was. I think that, under the conditions set out, it was an impossibility for anyone in Australia to tender for the work. The Press took the matter up very strongly and it was wiped out. It was said in Sydney at the time that the contract was made for this firm Metcalf & Co. I saw the tender called for and knew what the amount of the deposit was to be and it was an impossibility for anyone in Australia to tender for this work. I do not desire to say more but I advise the farmers' representatives to watch

this matter carefully. Only a small portion of the wheat has to be stored, I think about one quarter. The farmers have to provide the bag to take their wheat to the sidings. They have to provide proper conveyances and they will have to pay the full cost of the construction, the interest, sinking fund, depreciation, the elevators the machinery, whether the wheat goes into these works or not. That being so, it is a matter that deserves serious consideration indeed. From the information I have received, and from what I know the work is costing in the other States, the Government will have to provide, before the scheme is completed to suit the interests of Western Australia, a large sum of money for the scheme. In addition to that, the Government will have to provide an additional sum of money, not an inconsiderable amount, to alter the railway trucks for the carriage of the wheat.

Member: Is the farmer compelled to utilise the scheme?

Hon. W. C. ANGWIN: There must be a terminal elevator if the ships come here. There is something in favour of the farmer and it is this: A large number of new ships are being constructed and therefore there may be available a large number than previously of those designed to carry bulk wheat. Up to a year or two ago there was a good deal of doubt as to whether it would be possible to get ships to carry away our wheat in bulk. The ship-owners were opposed to vessel designed for this purpose.

The Minister for Works: That has been going over years ago.

Hon. W. C. ANGWIN: Not in respect of Australia. On this commission there were only one or two shipping people willing to accept bulk handling, principal among them being the German companies. The Orient line would not take any, and the White Star line agreed to take a little in the bottom of a ship as a trial. In all probability the thing would have been a failure in relation to shipping.

The Minister for Works: It is now quite accepted that, provided the ship is full, there is no danger from bulk wheat.

Hon. W. C. ANGWIN: We have the steamer "Kangaroo." She has been altered to carry bulk wheat. But I suppose she is the only ship coming to Fremantle that can carry bulk wheat.

The Minister for Works: I do not think so.

Hon. W. C. ANGWIN: Very few of them can carry bulk wheat.

The Minister for Works: Where there is trade the ships will follow.

Hon. W. C. ANGWIN: Yes, where there is trade and profit. They must have the profit. There is still a doubt in respect of ships designed for bulk handling, and none of us know what the future may bring forth. I ask hon. members to consider whether we are wise in entering into a scheme for the bulk handling of wheat. We do not know that it is going to be successful. Storage, of course, is necessary for the wheat for a small percentage of loss means a gross loss of £1,500,000 per annum to the Federal Government. Sir William Irvine said that we are paying a premium of from 28 to 30 per cent. for the safety of the wheat in providing these works. We have an enormous quantity of wheat on hand to-day and it will be some years before it can be removed the safety premium going on all the time. I will support the Second reading.

Mr. H. ROBINSON (Albany) [4.20]: I congratulate the Government on the introduction of

this very necessary Bill. With some modifications it will be of great benefit to Western Australia, and will place our farmers on an equal basis with those in the Eastern States. Much has been said against the first cost and the working. I do not propose at present to combat that, but I know it will be combated before the Committee stage is reached. I would like to draw attention to paragraph 5, subparagraph (b), of the agreement providing that one terminal elevator shall be erected at Fremantle, and four in the country. To make proper use of this scheme it will be necessary to spend a fair amount of money on the alteration of the railway rolling stock, that is if ultimately the wheat in the country storage is to be taken to the terminal elevator at Fremantle. On the other hand, a considerable saving would be effected almost at once if four terminal elevators were erected at each of the ports, Fremantle, Geraldton, Bunbury, and Albany.

Mr. Toesdale: How many at Albany?

Mr. H. ROBINSON: Even those directly opposed to the spending of money in this respect must grant that for any benefit to be derived from bulk handling, facilities must be placed at each of the ports, and the zone of that port recognised, instead of making the majority of the farmers pay unnecessary charges for dragging their wheat to Fremantle from all over the State. The Government are against centralisation, and I admit they have demonstrated it in one or two cases. I am hopeful that in this important Bill they will continue to prove their sincerity in this respect.

Hon. W. C. Angwin: They will have to provide facilities at the ports.

The Attorney General: It must be done.

Mr. H. ROBINSON: It will be argued by the Minister that this is all a portion of the scheme. In that respect some of my views coincide with those of the member for North-East Fremantle (Hon. W. C. Angwin). The first expense is a large one, and it will probably be difficult to get the balance of the money to alter the scheme. In the meantime if these elevators are to be placed in the country, I can see a lot of difficulty and prejudice, for it will be impossible to place them in such position as will please the majority of the farmers.

The Attorney General: We will not try to.

Mr. H. ROBINSON: I suggest that they will be able to do so if they erect four terminal elevators at the four important ports. This would mean a considerable saving in bags. It has been difficult to secure the necessary jute, and apart from that, the jute is at so high a price that if the terminal elevators were erected and the wheat taken to each terminal port in bags, it would pay to bring back the bags and use them again. It would also be the means of putting off the necessary expenditure on the railways for altering the rolling stock, at least until the time for export arrives. It is necessary that something should be done to alter the existing system of handling wheat. I say this with all due respect to those who, I believe, are endeavouring to do their best to cheapen costs on behalf of the farmer and in the fair name of the State. I have here an instance which I think will be quite sufficient to prove that there is urgent necessity for the establishment of bulk handling in Western Australia. Some of the wheat from the Government wheat marketing scheme was sent to a mill on the Great Southern. The flour from this wheat was sent

down to Tambellup. The report on that flour is as follows:—

It was black, sticky, had a very offensive smell, and even the niggers who were working on the dam close by refused to use it. On this report being sent to the miller, he despatched the following reply:—

It appears that through an oversight some of the flour meant for export was sent to you. This flour was milled from weevilly wheat which was sent to us by the State wheat marketing scheme.

If that is not a strong argument in favour of bulk handling, or at least of altering the present system, it is useless for the member for North-East Fremantle to talk of a million: it will mean millions, if we export this black, smelly flour as coming from Western Australia. It will ruin the market that private enterprise in Western Australia has built up. It behoves every Minister to see that some alteration is made. If this is but one particular instance, I venture to say it is not an isolated case.

Hon. J. Mitchell: There is not much flour of that description in the State.

Mr. H. ROBINSON: If Western Australian flour is being sent away in that condition something must be done, and that quickly. I hope the Government in completing this contract, will amend subparagraph (b) of paragraph 5 of the agreement as suggested, and instead of erecting country elevators, will erect four terminal elevators at Geraldton, Fremantle, Bunbury, and Albany.

Mr. MONEY (Bunbury) [4-28]: I look on the Bill as being, if not the most important, at all events a very important measure. To save the assets of the State is, in my opinion, equal to creating assets. It is useless for us to grow wheat and see it wasting to the extent it has during the past two or three years. I understand from the Minister in charge of the measure that, although in the agreement the structures are called elevators, in reality they are intended to store and preserve the wheat.

The Attorney General: A terminal elevator is the completed article. A storage bin is merely for storage.

Mr. MONEY: Then I take it although we have the term "terminal elevator" used in the agreement, that is not what is meant.

The Attorney General: It is, precisely.

Mr. MONEY: Even now I fear I do not quite understand the Minister. Is it intended that terminal elevators should be constructed forthwith?

The Attorney General: The storage bins are to be constructed forthwith.

Mr. MONEY: Then the terminal elevator is not going to be constructed?

The Attorney General: The word "elevator" is used there as signifying a completed matter. I said that before we enter upon a bulk handling scheme a fresh Bill will be submitted to Parliament.

Mr. MONEY: In reality, then, this Bill is for the storage of wheat. For the storage of wheat it is all-important that there should be the least possible delay. It has been deplorable to see the thousands upon thousands of pounds' worth of valuable wheat going to waste as has occurred during the past two or three years in this State. Hardly any effort on our part could be too great to save that waste. I acknowledge now, and I



presume the Attorney General agrees, that this Bill is really for the storage of wheat at present.

The Attorney General: I have said so a dozen times.

Mr. MONEY: On one point I agree with the previous speaker, that the erection of bins for storage purposes in the country districts must mean double handling, more so than if the terminal elevators or storage bins, whichever they may be, are erected at the ports from which the wheat is to be shipped. In my opinion there is grave objection to this Bill insofar as it provides that four of the country elevators shall be erected anywhere at the sweet will of the Minister for Agriculture.

The Attorney General: Nothing of the kind. He will not have a voice in it. First of all the engineers will advise, and secondly the wheat marketing scheme board will have to express their opinion, and finally the Federal Commission will have to express their opinion, and they will all have to agree. The Minister for Agriculture could only advise.

Mr. MONEY: If at this stage the Government can determine the necessity for having one terminal elevator at Fremantle as a principle, that principle must be equally good for determining where the other elevators shall be erected. Those other elevators, of course, would not be so large; but the principle adopted by the Government indicates that these elevators shall be erected at the ports determined upon for the shipment of wheat. Since Fremantle is mentioned in this Bill, consistency demands that the other ports of shipment should also be mentioned. If the Bill provides for the preparation of plans for four other elevators, and if it provides for the supervision of the work of constructing them, then I take it that the plans are to be used and that four other elevators are to be constructed. That being so, the Government would be merely doing right if they included in the agreement the sites of the other elevators. That should be done before this Bill is ratified by the House. In the report of the Royal Commission which inquired into this subject, a principle was laid down that terminal elevators should be erected at Fremantle, Geraldton, Bunbury, and Albany. I do not think the House would be wise in ratifying the agreement unless the principle previously expressed is included in this measure.

Mr. GRIFFITHS (York) [4-35]: The member for North-East Fremantle (Hon. W. C. Angwin) threw a lot of figures around this afternoon. I do not know whether it was designed, but there was something in the nature of dustiness about those figures. In spite of anything said by that hon. member, however, I have yet to be convinced that there is any reason at all why we should entertain any doubt as to the benefits which will accrue from the inauguration of this first instalment of the bulk handling of wheat. Certainly, this is a storage system to start with, but ultimately it must become a bulk handling system. The member for North-East Fremantle said that South Australia was opposed to any form of bulk handling. But he did not tell us why the South Australians were opposed to bulk handling. The reason is that they have some 17 gulf ports as well as other ports, and that therefore bulk handling is a thing they could not undertake, on account of the numerous ports of shipment, with any degree of completeness now. It was that consideration which influenced the people of South Australia in turning the proposition down. With regard to the agreement before us, in this Bill, I desire to give the

House a little information which I have gathered. The other evening the hon. member who poses as the wit from Kalgoorlie, was pleased to be a little humorous at what he termed my alleged knowledge of bulk handling. I do not pose as a bulk handling expert, but I do claim to have some brains and a certain faculty of research. Moreover, I have friends in Canada who have written me exhaustively on this matter, and I will mention one or two points which should be borne in mind in connection with the provisions as to the control of the bulk handling scheme and the possibility of the bulk handling scheme proving a payable proposition under the control of the State. One of the prairie provinces of Canada, that of Saskatchewan, benefited by the mistakes of Manitoba and Alberta. Manitoba passed a Grain Elevators Act, and many of the Government elevators turned out failures. The member for North-East Fremantle tells us that there has been a sort of turning down of bulk handling in North America. It is true there have been failures in connection with bulk handling in North America, just as there have been failures in connection with our wheat handling scheme. Admittedly, our wheat handling scheme has been a good thing, but in many respects the administration of it has proved defective. The farmers in Saskatchewan were suffering from great disabilities, and they finally got into such a condition of unrest that they presented a petition to their Parliament in which they said, inter alia—

That the operation of such storage facilities by powerful companies for private gain has proved detrimental to the prosperity of grain growers throughout the province by lowering the general level of prices which they obtain for their principal product, and therefore this operation is detrimental to all those industries and businesses whose prosperity is derived from the consuming and purchasing power of the farming community.

That is a pretty serious allegation, for a start. It was further alleged—

That the monopoly enjoyed by the said companies through ownership of the storage facilities makes combination for the control of both domestic and export prices by these companies easy of accomplishment, menacing alike the well-being of the producers of grain and the consumers of bread.

Those are the charges made, and, in the opinion of the petitioners, the only possible means of improvement was that demanded by the organized farmers of the various provinces of Canada: that the storage facilities in each province should be owned by the provincial Government—let hon. members mark this—and operated under an independent commission as a public utility. Further the organized farmers asked for the enactment of legislation providing for the acquirement or creation of Government-owned storage facilities at initial points throughout the province for grain shipment sufficient for their requirements as regards the marketing of their grain, these facilities to be operated by a commission. In making this petition, they went before a standing select committee on agriculture and municipal law, who had had several schemes laid before them. The secretary of the Grain Growers' Association of Saskatchewan also appeared before the committee with a further proposition. The multiplicity of schemes proved somewhat embarrassing to the committee, who hesitated to declare which scheme was the best; accordingly they decided to refer the problem to the Saskatchewan Parliament

as being too complex for the committee to handle. The Saskatchewan Parliament agreed that a Royal Commission should be appointed to inquire into all phases of the matter, and letters patent were granted on the 28th February, 1910. I wish hon. members to note this, as showing how quickly and how energetically they got to work in Saskatchewan. The chairman of the Royal Commission was Professor Robert M. Magill, of the Grain Commissioners of Canada, who is the authority on grain handling in North America. The other members of the Royal Commission were Mr. George Langley, a member of the Saskatchewan Legislature, and Mr. Green, the secretary of the Grain Growers' Association. The Commission, in a most exhaustive report presented on the 31st October, 1911, dealt with five different schemes, every imaginable phase of the subject being examined. It will suffice if I just give the findings, and I think that we, as a legislative body, ought to consider those findings—

The Commission are unanimous in holding that a solution of the elevator problem satisfactory to all interested in the success of wheat storage must give farmers full control of the system; and they are unanimous in holding that no storing and handling elevator is likely to be a financial success unless a considerable number of the growers of grain have a direct personal interest in and responsibility for the elevator. The Commission therefore are unanimous in holding that the solution must be sought along the lines of co-operation by the farmers themselves, assisted in the matter of finance by a provincial loan.

Mr. SPEAKER: Is the hon. member dealing with bulk handling?

Mr. GRIFFITHS: I am dealing with the matter of storage, to show how the matter of storage was handled in that country for a start and how it ultimately grew into a bulk handling system.

Mr. SPEAKER: The hon. member must recognise that the Bill under discussion is for storage purposes. It has already been intimated by the Minister that a separate Bill will be brought down to deal with elevators. Therefore I think the hon. member should confine himself to storage.

Mr. GRIFFITHS: That being the case, I had hoped that, as the member for North-East Fremantle had gone fully into the question of bulk handling versus bag handling, I would be allowed also to—

Mr. SPEAKER: I have no wish to prevent the hon. member from making his position clear.

Mr. GRIFFITHS: The remainder of what I have to say bears on the question, because we wish to know who is going to have control of the elevators, or, for the present, of the storage. If the idea is to make the system a Government monopoly, I for one should be most strongly opposed to it. All experience is against that, and has proved it to be ineffective. Besides, we have seen what happened in connection with the wheat handling scheme. Good and beneficial as that scheme has been, it nevertheless proved too big for one body to handle, and from this circumstance there resulted many abuses and grievances. Various phases of mismanagement have become apparent during the past year or so. If the proposal is to make a State monopoly of storage of wheat and of bulk handling as well, it is a proposal which we should oppose tooth and nail. To make a long story short, as far as the bulk handling is concerned, the people in Canada passed an Act in the spring of the year,

and in the autumn of the year it was found that the whole storage system was in work. They were to pay 15 per cent. of the capital cost of the concerns and the Government would advance 85 per cent. in 20 annual instalments. In that year they had 46 elevators and storage centres going, and they handled three million bushels of wheat; in five years they had 230 elevators going, handling some 43 million bushels of wheat, which shows how successfully the scheme was carried out in Saskatchewan. Therefore, I am surprised that an hon. member, who is notorious for diving into details, was at fault in saying that Canada had turned down bulk handling. As to the bins and the storage, when we remember we are paying 1s. each for cornsacks and when we remember the big freightage on the sacks from Calcutta to this country, and that we have to send them from Fremantle to London, when freightage again has to be paid; and we must remember also the freightage to the farmers and back again, and we must remember that 27,872 bushels of rubbish was sent to London in 1916, which was paid for at the rate of £10 a ton which amounts to £218,720. These are a few of the arguments in favour of a proper system of storage and proper silos. Again, there is the enormous amount of waste that is going on throughout the country through weevils and mice. I shall reserve a good deal of matter which I have in regard to bulk handling to some future time. I would like to be satisfied that some figures quoted by the member for North-East Fremantle are correct and I wish to see how they apply before we go into Committee on this Bill. Further than that I have nothing to say.

Mr. WILLCOCK (Geraldton) [4-48]: I support the contention of the members for the various ports in regard to storage elevators. As the member for Albany pointed out, we must work the elevators so that there is only one handling of the wheat.

Mr. SPEAKER: The hon. member will confine himself to storage bins.

Mr. Mahey: The hon. member for North-East Fremantle was discussing the whole matter.

Mr. SPEAKER: It only means an alteration of the name from elevators to bins.

Mr. WILLCOCK: The Government will have to pay the whole cost in connection with this matter. There are three distinct bodies to have a say, and seeing that the Government have to find the money, the Government should take the whole responsibility and decide where the bins should be placed. The member for York (Mr. Griffiths) dealt with these elevators and he seems to imply that he does not care where they are erected. Perhaps he would advocate that they should be handed over to the Farmers' and Settlers' Association. But the scheme should embrace the whole of the wheat growers of the State and no one will say that the whole of the wheat growers are members of the Farmers' and Settlers' Association.

Mr. Hickmott: They should be handed over to the farmers.

Mr. WILLCOCK: There should be an organisation of the whole of the farmers and there is not one. In America the elevators are under the control of private enterprise and they pan out very disastrously. I advocate that they should remain under Government control. I do not think that the farmers and settlers should control the whole of this matter and seeing that it means so much to the farmers, not one particular section, the Government should control the scheme. I

have read a great deal as to the elevator system in America. Under the system of companies working for individual profit, a scandalous state of affairs has come about. They have there a method of grading the wheat. The wheat is divided into seven grades and one particular company under review—it was hard to get the figures but they were ferreted out after a while—one particular company divided the wheat into seven grades. They bought 10 per cent. of their wheat as first grade, 30 per cent. as second grade, 20 per cent. as third grade, 15 per cent. as fourth grade, 10 per cent. as fifth grade and 5 per cent. as sixth grade. But when it came to selling that wheat, instead of selling in the same proportions, 25 per cent. was sold as first grade, whereas they only bought and paid for 10 per cent. of that particular grade; 50 per cent. was sold as second grade, and they only purchased 30 per cent. of that particular grade; and so on. It pays the farmers to grade their wheat because they get 2d. or 3d. a bushel more for the better grades. The actual result was that in the first two grades 40 per cent. of wheat was bought, but when it came to the matter of selling the wheat, this company sold 75 per cent. of these two grades. That is one of the methods brought to light of the way in which the farmers were being robbed. The Government are not out to rob the farmers, therefore I advocate that there should be Government control. The Farmers' and Settlers' Association act for their own private gain. They are out to make money for their shareholders, but the whole of the wheat growers of the State are not members of that association.

Mr. Broun: It is not the Farmers' and Settlers' Association but the farmers.

Mr. WILLCOCK: If one studied the share list of the Western Australian Farmers and looked at the list of the members of the Farmers' and Settlers' Association, it would be found that they are practically identical. I say that the State should take control of this wheat business for the benefit of the whole of the wheat growers of the State. The commercial firms operate for their private benefit, and they have dealt with it in such a way that the farmers are robbed to the extent of 1½d. per bushel. I am absolutely convinced that if the Government have the control of these elevators, when erected, it will be a considerable benefit to the whole of the farmers, and not one particular section. I endorse the remarks as to the erection of elevators at terminal ports, because, with the member for Albany (Mr. H. Robinson) I believe the wheat should be handled the least number of times, and if the wheat is taken to the different terminal ports there will be only one handling from the elevator into the boats.

Mr. BROUN (Beverley) [4-55]: The Bill before the House is to ratify an agreement made between Metcalf & Co. and the Government for the erection of silos, and I am afraid we are not going to derive any great benefit from the scheme. The Bill is to provide for estimates and plans being prepared for the building of silos but the Bill does not say where the silos are to be constructed. They may be erected in any part of Western Australia to hold a certain amount of wheat. One is to hold 1,500,000 bushels and four others are to hold from 30,000 to 100,000 bushels.

The Attorney General: Those are types.

Mr. BROUN: Unless the silos are constructed as part of the bulk handling scheme, it

will be to the disadvantage of the farmers, because we have to provide for storage to prevent waste. These silos will be of very little use to the producer because if the wheat has to be taken to the bins, it will have to be re-bagged, so as to come under the bulk handling system. For that reason I do not think it will be of great benefit to the farmers. However, when the Bill for the construction of the silos comes before the House it will have to be carefully watched by members, and Parliament will, if they have the power—which I doubt, as it is a Commonwealth undertaking—see that the silos are constructed so that they are part and parcel of the bulk handling scheme. I have always been in favour of the bulk handling system because it is the best system for handling the wheat. In the first place, the elevator system is used for taking the wheat into the holds of the ship from the bins, and the whole thing is done systematically, with the result that the wheat is cleaned and put into different grades. The rubbish remains behind, and as the farmers would have to pay freight on the screenings from the wheat, it means a saving. If we take that into consideration alone, it is a proof of the desirability of the bulk handling system. According to the freights farmers have to pay, we find that the percentage of screenings of the wheat in Western Australia is about 4·2; in other parts of Australia it is 3·2. Taking the 1915-16 season, if we had handled that crop under the bulk handling system, screening all foreign matter from the wheat exported from Western Australia, we would find that it amounted to 5·18, and taking the freight on that quantity at the supposed present rate of £10 per ton, which would have to be paid, the total amount of the screening would have been 21,872 tons, amounting to £218,720. In the freight of the screening alone, with the bulk handling system instituted, we would have saved £218,720, and that is a big argument in favour of that system. Then we have to consider the cost of handling the wheat under the bulk handling system, which brings it down to a minimum that is absolutely essential from now on, for us to be able to derive as much from our products as possible. Otherwise, we will not be able to carry on the industry. We must receive every penny that is possible from the wheat that we produce. Under the elevator system, the farmers, I take it, would only have control to the port. After the wheat is dumped into the elevator the farmer will lose the whole of the control over his wheat. I am of the opinion that instead of creating further boards, as is intended under the Bill, which will make altogether three boards controlling this scheme, and also make the costs more excessive, if the farmers are paying for the bulk handling system they should at least have a certain amount of control over that project. We are told that the estimated cost of these silos will be £285,000, and that the total cost will be 14d. per bushel on five million bushels. I take it that the statement made by the member for North-East Fremantle (Hon. W. C. Angwin), that the whole of the wheat would bear the cost of the silos, is not correct. It will only be the wheat that passes through these silos that will stand the cost of the handling. That being so, I consider that the farmers themselves should have a certain amount of control over the charges on the wheat going through the silos. It is only right that, if the silos are paid for in 10 years, as stated by the Bill, the farmers should have control over them.

The Attorney General: They should own them.

Mr. BROWN: Yes. But we have nothing to show us in the Bill, nor have we had any statement made by the Commonwealth Government, or any Minister of the Crown in this State, to indicate that these silos would be owned by the farmers themselves. This is a very important point.

Hon. T. Walker: The inference is that this will not be the case.

The Attorney General: I made a direct statement in my second reading speech to the effect that these would go to the farmers, and that they would be charged with interest and sinking fund until they did go to them.

Mr. BROWN: I did not understand the Minister's statement in that way.

The Attorney General: It is in the last paragraph.

Mr. BROWN: I was present in the Chamber when the Minister moved the second reading of the Bill, and heard nothing in his remarks which would lead me to believe that this was to be the case. I am, however, pleased to hear that this is going to be done. It is one of the main points at which we are aiming, that after the silos are paid for by the farmers they should be absolutely controlled by representatives of the farmers, or a body appointed by the farmers for this purpose, so that the charges involved in the wheat going through the elevators should not be excessive. We would then be able to charge a minimum price for the handling of our wheat, whereas if the matter is left to a board or the Government we would never know what amount would be charged.

The Attorney General: After the farmers had paid the interest and sinking fund?

Mr. BROWN: The farmers pay interest and sinking fund over a period of 10 years.

The Attorney General: Or for such period as will be stated.

Mr. BROWN: After that term the silos would, I now understand, become the property of the farmer.

Hon. J. Mitchell: Is it shown there?

The Attorney General: No, but it is in my statement.

Mr. BROWN: I agree with previous speakers with regard to where these bins should be erected. In my opinion they should be erected at ports so as to give farmers in the vicinity of the ports the advantage of using these silos. Probably the four elevators that are projected would not be constructed for the amount that is named. I do think it would be very much better if elevators were constructed at Fremantle, Bunbury, Geraldton, and Albany, leaving the country elevators out altogether. If we have the country elevators, it simply means that the wheat is placed in the bins in the country has to be handled again, and either rebagged, if it is tipped and not in bulk, or put into bins and taken out again, which would also mean a second handling and excessive costs. The wheat would then have to be shipped to the grain terminal elevator at the port before being placed on board. If silos were built at the different ports there would be no second handling, and the wheat could be railed down to that centre where the silo is located. The bags could then be opened and the wheat tipped into the bins, and the farmers would have their bags returned empty for use a second, or third time, if necessary. This would mean a saving to the farmers,

and is a point worthy of consideration. I hope the Minister will remember this, and if possible use his influence to see that these silos are built at the ports instead of in the country. The cost of bags is a considerable item. At present they cost something like 12s. a dozen.

Mr. Troy: In all probability 15s. a dozen.

Mr. BROWN: In all probability they might be 15s. a dozen. At any rate, they now cost 1s. a bag. On twelve million bushels we would be paying £250,000 alone for our bags in order to handle the wheat, or on 10 million bags we would be paying half a million of money. Such an amount would go a long way towards the initiation of a system of bulk handling.

The Attorney General: That is on a 16 or 17 million bushel harvest.

Mr. BROWN: I am basing it on a 12 million bushel yield. This alone would represent a tremendous saving. A year or two back, or in normal times, we would have had to pay 10s. a dozen bags, and on a 20 million bushel harvest this would mean £277,000, which is nearly the cost of the scheme the Government are now proposing. We can, therefore, see that the bulk handling system would effect a great saving to the farmers, and be of great advantage to Western Australia. Every farmer should co-operate in this scheme, and advocate its commencement as quickly as possible. The elimination of waste alone warrants its establishment. Our wheat would be placed on the trucks, and from the time it left the siding there would be no pilfering, or waste on the journey to the port. By means of the elevators the stuff would be cleaned at the ship's side, and the screenings could be left here, which would mean a big saving in freight. All these points are in favour of the system. I am pleased that the Minister has made the statement that the farmer will become the owner of these bins after they are paid for, and I sincerely hope that the Government will do their best to have the scheme, so far as the country districts are concerned, handled on the co-operative system. By handling it in this way the farmers would have control. We must have control of our own produce, otherwise we will not be able to afford to produce. There is another important matter. When the wheat goes to the port, we lose control of it. The agents, who are allowed to operate, can purchase the wheat before it goes Home. They can do this at the ship's side, as it comes in from the farmer, or can purchase it as it leaves the elevator, graded ready to go into the ship's hold. They have the advantage of three different samples of wheat, first, second, and third grades. They can give the farmer the market price for the three different grades, but after they have paid the farmer these prices they can put the whole of the three grades together into the hold of the ship. It then goes to its destination, and they receive almost as good a price for the whole consignment as they would for the first grade sample. They, therefore, get a benefit which the farmer loses. The farmer should have control of the produce from the time it leaves his fields until it reaches the consumer in the Old Country.

Mr. Troy: It is his own fault that he has not had this years ago.

Mr. BROWN: I am pleased that we have arrived at this fact, at all events, and I hope we shall have some say in the handling of our produce. It is essential that we should have an executive board of our own, to look after the interests of our wheat under the pool system. It has been advocated and we have tried for it, but it has been turned down. The Advisory Board is no good to us. We want an executive board to see that the wheat is handled properly. We have only to go to Spencer's Brook to see the disgraceful manner in which the wheat is handled, and to see the evidence of waste that is going on. When we see this, we must realise that it is time we had some say in the handling of our produce. Many farmers would be ashamed to produce wheat if they saw what takes place in this respect. There is no method at present in connection with the handling of the wheat. There is a wilful waste going on, and, as a producer, I am ashamed to see some of the wheat which has cost me pounds to produce going into the sheds, and being wasted to such an enormous extent—wheat which should be utilised for human consumption.

The Attorney General: Have you drawn the attention of the Minister to that?

Mr. BROWN: Until we take control, and have some say in the management, the system will never be a success. The Government should not hesitate to give us the control that we desire. I do not know where the objection comes in to allowing us to have a certain amount of control. We have asked for an executive board, and to be represented on that board by a majority, and if this concession is granted I am sure that the state of affairs, which at present exists in connection with the handling of our wheat, will be obviated.

Mr. MALEY (Greenough) [5.15]: I only propose to address myself to the Bill in its relation to bulk storage. I do not intend to deal with the handling of the wheat in detail under the bulk handling system. I wish to point out that the Minister for Industries, in his second reading speech, said that the installation of the system of storing approximately five million bushels in bulk would cost a sum of £285,000. To store a similar quantity of wheat in bags to-day would involve about £104,166. I have it on the authority of a Minister of the Crown that the latest quotation for bags is 12s., c.i.f., Calcutta. That, I venture to say, will mean that by the time of distribution for the next harvest the cost will be approximately 15s. per dozen, and the cost of bagging wheat would come to 5d. per bushel. To store five million bushels in bulk will cost approximately £285,000, which will be only about double the cost of putting the same quantity of wheat into bags, and by storing it, thus we have the advantage that the bulk accommodation will last for all time. The idea of storing wheat in bulk is to protect it from the ravages of weevils, also from the rain. It is essential that the elevators should be placed to receive wheat from those particular districts where it is less liable to be damaged by weevils, that is, in the producing areas adjacent to the coast. It is undeniable that a large proportion of the wheat will still have to be stacked in bags, and it is

a wise provision to have the wheat stacked in bags in what we call the dry areas of the State, in those districts far away from the coast. The wheat on the coast is more subject to weevils on account of the humidity of the atmosphere. I do not propose to speak of the merits or demerits of the Metcalf Company. From what I can gather from the files on the Table of the House, that firm are competent and have undertaken enormous works of this description in Canada. There is one feature of the Minister's opening speech to which I want to draw attention, and that is the statement in which he said—

It was recently considered advisable to amalgamate in one board, representing the bulk Handling Advisory Board, and representatives of the State Wheat Marketing Committee. The result was the formation of a composite board, known as the Wheat Marketing and Bulk Handling Advisory Board. It is apparent that for the space of a few years there will not be much necessity for the formation of a board to have anything to do with the financial operations of the bulk handling scheme, but when that time does arrive we should be privileged, as producers of wheat, to have a fair share in the control and management of the scheme.

[The Deputy Speaker took the Chair.]

Hon. T. WALKER (Kanowna) [5.21]: There is a good deal of misunderstanding about the nature and object of this Bill. If it means anything at all, it means that when we start upon a scheme of storage we have resolved to inaugurate a system of bulk handling. The question of bins and storage is one of convenience. For the time being we are entering into a contract for the construction of machinery necessary and essential for bulk handling. That is undoubtedly the case. That is what we are undertaking, and I would not like the House to be under any misconception in that respect. The agreement itself says—

Whereas the Government contemplate the operation in the State of Western Australia a system of bulk handling of grain and the construction and erection of elevators in connection therewith, the Minister has decided to enter into this agreement, etc.

He has decided to enter into this agreement because it is in contemplation to inaugurate a system of bulk handling, and the erection of elevators in connection therewith. That is a ratification of that proposal. Undoubtedly we commit the country to a bulk handling scheme by the ratification of the agreement.

Mr. Harrison: We wish to.

Hon. T. WALKER: Whether or not we have employed this firm we have given them the contract to do these things. We have authorised them by this agreement, when it is passed, to draw plans not only for bins and storage vats and aught else that may be necessary, but to give us plans of elevators suitable for the seaboard and suitable for the country districts. That is part and parcel of a contract binding upon the Government. It cannot stop short without making the country liable to pay damages for a breach of contract. The

Metcalf Company are to be advisers to the Government in an engineering capacity, and they are to have the construction of these works. The Attorney General: They are not to have the construction of anything.

Hon. T. WALKER: I mean the supervising.

The Attorney General: I have very carefully cut that out.

Hon. T. WALKER: They are to supervise, and for five years subsequently that commits the State. There is no use talking about temporary storage. We have entered upon the scheme the moment we ratify the contract. It is no use holding out false hopes to the members of the Country party, (that this may be a scheme which will enable the Farmers' and Settlers' Association to get possession.

The Attorney General: The Farmers' and Settlers' Association will never get possession of it.

Hon. T. WALKER: Well, a co-operative organisation.

The Attorney General: They will not get it either.

Hon. T. WALKER: The wheat growers themselves imply a company of co-operation. The Bill is against them, and there can be no illusory hopes on that account held out in the measure. Hon. members are authorising the Government to employ a well-known firm of engineers to draw all the plans that are necessary and from time to time, as engineers and experts, to advise the Government and supervise the works as they are being constructed at Government expense and Government risk, and at Government ownership. Personally I believe that bulk handling is a very necessary undertaking, and that ultimately, if we want to compete with other producing nations of the world, we shall not be successful unless we have bulk handling. We have to find outside markets, and as we shall be obliged to enter into competition with nations which have all these well tested and well managed facilities, we shall never succeed unless we have them as well. But there is apparently the intention to make us believe we are really now only carrying out a proposal to reserve our wheat until the war is over, instead of erecting sheds to protect the wheat from the weather and from the pests and other destroying agencies. We are going to have bins which ultimately may be part and parcel of the bulk handling system. But this is only a sort of lick and a promise, if I may use the expression. We are not getting nearer to our aim, and if we are to take the prognostications made by the Attorney General when introducing the Bill we shall never get much further than the bins; we shall never get much farther than the mere storage depots in the country. Contemporaneously with a step of this kind, the Government should have been ready with what they call their supplementary Bill for the marketing and general management of the scheme. Let me remind hon. members what this scheme implies, what should be undertaken if we are going to make this contract of any value. Immediately we should be altering our rolling stock to provide for the carriage of wheat in bulk.

Mr. Maley: It does not require much alteration.

Hon. T. WALKER: I admit that. We have the reports of the Commissioner of Railways himself upon the means that can be afforded to alter our present trucks to make them suitable for the purpose. It has to be done.

Mr. Maley: But not twelve months ahead.

Hon. T. WALKER: Not ahead, but almost simultaneously. Who is to pay the expense of this double handling?

Mr. Harrison: The wheat pays it all.

Hon. T. WALKER: We have to be very careful that we are not going to impoverish the farmer still more by the illusory hope that we are to get a bulk handling scheme. What we are providing for now is to build silos, mere storage tanks, and fill them with the farmers' wheat out of sacks. Ultimately, when ready for market, when we can find means of shipment, we shall have to take it out of the bins and bag it.

Mr. Maley: No, discharge it into elevators.

Hon. T. WALKER: Where? There are no elevators to be erected, according to the scheme as we have heard it outlined. We are to store the wheat in the bins. How are we to take it from the bins to the ports?

Mr. Maley: We want the bins at the ports.

Hon. T. WALKER: That is quite true. We are promised one at Fremantle.

Mr. Harrison: We want the first bins at the ports.

Hon. T. WALKER: Quite true. Bins are required at the ports. But I am not too sure that we are going to get the ports supplied with bins under this scheme. Even supposing we had bins at Albany, Bunbury, Geraldton, Esperance, Busselton, and Fremantle, we would still be very little further in advance of the arrangements we have at present. If we are to have our storage in the country double handling immediately comes in. The hon. member for Greenough himself suggested that they should have their storage bins in the dry areas.

Mr. Maley: No, I suggested the reverse.

Mr. Harrison: There is more danger of the weevil in a humid atmosphere.

Mr. Maley: Wheat in a humid atmosphere can be better protected in bulk than in bags.

Hon. T. WALKER: If we have facilities for storage, it will be storage in bulk, and by dint of double handling later it will be bagged. It cannot all be stored at Fremantle, because we have not the facilities, even if the bins were there.

Mr. Munsie: They are making provision to store one-fifth.

Hon. T. WALKER: And where is the balance to be stored? It means that expenditure will be incurred which the farmer will have to meet. We should hesitate before undertaking a scheme of this kind.

Mr. Harrison: Do you object to the initial expenditure?

Hon. T. WALKER: I object unless we have some assurance that the scheme will be carried out to its completion. We have had too many half-hearted attempts at doing great things. The truth is that this part of

the scheme is enthusiastically supported now because it protects the British investor, the wheat bought by the British purchaser all through Australia.

Mr. Harrison: They do not buy any except what goes on the ship.

Hon. J. Mitchell: Yes, they take control.

Hon. T. WALKER: They have an anticipatory control.

The Attorney General: The wheat to go into those silos is next year's wheat, which they have not yet bought and may not buy.

Hon. T. WALKER: But the hon. member should not try to disguise the fact that it would be a lamentable thing if this wheat was not purchased.

The CHAIRMAN: I must ask hon. members to keep order. There is altogether too much talking going on.

Hon. T. WALKER: The Government are doing their utmost to secure a clean sheet for the purchase of next year's harvest. This work is to be done in contemplation of a purchase. It is intended that next year's harvest should be sold, and the provision of bins is merely to preserve the wheat until delivered into the elevator.

The Attorney General: No, until it can be marketed.

Hon. T. WALKER: That means until delivery can be taken by the purchaser. It is part of the scheme to preserve the wheat for the English purchaser.

The Attorney General: No, for the farmers of Western Australia.

Hon. W. C. Angwin: Hughes said that the purchase of the wheat is one of the things we have to look at.

Hon. T. WALKER: Above all, on a question like this, we should have honesty of expression. There should be no attempt to cover over the real facts.

The Attorney General: You are trying to put tar all over them. I hid nothing. The papers are on the Table, and you know everything. Indeed you know too much.

Hon. T. WALKER: We do not want coloured glasses upon this subject. We do not like to have the Minister trying to blind us. Who is financing this scheme; the present Government?

The Attorney General: The Commonwealth Government.

Hon. T. WALKER: The Commonwealth Government are financing this scheme, which is part and parcel of a contract between the State Government and Metcalf & Company. There is something peculiar about that. They are helping to pay Metcalf & Company. That makes the Commonwealth a party in this contract; and for what purpose? If it is not part and parcel of a scheme for the purchase of our harvest by the Commonwealth, all the illusions about the State Government having resolved, in the interests of the State, to establish a bulk handling scheme vanish into thin air. It is not that. In the guise of supporting bulk handling, we are taking money from the Commonwealth to preserve their purchased wheat until it can be marketed. That is seeing through the glass darkly. Are we here inaugurating a bulk handling scheme, or under the pretence of that? Are we assisting the Commonwealth

Government, and of course through the Commonwealth Government the farmers—

Mr. Money: And the nation.

Hon. T. WALKER: And the nation, to protect the wheat for the British? I never like to be led into voting for a measure under anything that savours of false pretence or of illusory pretence. If the Government had brought down a Bill for the construction of bins and storage to take care of the coming crop for next year, and had proposed to employ Metcalf & Co. to furnish plans and to supervise the construction, I would have been satisfied that I was voting for what I knew, and no more than I knew. But I do not know where we are going when we ratify the agreement in this Bill. We do not know the nature of it, nor what it is for, nor how it is to be mixed up with other schemes, other devices, other purposes. What is the actual object of the ratification of this agreement? That we have not been told.

Mr. Harrison: It will enable the Government to proceed.

Hon. T. WALKER: Proceed with the building of bins at the expense of the Commonwealth?

Hon. W. C. Angwin: At the expense of the farmers.

Hon. T. WALKER: At the expense of the farmers, too. The farmer will have to pay the piper, too. But the Commonwealth is financing this matter in the meantime. There is in this proposal a hidden hand, not disclosed in the measure itself.

Mr. Harrison: Is it businesslike?

Hon. T. WALKER: I do not think it is businesslike.

The Attorney General: Then, why did your Government agree to it?

Hon. T. WALKER: Because our Government, when agreeing to it, had no such understanding with the Commonwealth as the present Government have. That is just the whole distinction.

The Attorney General: You were finding the money yourselves?

Hon. T. WALKER: We were endeavouring to find the money.

Mr. Johnston: It was before the war.

Hon. T. WALKER: Undoubtedly. It was just towards the beginning of the war that the inquiries were made.

Mr. Johnston: In March of 1914.

Hon. T. WALKER: Before the war, we had made out inquiries, had made investigations, and had obtained a report.

The Attorney General: In June, 1913.

Hon. T. WALKER: I remember that when I had the honour of attending the Premiers' conference in Sydney, this was one of the subjects submitted to the conference. I had the pleasure of debating the matter with some of the men of standing and knowledge upon this subject in the Eastern States. It was the genuine and honest intention of the Government then in power here to start a scheme for bulk handling; and we came into contact with this very same firm of Metcalf & Co. for the purpose of having the works inaugurated. But here is the difference. Our proposal was neither more nor less than part and parcel of a fully developed scheme of bulk handling that we were going in for; and there were no other pre-

texts, no subsidiary reasons, no concealing of purposes, no side issues. Ours was a straightforward proposal to establish bulk handling.

Mr. Foley: But your proposal was only on the part of the Cabinet. You had not the backing of the party.

Hon. T. WALKER: I think the Government would have obtained the backing of the party if the matter had been laid before the party. At all events, the difference between the two Governments in this connection is as I have stated. I cannot get rid of the consciousness that this is not a bulk handling scheme, and not a part of a bulk handling scheme. Maybe it is part of a bulk handling scheme in the far off future, never to reach attainment.

The Attorney General: There is not so much money about now.

Hon. T. WALKER: I want to know why we are to ratify so comprehensive, so far-reaching an agreement as this, covering the whole of the ground, when all the Government want to do is, in comparison, mere tinkering—the provision of a few storage bins. Why, in such circumstances, ratify an agreement enabling Metcalf & Co. to claim these large sums for plans, for expensive sets of elevators, and all things connected in an engineering sense with the bulk handling of wheat? This agreement is to engage Metcalf & Co. for the bulk handling scheme, not for the storage scheme.

Mr. Harrison: You see that in the Bill.

Hon. T. WALKER: Undoubtedly. The Bill absolutely pledges the Government to go on with the bulk handling scheme.

Mr. Harrison: So much the better.

Hon. T. WALKER: So much the better if they will do it. But although we are told that the sole object of the agreement is to carry out, build, and construct all the machinery for a bulk handling scheme, yet that is not the purpose of it. I never before heard of any such proposal as this. It is not at all the intention to go on with the bulk handling scheme. All the Government propose is to have a new method of storage—neither more nor less than that. And not storage of all the wheat that must be stored if it is to be preserved for the market, but storage of only a portion of it.

The Attorney General: Five million bushels.

Hon. T. WALKER: Five million bushels out of 18 millions, or perhaps 20 millions, if we have a good harvest. Where is the rest of the wheat to be stored?

The Attorney General: It is all a question of funds.

Hon. T. WALKER: But, if it a question of funds, why enter into this agreement now? Why engage this expensive firm now if we can do all that is required for the storage of five million bushels without engaging them? There is no necessity whatsoever for engaging this expensive firm, which is rightly expensive because of its standing and reputation and expert qualifications. There is no necessity for retaining the services of that firm when all that we want is a bin at Fremantle with four smaller bins somewhere else.

The Attorney General: This is an integral part of an ultimate scheme. I have said that, and I say it again.

Hon. T. WALKER: The Attorney General has put the matter in that light, but there is the fallacy.

The Attorney General: If we have money to go on with bulk handling, and if it is desirable to go on with bulk handling, then this money will not be lost.

Hon. T. WALKER: As part and parcel of the integral scheme, we could have the construction of these bins without Metcalf & Co.

The Attorney General: We could not.

Hon. T. WALKER: Undoubtedly we could. There would be no difficulty about it. I do not think the Attorney General would find a single engineer of standing in this country to support him in that view.

The Attorney General: I will read you the minute of the Engineer-in-Chief on that point when I get the opportunity.

Hon. T. WALKER: There is not only the fact that, whether we like it or not, these men are engaged for the whole transaction, for the whole business.

The Attorney General: For the whole preparation of the plans.

Hon. T. WALKER: For the whole preparation of plans, and the whole supervision of the work. They are given to understand that they will have the completion of the whole of the works in the capacity of engineers. We cannot stop when we like.

The Attorney General: Under paragraph 13 we can stop.

Hon. T. WALKER: But under what conditions?

The Attorney General: By stopping the work.

Hon. J. Mitchell: Paragraph 14 rather contradicts paragraph 13.

Hon. T. WALKER: Paragraph 13 of the agreement reads—

If the Engineer-in-Chief shall be of opinion that the company is not carrying out its duties, or rendering its services under this agreement in accordance with the terms thereof (as to which the Engineer-in-Chief shall be the sole judge), he shall be at liberty to terminate this agreement by giving to the company one month's notice in writing in that behalf, and upon the expiration of such notice the company's duties and services hereunder shall forthwith cease, and the agreement shall be at an end: Provided that this clause shall not affect works in hand or under order, and the supervision thereof, as to which (except as to matters for which other provision is expressly made), Clause 14 shall apply.

Now I have read the paragraph to which the Minister referred, and hon. members will observe that the paragraph absolutely prevents the Government from having a free and full say as to the discontinuance of the work. They must have a cause, and a good cause. They can, it is true, stop the work at any time by giving one month's notice.

[The Speaker resumed the Chair.]

The Attorney General: But Metcalf & Co.'s work is supervision, do not forget. There may be no works being constructed, and therefore none to supervise.



Hon. T. WALKER: The Attorney General told me the Government could stop the work at any time. It is true they can, but only if the conditions precedent be there.

The Attorney General: Do not misunderstand me. Metcalf & Co.'s work is supervision. If you talk about stopping contract work, no contract that is let can be stopped. But contracts need not be let. I admit however, that if any contracts are let during the five years, Metcalf & Co., of course, have to supervise them.

Hon. T. WALKER: They cannot be dismissed, they cannot be turned out of this agreement, unless they commit an actual offence.

The Attorney General: If we are constructing.

Hon. T. WALKER: Undoubtedly, if. The whole agreement presupposes that the Government do construct. The preamble tells us that the Government have resolved to construct. The plans under this agreement will be part and parcel of the preparation for going on with the work of constructing. Everything tends to that. Yet the Minister, in spite of all this, in spite of the engagement of this firm at such immense cost, tells us that the Government have no intention of going on.

The Attorney General: Certainly not. We have every intention of going on.

Hon. T. WALKER: Then, what is the object of interrupting me in this way on this point? I submit that either the Government will go on, or they will have actions for damages. The agreement with Metcalf & Co. can only be annulled on the condition that they have violated its terms, and have failed to carry out their work in accordance therewith. But the main point to which I desire to draw attention is that we are passing a measure of this kind for an undertaking which, if carried out and completed, would represent a very valuable State acquisition. We are voting for the Bill while knowing all the time that it is only to cover up some other purpose. That is the part I object to.

The Attorney General: That is the part that is not true.

Hon. T. WALKER: The other part is not the completion of these works but the building of storage vats or bins but the financial position of the Federal Government to preserve the wheat for the English purchasers, that is the scheme. It goes no further. The member might well know that.

The Minister for Works: How do you preserve the wheat otherwise?

Hon. T. WALKER: No matter.

The Minister for Mines: Would you not preserve it?

Hon. T. WALKER: We ought. Let us have a Bill for the storage of the wheat of the next harvest. Do not let us ratify a contract which embraces a complete scheme, elevators at Fremantle and elsewhere, elevators perhaps ultimately at the port.

The Attorney General: Would you not complain if we brought in a Bill for that and did not provide for a complete scheme?

Hon. T. WALKER: No. Would it not be better to come down with a Bill providing for storage and say that it is the intention of the Government as soon as plans are completed to

go further and then come down with a comprehensive Bill, rather than say we do not intend to go further. They tell us they are not doing it now only at the instigation of the Federal Government. It is at the instigation of the Federal Government they provide the money to do it. Of course they charge their interest. The means of doing it comes from the Federal Government.

Hon. W. C. Angwin: They not only charge their interest, but they are going to have a say in the control.

Hon. T. WALKER: That is a point I was coming to. They become parties to the contract without being disclosed in the measure. Behind us is the Commonwealth getting its hold on these storage bins. We are responsible for the erection of it, we are passing a measure that never mentions it. That is the objection I am making. That is why I am talking of having the thing fairly and squarely brought before us so that we shall know where we are. Presumably we are entering into a contract with Metcalf & Co., but really it is with the Commonwealth Government. It means that there is a good deal more than there is on the surface. Members in speaking on the bulk handling system just now spoke of the desirability of getting it all into the hands of the farmers, whether under the name of the Farmers' and Settlers' Association or the Westralian Farmers or any other co-operative company. The farmers want the management of their own wheat. As a farmer myself I consider my position and I am well aware that this scheme is an argument in favour of the farmers having the direct handling of their product.

Mr. Harrison: Ought they not to own it if they pay for it?

Hon. T. WALKER: I have been trying to tell the hon. member that the Federal Government are behind it, behind it are the Federal Parliament or the English wheat buyers, and their ramifications are further than we can always trace.

Mr. Harrison: They are finding the money.

Hon. T. WALKER: We are engaging this firm to supervise, but the real financing, the real ownership, the real vested interest in these bins to be constructed is in the Federal Government.

Mr. Pickering: Only by way of mortgage.

Hon. T. WALKER: What is going to happen when we get these bins constructed? The farmer takes his product and gets his first payment and then he has to wait for the next payment after the wheat reaches the market, and we find the farmers mulct in this cost and the other cost until the remnant after his first 3s. disappears. There is nothing or very little of it left.

Mr. Harrison: He never gets 3s.

Hon. T. WALKER: I am trying to be liberal. I say the rest of the money withers away in all kinds of unnecessary expenses forced on the producer without his being consulted in any way or having any voice of any kind whatever. That is the position we are placing the producer in. The Attorney General seemed to think that it was a particular sort of virtue that there would be this board, that board, and the other board and three or four boards on top of

these to be consulted and to have a voice. The Industries Assistance Board would come into it. There would be wheat boards, special boards, and a board representing the Commonwealth, and all these mean expense to be paid for by the farmer. I cannot give my whole hearted support to a proposal of this kind. It is wheedling away the farmers' chance of success. It is neither the farmer's concern nor the State's concern to bring in foreigners, if I may use that expression without being offensive. I mean we are bringing in the Commonwealth, they are strangers to us, outsiders. That is the sense in which I use the term "foreigners." They will have a say in what the farmer will receive afterwards and in the running up of expenses, not only in charging interest, what may euphoniously be called a mortgage, a semi-proprietorship, but they have a say in the management. There is no chance of a farmer coming in and having the supervision. The idea of a board of practical farmers dealing with the handling of wheat vanishes into thin air. There is no chance of the farmers having any say. He is led by the leash. There is no chance of his having any independence or a say in the matter. The wheat in the first place is bought at what appears a fair figure, but it is not what it should be, and by this management that disappears and the waste is enormous, and although the bins may save more or less waste they are not going to cut down expenses, and in addition to all these expenses there is the separate maintenance of expensive boards and the respective officers connected with each sub-board running through the whole concern. In addition to that this Bill saddles the country and the farmer with the expense of engaging a company of engineers who are paid a high price for services rendered. I do not like the look of it. If I were inclined to be suspicious I might, like some other members in a previous session, want to know what is actuating the Government in rushing this Bill through at this hour.

The Minister for Works: There is no suspicion and no grounds for suspicion.

Hon. T. WALKER: That is what the members who sat here said then.

Mr. Munsie: Did not the hon. member want to know what the Premier did with the money?

The Minister for Works: We bring the agreement here to discuss but you made an agreement without coming to the House.

Mr. Munsie: No agreement was made and you were told so. You have been looking for it ever since and have not been able to find it.

Hon. T. WALKER: I am showing that there is no need for this agreement. The purpose is the construction of these bins. That is the sole purpose of the Bill. If it be storage in the interests of the Commonwealth and the buyers in England, we can do without this contract, it is absolutely unnecessary.

Sitting suspended from 6.15 to 7.30 p.m.

Hon. T. WALKER: I shall not detain the House long. I only want to make it clear that this Bill is not going to give the relief that the Country party imagines. It is not

going to affect the use of bags, as suggested by the member for Greenough (Mr. Maley). Bags will be as much a necessity as ever they have been in the past. It is not going to get rid of double handling, but is going to create a little extra expense which the farmers will have to pay for. They will have to pay the interest, if not the principal, on the construction of these bins or storage vats for the wheat. There is another thing which would perhaps be more properly dealt with later, and that is the necessity of deciding whose property these bins will actually become on completion. The money to build them is supplied by the Commonwealth. As mortgagees they are the owners of these bins. They would be nominally vested in the Federal Government and the Federal Government would have the ultimate say in them. They could not only have the say, I take it, in the use to which these would be put, but in the interest that they shall receive. They also have an interest in their supervision, as well as their construction. They will have some say as to their own convenience, a convenience which may coincide with the convenience of the State, as to the facilities for shipping. But behind it all, their chief object will be the protection of their friends, unknown to us, in England, and that, too, will undoubtedly cause a division as to ownership or proprietorship, or at least as to those interests, and that may give rise to conflicts. In the event of any dispute where will the ultimate decision rest? Who will be supreme? It is Commonwealth money which is behind it all, and the State has no voice in that respect. The Commonwealth has the voice, and this may conflict with the State. It may so conflict that it will put into the arms of those very people, not as they imagine they are welcoming, a panacea, a great blessing, but something which amounts to an injury. I do not like the frivolous ways, the touching of the surface without disclosure of the full intricacies of the measure, by the Attorney General. This would lead one to suspect that this was another sort of bid for the support of the Country party. They, in their sweet, bucolic innocence, take the bait and are satisfied, without knowing any of the difficulties it is going to land them in. There is the expense to do with bags, the moving, the transshipment, which they have had before, plus all the interest on the construction of these works, and the cost of their subsequent management. It is a divided management with a multiplicity of boards interfering in all directions, and muddling things in such a way that the farmer cannot help losing in the long run. Even in the contract, which we have to ratify here, there is a possibility of internal conflict within the Government, or between the Government and the machinery that is provided. There are paragraphs which provide that certain directions may be given, certain things authorised, or countermanded, by the Minister or the Engineer-in-Chief. It is an extraordinary provision that we should have this chance of one or the other doing a certain thing, which should have responsibility attached to the one person and not the two. I

point this out to show how the whole of the scheme bristles with possibilities of disruption, or quarrels, or hindrances, and how it affects the smooth working of the scheme when completed. Imagine the Minister having one view, and the Engineer-in-Chief taking another view!

Mr. Pickering: Is there anything unusual in that?

Hon. T. WALKER: The point is that the Engineer-in-Chief might take something out of the hands of the Minister.

Mr. Pickering: If you were a Minister, you would not allow that?

Hon. T. WALKER: Why not? If I were the Engineer-in-Chief I could say I had authority equal to that of the Minister. There might be divided opinions. What would happen then? Who would decide between the Minister and the Engineer-in-Chief when both parties have their right, and are both granted equal authority by the contract itself?

The Minister for Works: You do not suggest that there would be caprice on either side?

Hon. T. WALKER: No, but there might be hot-headedness, which is not unusual. I have known of hot-headed Ministers, and I should be sorry to have to put myself in serious opposition with them, where we have to work together mutually.

The Attorney General: The word "Minister" stood alone in the first draft. Owing to objections, properly raised by Metcalf & Co., I suggested putting in the Engineer-in-Chief, and Metcalf & Co. agreed.

Hon. T. WALKER: There is a beautiful confession.

The Attorney General: Confession!

Hon. T. WALKER: A confession that the contract as drafted is made a convenience on the suggestion of Metcalf & Co.

The Minister for Works: Do you object to it?

Hon. T. WALKER: There must be responsibility somewhere.

The Minister for Works: Why not deal with that in Committee.

Hon. T. WALKER: The whole of the measure is bristling with contradictions and difficulties. The whole of the contract is full of them from start to finish. The explanation which is given by the Minister almost passeth understanding. There is an objection to the Minister having responsibility. We know very well—and the Attorney General should know it too—that the word "Minister," used in an Act of Parliament, represents the ultimate authority, the last appeal, and the last word. When a Minister does anything he is always fortified by the advice of his expert officers. Through the Minister, all the wisdom of the department presided over by him speaks, or should do so if there is a proper form of government. Here we have the Minister taken away, and upon his level as an authority, a responsible authority, we have the Engineer-in-Chief placed. It is the Minister who speaks, although the Engineer-in-Chief gives his judgment, and advice and opinion, which enable the Minister to speak. It only shows in what a loose way things may be drafted.

The Attorney General: You see all the red in this document? These are alterations which

have to be made in documents that were passed by your Government.

Hon. T. WALKER: What a lot of gore the Minister must have shed.

The Attorney General: It is a miserable kind of draft that you would pass.

Hon. T. WALKER: How beautiful. I do not object. I rather delight to see the countenance of the Attorney General when he is enraged by a little bit of criticism. However poor the draftsmen might have been, they are the same who now serve the present Government. That does not justify the Minister in effecting what must strike him as an alteration involving the very foundation of executive government.

The Attorney General: You do not know what you are talking about.

Hon. T. WALKER: That is a very easy thing to say.

The Attorney General: I say it to annoy you.

Hon. T. WALKER: I thought it was a lie.

Mr. SPEAKER: Order!

Hon. T. WALKER: I do not mean anything, Mr. Speaker. The hon. member likes to be personal in a vulgar way. It does not become him, because he is the very quintessence of refinement in appearance. If, however, the hon. member likes to be personal I must give him back personalities. None of this excuses him for substituting, as a responsible authority for giving the decisions of the Government, the Engineer-in-Chief for a responsible Minister.

Hon. W. C. Angwin: It would have been better if it had been the Engineer-in-Chief.

Hon. T. WALKER: Undoubtedly, because it would have been a delegated authority. When the Engineer-in-Chief is put upon an equal footing, and, it may be, over the Minister I report to the Minister that he does not know the significance of words when he puts these words together, and adopts them as justifiable in a country where we have responsible government. I wish to give the measure a chance to reach the Committee stage, but I want the Country party to take the warning which I am giving, and I want the country also to know that this is not a bona fide scheme for the bulk handling of wheat, but a mere expedient at the instance of the Federal Government for merely harbouring or sheltering or storing wheat to be garnered next harvest.

THE MINISTER FOR WORKS (Hon. W. J. George—Murray-Wellington) [7.46]: I do not propose to criticise the hon. member's speech because so much of it refers to matters which only a trained lawyer can deal with, and I do not profess to have the knowledge which will enable me to criticise it from that point of view. It is necessary in connection with the handling of wheat that all precautions and care be taken to save that wheat, primarily in the interests of those who produce it, and secondly not only in their interests, but in the interests of honest dealing and those who have found the money which has been advanced to our farmers to enable them to carry on. I am satisfied that the farmers of this State are grateful to those who are responsible for finding the money to enable them to carry on. If that

had not been done, what would have been the fate of the wheat farmers to-day? They could not have sold their wheat. They could not have got it away. Private firms would not have been able to finance them, and even if they could have done so, they would have to give considerable thought to the question of seeing how far they could have gone and if the matter had been in the hands of private firms, it is doubtful whether they could have behaved as well to the farmers of Australia as the Governments of Australia and the Commonwealth Government have done. What does the Bill propose? It simply brings before Parliament an agreement for the information of Parliament and for the information of the State, an agreement regarding a matter which has been put before the Government, a proposal similar to those which have been adopted in the other States with this difference that those who have been looking after the interests of Western Australia in this particular have profited by the experience of the other States. We have it on the authority of Ministers in the other States that the Western Australian contract with Metcalf & Co. is a far better one in the interests of the State than any which have been framed over there. What is this proposed scheme? It is that there shall be erected receptacles in this State into which can be put the produce of our farmers. We know that we cannot ship it away. We know even that with the improved wheat sheds we are putting up now, we cannot give as good protection as we would like to, but with these silos, it is believed that we shall be able to store wheat.

Hon. W. C. Angwin: Only one-fourth of it.

The MINISTER FOR WORKS: Not only to store wheat, but keep it—not the whole of it but a considerable portion of it—free from weevils, so that when it has to go away we can hand over to those who have to pay for it something which is good. I believe that the farmers of this State would have great regrets if every precaution was not taken to preserve the interests of those who have been their good customers and who have been and are still to-day, their friends. In connection with this scheme, we have to look at it from this point of view: we cannot immediately go into a big and comprehensive scheme of bulk handling of wheat though that will have to come sooner or later. We are quite satisfied on that point, and therefore the object of the agreement is to see that the silos we may erect will be such as will work in properly and economically with the bulk handling scheme at a later stage. It would be foolish on the part of the Government and any animadversion that the member for Kanowna would like to make would be justified if we did not look a little further in front of us. Let me give an illustration, crude as it may be. Suppose in the case of a large city it was necessary to establish a water or a sewerage scheme, and not having the necessary funds to enable the work to be spread over the whole area, it was only desired to cover a portion of the

area, we would put in pipes of a sufficiently large size to permit of the scheme being extended at a later date. If we did not do that we would have to take up that scheme and adopt a larger one subsequently. How foolish we would look and how foolish would the engineers look if they did not foresee what was likely to happen. Take the water supply of Perth. At the present time we are replacing the pipes from the service reservoir with others of 36-inch diameter. I had the honour of carrying out the first scheme of water supply for this city nearly 30 years ago, but the means at our command at that time were not sufficient to allow us to put in a scheme which we would have liked to do. That scheme was from the Victoria reservoir. We put in 12-inch pipes. We would have put in larger pipes only we had not the means. At the present time we are putting in 36-inch pipes. Of course we could use pipes of smaller diameter to supply present day requirements, but knowing that we shall require these larger pipes in the not distant future, it is considered advisable to put these 36-inch pipes in now and they will last the metropolis for 25 or 30 years. In connection with the Bill before the House, the proposal is that elevators and silos shall be fixed where they will be of service to the farmers. They will be built on a special loop in the railway siding where the farmers can go alongside, and arrangements will be made to permit all farmers emptying their bags of wheat into the silos, and thus they will be able to take back their bags at once. One of the previous speakers stated that the value of corn sacks in connection with the coming harvest will be something like £250,000.

Hon. T. Walker: This scheme will not lessen that value.

The MINISTER FOR WORKS: If the erection of these silos and elevators will only save 20 per cent. or even 10 per cent. of the value of the corn sacks, will not that be worth doing, especially if the works are so designed that they will form part of a bigger scheme which will at a later date give more accommodation? The Government had the power, if they wished to do so, to conclude this agreement without bringing it before Parliament, but the Government in power, just as the Wilson Government before them had done, made up their minds that this agreement should be submitted to Parliament.

Hon. W. C. Angwin: That was done before ever the Wilson Government came into power.

The MINISTER FOR WORKS: That may be, I am only speaking of that of which I have knowledge. I do not wish to take more credit than that which is due to us. The fact remains that we have brought the matter before Parliament and the discussion which has taken place will be of value, not only to hon. members but to the Government, as indicating the different views of members who have spoken on the subject. I deprecate the picking of legal points in connection with the affair in the way that the member for Kanowna has done. If there is anything wrong

in connection with the drafting of the agreement and it is likely to lead the country into difficulties, we shall be glad when the measure is in Committee to listen not only respectfully, but gratefully to any suggestions the hon. member may have to make, suggestions which will have the effect of improving the Bill. It is necessary that this agreement should be accepted or rejected by the House. The Government must know where they are in connection with it. At the present time Mr. Pearce, of the Works Department, is in the Eastern States collecting information with regard to the plans, and finding out what we should know, and also ascertaining the materials which will be wanted so that we may do our best to get the silos started and brought into use at the earliest moment. The Government have taken a tremendous lot of trouble with this matter. Of course it is their duty to do so, but if it can be shown that the agreement can be improved in the interests of the State, by all means let us have that improvement. If hon. members have made up their minds that the idea is wrong, then they can defeat the Bill, but if it is not right and it is capable of being improved, they should show us how to improve it. We must have a decision one way or the other. I am of the opinion that bulk handling of wheat in this State will mean a tremendous revolution so far as the expenses of the farmer are concerned. Of course there will be difficulties and mistakes, but it is only through these that we will learn how to do a thing properly. Metcalf & Co. bear an excellent name. The Engineer-in-Chief told me that while he was in Canada he made inquiries about them and found that they were a highly reputable firm. They erected the first elevator for the Manchester Ship Canal 15 or 18 years ago, and recently this company wanted further elevators and they entrusted the work to Metcalf & Co. who have been consulting engineers to that great waterway scheme since they built their first elevator referred to. Now we have these people who have gone through the mills of experience. Everybody knows that it is only through our mistakes that we learn. In my trade of engineering mistakes are made, and we have to learn from them. Gradually we reach that stage at which we can start a job and go right on with it without mistakes. The firm in question has had 30 years experience of building silos in different parts of the world. Surely we can reasonably expect to get from them the result of experience purged from mistakes. Some mention has been made of the Works Department. There is no question that the draughtsmen and engineers of the Works Department can produce the plans; but they cannot produce plans as reliable in every detail on a matter of this sort, of which no official of the Works Department has had experience, as can those men who have been doing the work for 30 years. The Government have had an opportunity of making an arrangement with people of long experience purged from mistakes. Surely to goodness in that respect we can have confidence that we will get for the State something that will be entirely good. I cannot see any force at all in the argument that it is necessary to have a bulk handling scheme first. This is the necessary preliminary to a

bulk handling scheme. From this and its ramifications will spring the details of a bulk handling scheme. There is nothing contemplated in the agreement but will form part of an ultimate bulk handling scheme which I believe will be of great service to the farmers and of lasting benefit to the people as a whole.

Mr. HARRISON (Avon) [8.3]: The Bill is merely to ratify an agreement. Apart from that agreement there is only one clause in the Bill. We have £285,000 from the Commonwealth Government to spend on the protection of the wheat produced in this State. Which is the better way of spending that money? There are only two courses. On the one hand there is this portion of a scheme devised with the ultimate object of installing a complete bulk handling system.

Hon. W. C. Angwin: This agreement provides for a bulk handling system.

Hon. T. Walker: It is bulk handling.

Mr. HARRISON: It is the beginning of it. The company has the advantage of being engaged for five years under this agreement. If this agreement is not ratified, what is to be done in regard to saving the asset created by the farmers? Members opposite say this is not going to secure the whole of our wheat, but only a small portion of it, and they argue that it would be better to spend the £285,000 in erecting simple, common stores that would protect a larger quantity of wheat, rather than go to the expense of initiating what is to become a bulk handling scheme. No doubt if the whole of this money was to be devoted to the erection of simple stores, we could arrange for the accommodation of a much larger quantity of wheat. But which will give the better results, the building of common stores or the adoption of what is really the first part of a much larger scheme, capable of being developed into a complete system? This complete system will effect a saving of a very large sum. The saving of the weight in jutes alone will mean over 5,000 tons. The present rates for bringing jutes to Western Australia is £8 per ton, therefore it will save considerably more in getting the wheat to England. At £10 a ton it will represent more than £90,000 on a yield of 18 million bushels. And it must be remembered that for a number of years to come the shipping freights will be very much higher than they were before the war. An even greater saving will be effected by the cleaning of the wheat through the elevators, thus allowing us to make better use of the costly shipping space and retain in the State large quantities of inferior wheat to be fed to cattle in the form of by-products. Most certainly we should adopt the system which in its ultimate result will more greatly benefit the people of the State. The money provided will have to be paid for by the wheatgrowers. The whole of the wheat has to pay interest and sinking fund on the expenditure. After 10 years, which is the period prescribed during which the wheat has to pay interest and sinking fund on the buildings to the Commonwealth Government, surely the buildings should become the property of the wheatgrowers. I repeat, when the wheatgrowers shall have paid back the capital and paid all the interest, the buildings should be the property of the wheatgrowers. No further charge should be made to

the wheatgrowers except for the ground rent in respect of the land on which the buildings are erected. In Committee I will endeavour to have a clause inserted providing for this. If hon. members would but go into the matter and realise the savings that can be made under this scheme, I feel sure that they would support it. The member for North-East Fremantle declared that two or three years ago the Engineer-in-Chief stated that the approximate saving would be only 1½d. per bushel. But it will be seen that on 18 million bushels even that small saving amounts to £37,000. These small savings will meet an interest of five or six per cent. on a large sum of money. I am sure that the Government will be better justified in spending money in this direction than in almost any other. Because of the abnormal price of shipping space, the saving of space to be effected under this scheme will represent a very large amount. I again repeat that when the buildings shall have been paid for by the wheatgrowers they should become the property of the wheatgrowers.

Hon. J. MITCHELL (Northam) [8.15]: The Minister privileged to introduce a Bill of this kind is fortunate indeed. There is no other project in which we so thoroughly believe, and certainly none about which we know so little. We have listened to a great deal in connection with this proposal. We are constantly told about the saving to be effected by bulk handling, but we are never told what will happen under that system. The question is, can we keep our wheat until we market it, can we preserve it until we are able to send it to the Old Country? The man who talks about saving shipping space in this connection is talking about something that he does not understand. The question has been gone into by the Royal Commission which dealt with the matter, and it is probable we shall save in that way. However, I do not care whether we save or do not save, or whether the scheme costs even as much as bags cost to-day, which of course it will not; we shall have a trade convenience that will mean a great deal to the farmers of Western Australia, a trade convenience that will be of great benefit. We shall be able to send to the markets of the world probably the best quality of wheat in the world. Further to that, it will not be necessary for each person or firm dealing with wheat in this State to have a large organisation. It is the need for a large organisation which makes it almost impossible to set up much competition. I welcome the proposal to protect even a small proportion of the wheat. I recognise that the agreement is favourable to Metcalf & Co.. Undoubtedly we bind ourselves to them; but we are told by the Minister that otherwise we cannot have plans for the portion of the work to be done now. So far as I know, there are no other people in Australia who can prepare the plans. I do know that in the Government departments there is no officer with sufficient special knowledge to prepare plans for this great work.

: Hon. W. C. Angwin: I did not suggest that. I suggested that the Government officers would have the necessary knowledge for the supervision.

Hon. J. MITCHELL: It is the supervision that seems to me to be a concession unnecessarily made to Metcalf & Co. If we pay them for the plans, that should be sufficient. To retain them as consulting engineers seems to me something that is not necessary. However, since we must have plans the Minister for Works is quite right to get the best plans available. What I wonder at is that the Commonwealth Government, when they took the scheme in hand, did not arrange to have similar plans for all the States. The silos in the country districts are pretty well all of the same type in each State. The last speaker referred to handing over the scheme to the farmers when it is paid for. I consider that the work ought to be a national work, and that repayment of the expenditure should extend over the term of the loan, which is something like 40 years. We hear a good deal about the advantage of saving 1½d. or 1¼d. per bushel on all the wheat, but we hear nothing about the disadvantage of paying 1¼d. or 1½d. extra on the whole of the wheat in order to repay the capital cost of the silos within a short period. In connection with all other public works there is a sinking fund of 1½ per cent. and of course the loan extends over a long time. The large expenditure under this Bill is proposed in order that we may preserve some of our wheat. This refers not to wheat now held in the sheds, but to wheat that is now coming forward. That being so, we ought to erect the storage bins in the country, as has been indicated by the leader of the House, rather than spend the money upon terminal elevators; because, after all, we shall not be able to ship this wheat for some years. It will take two or three years to get the wheat already in bags away. We can afford to put the bins in and to take the chance of erecting the terminal elevators in a year or two. What we want now, is something to store the wheat in, so that it may not go to waste, something to preserve it from weevil, mice, and damp. Enough has been said on the condition of the wheat now held in this State to convince the House that we are justified in expending money for the protection of wheat. I noticed that the Minister in charge of the Bill promised, by way of interjection, to hand over the scheme to the farmers after its cost had been repaid. I think this was a little reckless on the Minister's part. The matter will be one for the House to decide when the time arrives. I do not understand why the Commonwealth Government wish to exercise any control over the scheme. It is true they are going to advance the money, but it is equally true that they will have our security for the loan.

Mr. Troy: And they are going to collect interest on it.

Hon. J. MITCHELL: Yes; and they are going to appoint a commission to tell us what we are to do. I do not know why we should be subjected to this control. We know what we want. We are dealing with a bulk handling scheme, and what is proposed in this Bill represents a small portion of that scheme. Mr. Hughes, the Prime Minister, however, says that he is going to retain control. He declares that after the commission have done their work, have fixed the sites and determined upon plans

and arranged for the erection of the silos, the commission will dissolve and will return to their ordinary duties. I think Mr. Hughes goes a little too far when, referring to the position after the functions of the commission will have ceased, he says that the necessary power will remain with the Commonwealth to control the scheme, and that the Commonwealth will have a lien over the whole of it. There is a great deal more that has been said by Mr. Hughes to which I should like to refer, but I understand that another interesting measure is to be considered to-night, and I do not wish to delay that measure. I shall have more to say on the matter of Commonwealth control a little later. The Commonwealth have no right whatever to interfere in this matter. It is entirely our concern. What we are working under is a federation of wheat pools, and not one wheat pool for the whole of Australia. We take the whole responsibility of our wheat. If we deliver wheat in good order we obtain a good price, and if we deliver wheat in bad order we suffer a reduction. We bear our loss, and the Eastern States bear their losses, in this connection. So far as Western Australia is concerned, the pool is our own pool; and we ought to have the management of it. I would rather not have the scheme at all than allow the Commonwealth Government to interfere in a matter that does not concern them. The Bill does not contemplate that the Commonwealth proposes to exercise any control. The Federal Government made this State an offer of the money while I was in office, but then they said nothing at all about any control they proposed to exercise. That is some new idea of Mr. Hughes. I hope the present Government will insist that it is our business and our responsibility, and that we are going to do the work in our own way when we undertake this expense.

The Attorney General: That is, if the Federal Government hold us up to that.

Hon. J. MITCHELL: Any money expended on the scheme will be Western Australian money, and not Eastern States' money. The Minister said that previous Governments had negotiated with Metcalf & Co. As a fact, the Government of Mr. Scaddan entered into an agreement with Metcalf & Co. At least, the agreement was signed by Metcalf & Co., but was not, I understand, approved by the Labour Cabinet. Certainly, it was never before Parliament.

Hon. W. C. Angwin: No; it has never been before Parliament.

Hon. J. MITCHELL: Nor was the agreement signed by Mr. Scaddan's Government. The Wilson Government did not negotiate with Metcalf & Co., though they freely discussed the matter with the firm. By the time we had an opportunity of dealing with the matter, however, there was no possibility of getting money, and there did seem to be a possibility that the wheat would be shipped. The urgent need for storage had then disappeared. However, it is quite a different matter now. The possibility of shipment has disappeared, and we must make arrangements to store the wheat. The Country party favour private ownership and control of the elevators, and I think the suggestion worth

consideration. But in dealing with the question of the handling of the scheme we must keep politics and business well apart. Co-operation is a very good thing, but it ought to include every section of the people. When one mixes politics and business, I am afraid business usually suffers.

Hon. W. C. Angwin: I think it is politics that suffers here.

Hon. J. MITCHELL: I cannot agree with the hon. member. The bulk handling scheme which has spread so far afield can best be handled under a co-operative system, but I wish to make it quite clear that I want the system of co-operation to be one into which every section of the people can enter. We have been told clearly by members of the Country party, and we know, that nothing can be done without Government assistance. In Canada, I understand, 85 per cent. of the cost of elevators is advanced by the Government to the co-operative companies.

Hon. W. C. Angwin: Many elevators in Canada are privately owned.

Hon. J. MITCHELL: The trouble is that we know very little of the system at work in Canada. The Minister gave no information on that aspect, because, I presume, he is in the same box with the rest of us; though his officers should have known all about it.

The Attorney General: What is that?

Hon. J. MITCHELL: Should have known all about the system of bulk handling. That is the question before the House. Otherwise, why have plans prepared? Surely the Minister does not think the House is so foolish as to believe that he is having plans prepared in order just to look at them, or to hang them as pictures on the wall. We want bulk handling. If the Minister does not think so, still I believe the rest of the House does. At any rate, we have not had any information on this point. In one of the provinces of Canada there are 230 country elevators, each of a capacity of about 30,000 bushels, which means a storage capacity of about seven million bushels, equal to approximately one-fifth of the total crop. Our position is totally different. We are much further from the market. Our wheat harvest is over in a few weeks. The wheat is taken off in a different way. It is stripped and goes into storage for a short time. The calculations of the officials show that one-third storage is sufficient for the State because the other two-thirds is shipped. The elevators are being erected to hold  $2\frac{1}{2}$  million bushels and the cost will be £300,000. That is the cost even in Canada. There, a 30,000 bushel elevator costs about £2,000 and it will cost about the same here. If we follow the American system, which is to give an elevator to 68 farmers, this State will need 100 elevators. If we are to have a system of bulk handling it must apply to all producers of wheat. If we put down 100 country elevators, that will only cost £200,000. With the money which we have, the best thing to do will be to construct silos in the country in order that the wheat harvested next year may go into them. The Minister says that we are not dealing with the bulk handling scheme but I think we are dealing with a proposition which will cost this

country a million of money. The Bill before us does not mention the Prime Minister. I hope, however, that the Minister will control it himself. We must remember, when the next harvest is reaped, we shall have 25 million bushels of wheat and five millions will be in the elevators. It would pay us well if we could guarantee the safety of this wheat, even at a cost of 1s. 6d. a bushel, and we shall lose that amount on the wheat unless it is better cared for than is the case at the present time. The Minister has put a double-barrelled scheme before the House. This Bill authorises the Government to employ the Metcalf Co. and also authorises the Government to spend £300,000 without further reference to Parliament, because the money is to come from the wheat scheme. We shall need Parliamentary authority, I think, though the Minister says not. Are we to write a blank cheque for £300,000 for the Minister for Works, who is to see that silos are erected at country stations? I think we should know just what is going to happen. I suppose every member knows Metcalf Co. and will realise that that company will be paid considerably more than £9,000 for preparing the plans, in addition to two per cent. for supervision, as well as other fees. The firm also asked that they may be guaranteed employment as consulting engineers for five years. The Minister says this is usual but I have never heard of such a proposal before.

The Minister for Works: If they do not do their work well we have the power to deal with them.

Mr. Troy: But there is no local engineer with the knowledge which will enable him to judge as to whether they are doing their work well.

The Minister for Works: We have skilled officers in the department who will be able to judge that.

Hon. J. MITCHELL: I suppose we shall be able to get rid of them, but the point is that they will be paid full fees for the work we need them for; and they will get fees as consulting engineers for five years. There are saving paragraphs in the agreement but they seem to be a little contradictory, and it appears to me all through that the drafting of the Bill has been carefully watched by the Metcalf Co., or their solicitors. I hope, therefore, that the Minister has had it just as carefully watched on behalf of the Government. I can recall the fact that we passed legislation last session on more than one occasion and it was found afterwards that the clauses did not mean what we intended them to mean. I think we should be very careful in facing this question because, no matter what the Minister may say, we are embarking on a scheme which will cost the country a million pounds. We are told by the Minister that silos will be erected at the cost of the wheat scheme and that when bulk handling is eventually decided upon, that portion of the work about to be undertaken, which will be capable of being incorporated, will be so incorporated at a valuation. To my mind this should be a national work. Certainly all works of this nature, works which are of advantage to the people generally, like the Goldfields Water

Scheme, should be national. I do not know why the Government do not propose to treat this as a national undertaking. It certainly would be so treated anywhere else. If the farmers of to-day are to be debited with the cost of the work, those who are to come in the future will have an advantage. However, the question now is to provide sufficient and safe storage. Something has been said about a board. I object to the board as constituted, and I venture to say that several members of this House will object to it also. A board ought to be able to hold the balance between the Government and the farmers. Farmers have not had much out of the wheat scheme up to date and it is because they hope to get more that they want protection at the hands of the board. When I left the department the board was composed of people who were outside the department altogether. Mr. Bickford and Mr. Hannah were there. Mr. Bickford did excellent work and the board had become thoroughly efficient. Mr. Sutton is now chairman. Mr. Pearce has been added to the board, but why was not Mr. Bickford reappointed? I would like to know from the Minister whether the board have been consulted and whether they have offered any advice in connection with this scheme. I am not saying a word against the officials now but I object to the personnel of the present board. I would like to have heard something from the Minister on the subject of the reconditioning of the wheat and whether it is proposed to put a silo at each depot in order that the weevils may be killed and the wheat may be kept clean. I have been told that it will be possible, even at our depots, to do something of that sort. It all means cost but it is better to face that cost than to lose the wheat altogether. All that is proposed is to deal with a portion of next year's crop. It is not proposed to take the wheat we have in store and transfer it to the silos. The wheat now stored will have to be protected in some other way. I hope when the Bill is in Committee we shall be able to get a considerable amount of information regarding the various paragraphs of the agreement. I want to see the agreement entered upon, but I want to see a start made under conditions that every farmer will approve of.

Mr. PICKERING (Sussex) [8.46]: The member for North-East Fremantle (Hon. W. C. Angwin) said that the position of these silos rested with the Federal Government. I understand that that is only an alternative, that in the first place we shall have the right to determine it.

Hon. W. C. Angwin: No, the commission will have.

Mr. PICKERING: Well, if that is so, it seems useless proceeding with the Bill.

Hon. W. C. Angwin: That is what I say.

The Attorney General: The commission will do it if we do not.

Mr. PICKERING: I would like some information from the Minister as to the charges to be made for storage in the bins. There are to be charges for storage and handling. How are those charges to be distributed? Are they to be paid by only those who use the bins, or by the whole of the wheat growers? Again, there is the question of the bags to be saved by



the bins. Who is to get the benefit of the returned bags? Are those bags to be returned to the men who store their wheat, or are they to be sold and credited to the wheat pool? The cost of running the scheme has been estimated by the member for North-East Fremantle at £17,000. This gives us an idea of the extra charge that will be thrown on the users of the scheme. We are entering upon this scheme at a time when all material required for the erection of the bins is at an enhanced price. Of course, on the other hand, just now the wheat is fetching a high price, or at least it is expected that it will do so at the conclusion of the war. Therefore it seems the Minister is justified in bringing forward this scheme, which is only the beginning of a complete system of bulk handling. After the silos are built it will be a simple matter to put in additions, providing proper arrangements are made at the outset. As to the question of the ultimate ownership of the bins, in spite of the assurance the Minister gave, that the scheme is ultimately to revert to those who shall have bought it, namely, the users of the silos, it seems to me it is to be handed over to the wheat pool.

The Attorney General: Who owns the wheat pool?

Mr. PICKERING: I think at present the Commonwealth has it.

The Attorney General: The Commonwealth holds it in trust for the farmers.

Mr. PICKERING: As a member of the Farmers and Settlers' Association, I know the very great difficulties we have had in getting representation on the central wheat board, and I dread the influence of this new organisation in our midst. It will be a difficult matter to give the ownership of the silos to anybody, if only for the reason that necessarily they must be built on Government land. At all events, they should be leased to those who produce the wheat. If it is not possible to hand over the scheme properly to those who shall have paid for it, it should be handed over to some representative body, such as the Westralian Farmers, Ltd., who control the handling of the wheat.

The Minister for Works: That will be discussed when the system comes fully before us.

Mr. PICKERING: It is a suggestion I am entitled to make in the interests of the wheat-growers. The Government have taken the utmost precautions in drafting the agreement. Most, if not all, of the necessary provisions are included in the agreement. It has been said that the plans will be only in the form of blue prints. I do not think that follows at all. The plans will have to be drawn, and there will be no object in withholding the plans from the Government. The plans will become the property of the Government, and if the Government have the plans they will easily procure as many blue prints as they require. I contend that the charges allowed under the agreement are only fair and reasonable. If there is one profession not properly recognised in Australia in respect of charges it is that of engineering and architecture. I do not see how any hon. member can take exception to the low rate of charges provided, namely, five per cent. There are in the agreement provisions for alterations, additions, supervising, terminating the contract, governing the qualifications of the com-

pany's employees, and a host of other questions that may arise. It appears to me due care has been exercised by the Government in properly drawing up the agreement. I think the system to be adopted is the right one, and in the best interests of the wheat-growers. Not only the Farmers and Settlers' Association, but also the Perth Chamber of Commerce are in accord with this, and in addition the Chamber of Commerce is in accord with us on the question of executive power being given to what at present is an advisory board. I hope due consideration will be extended to those who have everything at stake. Certainly they should have an executive voice in the administration of the scheme. The member for North-East Fremantle drew attention to the recommendations made by the Engineer-in-Chief in 1913, namely, that tenders should be called for the construction of these works, and that those who tendered should provide the necessary plans. I do not altogether agree with the recommendations of the Engineer-in-Chief. I believe that in a case like this, in which special construction is required, and where so much is at stake, where the least error would result in considerable loss, it is absolutely necessary that the Government should get the most able and specialised talent for the construction of the works. We have not that specialised ability in this State, but we have sufficient engineering experience to control the erection of these buildings. As an architect I could draw a plan and engage others to carry it out, although they could not draw the plan. It is self-evident that the utmost care will have to be taken as to the position of the silos. I am in accord with those hon. members who declare that the silos should be at the ports. It may be that in the initial stages they will be concentrated at Fremantle, but I urge the Government to realise that the silos should be erected at the different ports. I am not advocating my own port in this respect, because it would be unreasonable to ask that wheat should be diverted to Busselton. The difficulty of altering the railway trucks is a very small matter indeed, involving only the putting of a lining into the trucks. It is a thing that can be readily undertaken at any moment. It has been estimated that the cost of the New South Wales scheme is one and a quarter millions, while our scheme is to cost two millions.

The Minister for Works: If we had the wheat would not you be prepared to expend the money?

Mr. PICKERING: Yes, readily. But it is not to be expected that we should spend the two millions at once. We could not avail ourselves of this scheme at present, even if we had it in order. The members of the Country party welcome this measure. Unlike the member for Kanowna (Hon. T. Walker) who wants a complete scheme at once, we are satisfied that the intention of the Government is to give us a complete scheme of bulk handling as early as possible. In the meantime the Country party are grateful to the Government for having brought forward the measure.

Hon. W. C. Angwin: You cannot help yourself, you must have it.

Mr. PICKERING: I give the Government some credit for it. I am glad they are taking up the matter now in a serious way, and are

doing the best they can to establish the scheme on sound lines.

Mr. TROY (Mt. Magnet) [9.0]: I do not pretend to know whether the agreement under discussion is sound or not. That is the responsibility of the Government. In an agreement of this character, brought forward in this way, and which must be full of legal technicalities, the ordinary lay member of the House expects the members of the Government to have given the matter the fullest consideration, and expects that they will have brought it down to the House as a sound proposition. I do not think that they have come along here with anything crooked. If there are flaws in the agreement we expect them to see that these are rectified, from the point of view of the interests of the State. There seem to be many weaknesses in this proposal, which I am going to point out later, but it is possible that with the fuller knowledge possessed by the Attorney General and the members of the Government they will be able to satisfy me that the weaknesses can readily be removed, if they do exist. As regards the principle contained in the Bill, I am cordially in agreement with it. It provides, we understand, for the expenditure of money for the accommodation of the coming wheat crop.

The Attorney General: Part of it.

Mr. TROY: It is held that this is the nucleus of the bulk handling system. If so, I have nothing to cavil at in that connection. Indeed, I welcome it. I am of opinion that, if we have to expend money, and we have to do so, in housing and conserving this wheat, probably for one, two, or three years, it will be better to lay the foundation of some system, which is going to be of lasting benefit to the country, than to put up temporary buildings which will have to be scrapped later on, and be the means of incurring loss.

The Minister for Works: That is exactly the position.

Mr. TROY: I cordially support the Government's attitude in this respect. I do not pretend to know whether the bulk handling system is going to be of value to the farming community or otherwise. I really do not know, because I do not possess that knowledge which can only be obtained by actual experience of the system. Bulk handling is in operation in other countries such as Canada, America, the Argentine, and in Russia. All progressive countries have apparently adopted it. Since the cost of production in this State must be decreased, if wheat production is to be made a success, then, if bulk handling will bring about that decrease in the cost of production—and here again we depend on the experts of the Government and the Government themselves to satisfy us on that point—I will support it. I will support anything in this House which, apart from reducing wages, means the economical handling of our products in order that we may get the best results from them.

The Minister for Works: This will increase the wages of the farmer by saving money for him.

Mr. TROY: If we were always to halt and hesitate in regard to taking any step, because it might cause trouble or be the means of increasing expenditure, we should make no pro-

gress at all. We never take a step in this House, or in another place, without that step involves something either in the way of gain or loss. If the expert advisers of the Government, and the Government, after having giving the matter most careful consideration, deem that this will prove of value, I do not think we should halt for a moment. I agree with all that has been said in regard to the losses which have occurred through the handling of our wheat. No man can travel over our existing railways, and see the tremendous loss that is going on in this direction, without realising the absolute necessity for something being done to properly house the wheat. Above all things, we have to conserve it in a sound condition. As a further reason for supporting this expenditure, I would point out that this country is involved in hundreds of thousands of pounds, and probably millions, in the wheat already lying at the various sidings. If we are going to receive any returns for that wheat it must be properly stored and properly conserved. This expenditure, in my opinion, is absolutely necessary. We will have an opportunity, in connection with the Wheat Marketing Bill, later on, of discussing the state of the wheat as it exists to-day, and also of making complaints in regard to the manner in which it is being handled, because, there is serious reason for complaint. Probably, this year, there is more waste going on than there has ever been before.

The Attorney General: Quite so.

Mr. TROY: I shall reserve my further remarks on this question until the Wheat Marketing Bill is introduced.

The Attorney General: It is now in another place.

Mr. TROY: The company concerned in this agreement must know its business. It is a reputable company, and has carried on operations for many years. It must, therefore, know its business, otherwise it could not exist in the trade.

Hon. W. C. Angwin: The company is all right.

Mr. TROY: Yes. We look to the Government to secure the best advice possible in order to safeguard the interests of the citizens of the State. That is the best we can expect in this matter. It is not my responsibility, because only legal gentlemen of the highest qualifications can determine whether these agreements are sound, or otherwise, and point out the flaws in them. So far as they are concerned, however, they will not tell us, because they may be looking for business later on.

Mr. SPEAKER: The hon. member is hardly fair in making a reflection of that sort.

Mr. TROY: I withdraw any reflection there may be. Speaking with a layman's knowledge, I say that I cordially welcome the principle involved in the Bill, but as for accepting any responsibility in connection with it, I cannot take any, because I have not the experience or the knowledge to satisfy me that I can properly analyse the agreement, and say whether it is a good or a bad one. One of the weaknesses of the Bill is that in addition to paying this com-

pany £9,000 in cash, there are certain percentage payments on the expenditure, involved in connection with the work to be done. It does seem to me that, although, as has been pointed out by another hon. member, the percentage is not very high, it is a bad plan to pay any person a certain percentage on any amount of money that he has expended. To do this would only be an inducement to him to spend as much money as he could. This obtained in connection with the Norton Griffiths people in New South Wales. These people had a provision in their agreement under which they were to be paid a certain percentage on the amount expended in their operations. The complaint was that they indulged in lavish expenditure, because the more they expended the more money they would receive. I cannot understand myself letting a contract to a man and saying "You will be paid five per cent. on any amount expended."

The Attorney General: Every engineer and architect is paid in that way.

Mr. TROY: They are in a happier position than most men. It is an absolute inducement to a man to spend as much as he can.

Hon. W. C. Angwin: The difficulty with the Norton Griffiths people was that they had not the work.

Mr. TROY: There is some limit here after all, but I am not certain yet whether that is too clear.

The Minister for Works: The plans will be approved by the Engineer-in-Chief and tenders will be called. Will not that be a safeguard against the eventuality of which you speak? I think I can explain that fully in Committee.

Mr. TROY: It struck me that if these people decided upon any alteration themselves, because they are the supervisors and the advisers, they could demand their percentage on the expenditure involved in the alteration. It does not seem to me a sound precedent to establish. It may be business and according to custom, but it is not a custom which appeals to me. I wish to say a word regarding the position of the Commonwealth Government, as it affects this proposal. The Commonwealth Government passed a wheat storage Bill, and in that Bill, we are given to understand, provision was made for the appointment of a commission to control this particular work. If this is the case where does the responsibility of the State Government come in?

The Attorney General: The arrangement is that if the State Government do not carry out the work the Commonwealth Government will do it themselves.

Mr. TROY: Mr. Hughes says that the Commonwealth Government will control the scheme.

The Attorney General: His speech is a little stronger than the Act.

Mr. TROY: His speech indicates that the Commonwealth Government are going to control the work, to appoint a commission on which there will be one State representative, and upon which all other members will be

representatives of the Federal Government. If we are going to accept this responsibility, and pledge the security of the country to the Commonwealth Government for the repayment of the money, then we ought to control this business ourselves. We ought not for a moment to brook any interference on the part of the Commonwealth Government. If I borrowed a sum of money, and am paying interest on that money, I would not brook any interference on the part of the mortgagee, provided I had paid my interest. This is the position of the State Government. We should not brook any interference on the part of the Federal Government, because our experience has proved that their administration is probably the most expensive in the British Empire. The Commonwealth Government to-day have numerous commissions, and almost every member of Parliament is on a commission of some character. I am not prepared to encourage the continuation of that system by which the Commonwealth Government lend us money, and demand security for the loan, insist on repayment, and then come along and interfere with our operations. I hope the Commonwealth Government have no such power. If the Commonwealth Government have such power, then, unless I am satisfied, I would not agree to the passage of a Bill which allows the Commonwealth Government to appoint a commission to interfere in a matter affecting this State only, and a matter which is the sole responsibility of this State. I welcome the principle involved in the Bill. If this is the nucleus of a bulk handling scheme, I welcome it still more; and I hope it will prove a very successful undertaking, not only for the farmers of the State, but also for the general community. I am not prepared to agree that the scheme, after it has been paid for, should be handed over to the farmers. That would involve a considerable amount of friction, and the scheme might get into the hands of particular organisations. Moreover, it is not the farmers only who are interested in the scheme. The railway men carry the wheat, the wharf workers load it, and the crews of ships carry it overseas. They are all concerned in the handling of the farmer's product. Eventually, of course, I may be satisfied that the scheme should go to the farmers; but to-day I am of opinion that it should remain a national asset. It is just as reasonable to say that the tramways when paid for should be handed over to the people of Perth, as to say that this scheme when paid for should be handed over to the farmers. It is just as reasonable to say that the State batteries when paid for should be handed over to the prospectors; and some of the State batteries have been paid for. If the State steamers were paid for by the people of the North-West, I would not admit that they ought to be handed over to the North-West people. I would say that they should remain a State asset until such time as the co-operative system has proved a success. Then the bulk handling scheme might be transferred to a co-operative society of farmers, railway men, lumpers, and sea-

men. All these classes are involved in the scheme.

The Attorney General: However, that is not in the Bill.

Mr. TROY: We may move on to that happy state of affairs which does not exist at present, but which we may expect in some distant future. Meantime, I hope the Government will control the scheme. I support the measure, although I take no responsibility for the agreement, in regard to which I admit my want of knowledge. I give the Government credit for the best intentions, and I hope that the proposition is a sound and just one.

Mr. GREEN (Kalgoorlie) [9.18]: Whilst I am entirely in accord with the proposal that the Government should arrange for the storage of wheat, I wish to make a few remarks to indicate that I am not altogether in accord with the proposals as outlined in the agreement with Metcalf & Co. The member for Beverley (Mr. Brown) in the course of his observations said his idea was that the farmers should be given charge of the handling of the wheat right from the field to the consumer in, say, London. If the hon. member and his party were to follow the recommendation of the present Agent General, Mr. Connolly, who was sent through Canada with a commission to inquire into the bulk handling of wheat, there would be quite another proposal before the House than that which the Government have submitted, and the member for Beverley would have his wish gratified. I have here a pamphlet on the Saskatchewan Co-operative Elevator Company, made available to me by the kind courtesy of the member for York (Mr. Griffiths). This pamphlet tells of the returns that have been made by the Saskatchewan Co-operative Elevator Company, to which company Mr. Connolly refers at some length in the report he has furnished to the Government as the result of his inquiries in Canada. From the pamphlet it appears that this co-operative company, which is composed of farmers, none of whom may hold a larger share in the company than the equivalent of £10 in our money, has been so successful that throughout the whole of that province it has dominated the wheat position, and, from being a very small co-operative concern, has grown to such an extent that by the 31st July, 1916, it had secured a profit of no less than £110,000. Mr. Connolly during his inquiries in Canada was particularly struck with the financial position of this co-operative concern and with the successful manner in which it conducted its business. He was also struck by the fact that the conditions some years ago in Saskatchewan were remarkably similar to those now obtaining in Western Australia; and for that reason he was careful to pay particular attention to this company.

Mr. Piesse: We have read all that.

Mr. GREEN: But I want to impress it upon the mind of the hon. member interjecting, because he evidently has not adopted the Agent General's suggestion. Mr. Connolly says—

It is not so many years since Home Rule was granted by the Dominion of Canada and Saskatchewan became a province. The constitution of the majority of the Saskatchewan

farmers at the time I am referring to was such that they were forced to go to the banks for even a small advance to enable them to take their necessary shares, which amounted to less than £10.

That is an important point to bear in mind. Hon. members on the cross benches have entirely overlooked the fact that the position of the Saskatchewan farmers a few years ago, when they helped themselves, was worse than the position of the Western Australian farmer now; and those hon. members go cap in hand to the Government to get from the taxpayer funds to assist the farmer in his business. I have here in Mr. Connolly's report, underlined in red ink, the opinion of the present Attorney General as to what our farmers should do—

Knowing the condition of our own farmers, I think that the formation of a similar concern in Western Australia is quite possible, except that I might add, as my opinion, that if Western Australia is to adopt the bulk handling of wheat it can undoubtedly be successfully handled at the farmers' end by following the lines of the Saskatchewan society and erecting wheat elevators by co-operative societies.

That is what I want to impress upon the House. If the Country party stand for anything, they stand on the other side of the balance against the Labour party as regards the ideal of modern legislation. The whole tendency of the Country party in their speeches is towards the principle of self help. I admit frankly that the Labour party believe in State control. That being so, we say that the farmers have no right to borrow our thunder just when it happens to suit their particular purpose to go cap in hand to the Government. If they are individualistic, they should recognise that there is a magnificent opportunity to adopt Mr. Connolly's recommendation and start co-operative concerns in the same way as has been done in Saskatchewan, where conditions were very much similar to those here. If the Country party are not prepared to do that, if they are simply prepared to pass it off like the member for Toodyay, saying "We have read all that; let the country do the thing for us," then I say that as far as political principles are concerned the Country party are not thoroughgoing and sound.

Mr. Piesse: Co-operation is all right.

Mr. GREEN: Then let us have an extension of co-operation. The farmers of Western Australia have already laid the foundation of their system of co-operation. What is easier than to go on with the good work?

Mr. Piesse: It is difficult to finance on account of the war.

Mr. GREEN: It is only a matter of £10 per head, and even that could be financed through the bank. I am not a financier, but I will guarantee that if the member for Toodyay (Mr. Piesse) and some of his friends—without prying into their personal position, I know some of them are not hard up for £10, not stuck for the last £10—go to the bank they can obtain the necessary advance. Let them follow the example of the noble yeomanry of Saskatchewan, and stick to their political principles.

Mr. Johnston: The Saskatchewan farmers found 15 per cent. of the money, and the Saskatchewan Government found 85 per cent.

Mr. GREEN: The farmers have paid that off now. There is no nine-bob-a-day business about the Saskatchewan farmer whether he is working or not. He has paid off his liability to the Government. He stands forth as a self-reliant agriculturist.

Mr. Johnston: We have to pay off our liability, too.

Mr. GREEN: Yes; in the sweet by and by. What we want is to see the money now. Let me say that I am afraid for the future of the yeomanry of this country. I recognise that the yeomanry of the Old Country has been the national backbone of Britain. But I again say that strange ideas of socialism are filtering into the grey matter which does duty for brain in the farmer of this country. There is a possibility that, as the result of this infiltration, the farmer will become without a backbone, will become a socialistic jelly fish such as he considers the Labour party to be. Let our farmers take a stand; let them show that they are lineal descendants of the yeomanry that under Cromwell fought so nobly for liberty in the days of the Commonwealth of England.

Mr. Johnston: Our farmers must have pretty big hearts to be on the land now.

Mr. GREEN: They have splendid hearts to be there. But unless they develop this system of self-help, unless they abandon the principle of leaning on the Government all the time, when they could find a way out, as shown by this report of the Agent General, their stout hearts are likely to fail them in the end. In that case the future farmers of this country will not have such stout hearts as we are told the agriculturists of to-day possess. Let those of to-day give an exhibition of their stout-heartedness.

Mr. Johnston: The fact that they are in new districts testifies to their stout-heartedness.

Mr. GREEN: Let those members of the Country party who have £10 available lend it to a fellow farmer to enable him to join a co-operative society. That is the suggestion of Mr. Connolly, the gentleman who was commissioned by the late Government to inquire into this matter. Although there has been a long discussion on this Bill, I have not heard one member of the Country party stress, or even mention, Mr. Connolly's recommendation.

Mr. Johnston: I thought you approved of State enterprise, anyway.

Mr. GREEN: The member for Avon (Mr. Harrison), however, has gone even further. It just shows how a certain habit may eventually sap the whole character. Scientists tell us that a habit may be so indulged as to become part and parcel of the very nature of the human animal. We see a tendency developing among farmers owing to their abandonment of the principle of self-help. Just as, in the physical world, an arm which is never used begins to wither and ceases to be useful, so, in this matter, we observe the member for Avon taking it for granted that the Government should run this sort of affair; and then the hon. member says, "After we have paid

the interest and sinking fund, let us take it over."

Mr. Johnston: When we have paid for it.

Mr. GREEN: The hon. member asks that the Government should hand the scheme over to the farmers. Now let me ask, who has paid for the Goldfields Water Scheme?

Mr. Johnston: The people of Western Australia.

Mr. GREEN: Never! The people of the goldfields have to pay for it until the cost is paid off under the three per cent. sinking fund, and that time is not very far off. And yet, forsooth! the men who are doing the work on the goldfields, whilst they have advocated progressive legislation, have never tried—

The Attorney General: Who makes up the deficit every year, something like £57,000 annually?

Hon. T. Walker: Who built Perth?

Mr. SPEAKER: Order!

Mr. GREEN: I hope I may be permitted to reply to the Minister. The amount of the deficit has been made up out of Consolidated Revenue, but the Minister knows very well that a sinking fund of three per cent. has been set aside for the work. I do not wish to dilate; but in answer to the interjection of the Attorney General I wish to point out that, even at three per cent., the goldfields people have paid, by way of sinking fund, £500,000 beyond the amount that the State is entitled to ask. And yet, although that enormous amount of money has been provided for that great national scheme by the people of the goldfields, and although it will be absolutely paid for so far as interest and sinking fund are concerned in the near future, no one has had the temerity to say to the Government, "Hand this over to us because we have paid for it."

The Attorney General: You would be afraid. The Government may say, "Take it over and maintain it."

Mr. GREEN: It would be one of the finest propositions on earth. What I complain of is that the Government have not followed Mr. Connolly's suggestion. Mr. Connolly was deputed to inquire into the matter, which none of the members of the Country party have seriously considered, and the result of Mr. Connolly's investigations are so much in favour of what they profess to pin their political faith to, that one cannot help noticing the omission on the part of the members of that party to refer to it. I want to deal with what Mr. Connolly had to say with regard to the firm of Metcalf & Co. Mr. Connolly did not come into contact with the Metcalf Co. whilst in Montreal, where they are supposed to have their head-quarters. Mr. Connolly made several extensive inquiries in that city and we have here a pamphlet on the Montreal harbour. He inquired into the elevators there but he appears to have entirely missed the firm of Metcalf. After his departure the firm discovered that Mr. Connolly had been there and they wrote to him in London pointing out that there was such a firm as the J. S. Metcalf Co., and Mr. Connolly, in furnishing his report to

the Government of this State, wrote as a post-script—

Since writing the above I have received the enclosed letter from the J. S. Metcalf Co., Ltd., with an enclosure. I have replied referring them to you. I must confess that I did not hear their name so prominently mentioned as one would infer from their letter, and in regard to the last paragraph I was not told that they took such a prominent part in the erection of the elevators of Montreal harbour. I understand that they were carried out by the Engineer-in-Chief, Sir John Kennedy.

Hon. members will see that the firm is not a particularly important one. It certainly does not stand very high in the engineering world in connection with the erection of wheat elevators, and that being the position, one might well be inclined to accept the suggestion made by our Engineer-in-Chief, Mr. Thompson, after he made his tour through Canada and investigated the question of bulk handling. Mr. Thompson recommended that tenders, with plans attached, should be invited from American and English firms. He pointed out that under these conditions the Government would have at their disposal the plans of the up to date firms of the world and by reason of the competition, which our friends tell us is the soul of trade, and which is part of their political principles, we would, from the submission of data, be able to select the very best scheme for Western Australia.

Mr. Johnston: That was in the Scaddan Government's time. The report was in 1913.

Mr. GREEN: That is so, but I take it from the remarks of the hon. member that it was a wrong line to pursue to ask for an inquiry.

Mr. Johnston: It was the proper thing to do.

Mr. GREEN: So long as the hon. member is prepared to admit that, I will agree with him. Seeing that the proper thing was done, I want to know why the present Government have entirely ignored the suggestions of the Scaddan Government.

Mr. Johnston: They did not carry out the recommendations.

Mr. GREEN: They supplied data on which it was possible to work, and their recommendations have not been followed in any particular. I trust the Government will consider the advisableness of adopting the recommendations made by Mr. Thomson to call for tenders, because, if there is one thing I fear more than another, it is the letting of a contract without competition. There is always a possibility that something might happen. I do not say that anything is likely to happen in connection with this matter, but suspicion is created by this *modus operandi*. I trust that the Government will call for tenders and then, not only the Metcalf Company, about whom Mr. Connolly while in Canada was not able to ascertain anything, but also American firms and British firms will be able to submit their proposals. In that way we ought to be able to get the most up to date scheme at the lowest possible price. I would give farmers, through their representatives, a final chance of sticking to their guns with regard to co-operation and this spirit of self-reliance and of individualism for which

they stand should then show itself to be equal to that of their brothers in Saskatchewan, who are putting £10 each into the venture.

Mr. Maley: I am glad to know you are championing individualism.

The ATTORNEY GENERAL (Hon. R. T. Robinson—Canning, in reply) [9.55]: I only wish to say a word or two to commend hon. members who have addressed themselves to the measure before the House. The object of the Bill is solely to ratify a proposed agreement with the Metcalf Company. It does not in the slightest degree commit the House or the State to bulk handling, but it certainly does show that the Government had in mind, or contemplated, that which is known as bulk handling, because they provide in the agreement that any storage bins, which might not be used solely for storage bins, should be part and parcel of a bulk handling scheme, if we choose at a later date to embark on such a scheme. In other words, we say that the £300,000 or £400,000 which we propose to spend at the present time on storage bins shall not be wasted, or cast aside, but shall be part and parcel of the great bulk handling scheme for Western Australia.

Hon. W. C. Angwin: The Chief Justice of Victoria stated that one cannot discuss this question without discussing bulk handling generally.

The ATTORNEY GENERAL: The hon. members opposite at first tried to dissociate themselves from this agreement, which has been brought forward not only by this Government but by two previous Governments, and was actually submitted by Mr. W. D. Johnson when Minister for Lands and Agriculture in the Scaddan Government. There was a recommendation by Mr. Johnson that as amended it be approved and signed, but he also recommended that, in view of the then political situation, the actual signing and completion should be left until political affairs were more settled. That recommendation went before the Labour Cabinet when all the members of the Labour Government were present and Mr. Scaddan approved of the recommendation made by Mr. Johnson. The interjection of the hon. member opposite, therefore, that they knew nothing about it at the time was not correct. Capital has been made by some members that this is an enormous scheme and that bulk handling will be so costly as not to be payable; at the same time some hon. members have suggested that the engineers of the Public Works Department should do the supervising themselves. The agreement has been before the present Government for a considerable time and one of the first objections taken by myself was very much on the lines suggested by the member for North-East Fremantle. I asked why our engineers could not carry out the plans submitted by Metcalf & Co. I had a chat with Mr. Thompson, the Engineer-in-Chief, and reduced to writing the result of that interview. I afterwards submitted it to him and he initialed what I had written. A fortnight ago I sent a copy of it to Mr. Thompson and asked him if he had any reason to change his opinion. In aus-

wer to my various questions Mr. Thompson told me that the departmental officers could not prepare plans or supervise the work cheaper than Metcalf & Co. could, for the reason that there were no experts in the State in that class of work. He could supervise, as the member for Sussex tells us, if the plans were prepared, but as he said to me, Metcalf's will not provide the plans unless they get the job. They will not give the bulk handling information and the plans unless they get the supervision of the job. It is the same with an architect, who says to you "I will prepare the plans for your house if you will allow me to supervise the building." I questioned Mr. Thompson as to whether, personally, he knew anything of Metcalf & Co., and he told me that he knew of their work in Canada, and both in design and construction they were very good indeed. I then questioned him as to employing Metcalf & Co., and he said he advocated their employment to prepare plans and specifications, so that they would be all ready for calling for tenders. At that stage of the negotiations the terms were that they required £12,000 for the plans and specifications, and 1¼ per cent. for supervision. It was after some further negotiations that the £12,000 was reduced to £9,000, but the supervision was put up to two per cent. The total figures on the outlay would be about the same. Mr. Thompson said that in the ordinary course country elevators should handle four to five times their capacity annually to pay. Our trouble here is that until normal times come, say, seven years, we will have to store possibly from one to three years' wheat, and therefore require more bins or more sheds than necessary for bulk handling in ordinary times. I then said to Mr. Thompson, "Can you, as an engineer, tell us of any better scheme than that brought forward by Metcalf & Co., any better class of agreement?" and he replied "I know of nothing better; I have no further suggestions to make." I talked to him about the question of cost, and he told me that the scheme he had in mind was the completed scheme contemplated by Metcalf's agreement, for a ten-million bushel scheme, but it could be made to handle 30 million bushels. That is to say, although we stored only ten million bushels, by the time the wheat comes into the store and is cleaned and passed out again other wheat was always coming in and it was possible to treat 30 million bushels. So that the scheme will be ample for Western Australia for some years to come.

Hon. T. Walker: In normal times?

The ATTORNEY GENERAL: Yes. The next question I went into was that of cost. I had in mind a cost of two million pounds. I said to Mr. Thompson, "This will cost us two million pounds," and he said "Nothing of the kind." I said "Will you give me the figures?" and he said he would go into them with Mr. Pearce, the engineer. He came to me later and said that for a ten-million bushel scheme the cost for concrete storage bins and temporary machinery would be approximately £700,000—or

£620,000 will be approximately necessary to complete the ten-million bushel scheme and make it complete for operating after the war. At the present time the machinery could not be obtained. I sent these notes to Mr. Thompson to look through, and mark as correct for me. He did so, and put this note in the column, "These amounts are only very approximate. Until the plans are drawn and estimates prepared it is more than probable over than under the mark."

Hon. W. C. Angwin: That is £1,300,000.

The ATTORNEY GENERAL: Yes. Several members, particularly those who represent ports such as Geraldton, Bunbury, and Albany—I hope hon. members will not take offence at the order in which I name the ports;—I am taking them as they occur to my mind.—

Hon. T. Walker: The first and last, Esperance.

The ATTORNEY GENERAL: If the price of these members' acceptance is that they shall each have a silo at the port, well, I say members had better tear up the Bill.

Hon. W. C. Angwin: The four principal ports will have to have them eventually.

The ATTORNEY GENERAL: The situation of the elevators and the storage bins is this: We are going to employ Metcalf & Co. who come here as engineers, who will traverse the country and advise us whether they think elevators and storage bins should be erected. Next, we have our own engineers, who are quite capable of advising as to the site and who know the State and the production, particularly Mr. Pearce, the engineer who was spoken of by the Minister for Works, and who is engaged on the work now. No man could better tell us where the silos should be erected. Secondly, we have the wheat marketing and advisory board. It is their intention to advise, and they will advise where silos or storage bins should be erected. Finally, we have to get the approval of the Commonwealth people. I quite agree with the member for North-East Fremantle that this Government should resist to the utmost any interference from outside authorities in the control of our scheme. We quite know what we are about, and how to control it. But the Commonwealth Government are finding us the money and will do so, and they demand a certain amount of consideration and supervision. But depend upon it, this Government will confine that to the lowest amount. Dealing with the advisory board let me inform members particularly on the cross benches, that the Government have well in mind the recommendations they have put forward, and they have been under consideration for some time. The leader of the Government informed me this evening that he had been conferring with Mr. Baxter, and saw no reason why two practical farmers should not be added to the board.

Hon. W. C. Angwin: It was moved in the Commonwealth Parliament that two farmers be placed on the board and this was refused.

The ATTORNEY GENERAL: This is on our own board I am referring to. The question of the ultimate ownership will largely depend as to organisations and the amount of money that is spent, and how long it will take to pay. If

it takes, as the member for Northam (Hon. J. Mitchell) suggested, 40 years, it will not concern many of the farmers to-day as to the ultimate ownership. If it is decided that the cost of the silos shall be covered in a shorter period, the ownership might very well, as mentioned by the member for Beverley, be in the hands of those who pay the money. My personal view is that the terms should be shorter and the farmers can well afford to pay for the scheme right out, and own it, and that will satisfy the member for Kalgoorlie. As to the danger suggested by the member for Mt. Magnet, I agree with him. The Government are only too anxious to have the agreement as good as it can be made.

Hon. T. Walker: Shall we be permitted, Mr. Speaker, to alter the agreement?

The ATTORNEY GENERAL: As you please. The only point about it is that it has taken a lot of negotiations. I shall come to that when we are dealing with the clauses—to make Metcalf's admit some of the Government principles which I have advocated being included in the agreement. They resent the engineer having control over them and being able to challenge their various officers. That is a matter which we insisted on, but I shall be able to tell hon. members more about that when we come to the actual agreement in the Committee stage.

Hon. T. Walker: Before the question is put, I should like to ascertain whether this agreement which we are asked to ratify can be altered, or can we make a new agreement altogether?

The ATTORNEY GENERAL: The agreement might be altered, but it is another matter as to whether Metcalf & Co. would accept the alterations.

Mr. SPEAKER: The member for Kanowna wishes to know whether the Committee can alter the agreement or make a new one. The agreement can be accepted subject to certain alterations in the paragraphs.

Question put and passed.

Bill read a second time.

In Committee.

Mr. Stubbs in the Chair; the Attorney General and Minister for Industries in charge of the Bill.

Clause 1—agreed to.

Clause 2—Ratification of agreement:

Mr. H. ROBINSON: I wish to move an amendment to paragraph 5, sub-paragraph (b) of the schedule.

The Minister for Works: Amendments to the schedule or agreement will be discussed when we are considering the paragraphs of the agreement.

Mr. Munsie: If we pass Clause 2 of the Bill we cannot afterwards deal with the paragraphs of the agreement.

The CHAIRMAN: I think the better way will be to postpone Clause 2 of the Bill until we shall have considered the schedule.

Schedule:

Mr. HARRISON: I wish to add a new paragraph providing that when the capital cost of the wheat storage bins shall have been paid they shall be retained by the State for the use of growers free of charge other than the charge for maintenance.

The Attorney General: I suggest that new paragraphs be postponed until we shall have considered the existing paragraphs of the agreement.

The CHAIRMAN: The very words in the first line of the schedule show that an agreement has been entered into. I do not think the Committee can nullify that agreement. Any amendment of the agreement must be made through Clause 2 of the Bill.

Hon. W. C. ANGWIN: I agree that we can only amend the agreement through Clause 2 of the Bill. The agreement has been entered into subject to ratification by Parliament. Never before have we gone into the items of a schedule unless it was desired to amend them.

The ATTORNEY GENERAL: I agree that the only way in which we can alter the agreement is by a series of amendments to Clause 2. But we will only find what to alter by going through the agreement paragraph by paragraph. Then we can catalogue the amendments and make of them a second schedule.

The CHAIRMAN: The wording of the first line of the schedule shows that an agreement was entered into on the 20th March.

Hon. T. Walker: Subject to ratification by Parliament.

Mr. Thomson: Shall we not be permitted to discuss the agreement paragraph by paragraph? Otherwise what is the use of placing it before the Committee?

The ATTORNEY GENERAL: It is the wish of the Government that the Committee should have opportunity for discussing the agreement. Unless it can be discussed paragraph by paragraph we are simply wasting time. To ask the Committee to approve or not approve of the agreement would not carry us much farther. If hon. members challenge any of the paragraphs of the agreement I can explain, and if my explanation is not satisfactory hon. members can then make suggestions.

Hon. W. C. Angwin: It is introducing a new precedent.

The ATTORNEY GENERAL: At all events I make that offer.

The CHAIRMAN: Then I understand it is the wish of the Committee to discuss the schedule paragraph by paragraph and if necessary to make amendments to any of those paragraphs.

Mr. Money: Through Clause 2 of the Bill, yes.

The CHAIRMAN: Well, let it rest at that. Any amendments to be made will be made in Clause 2 of the Bill.

Hon. T. WALKER: Is it necessary to include in the paragraph dealing with the definitions the name, Charles Farquharson Baxter?

The ATTORNEY GENERAL: The agreement must be made between two parties. In this case it is made between Charles Farquharson Baxter, who is the Minister in charge, and the company.

Hon. T. Walker: It should be "The Minister in charge of the Act."

The ATTORNEY GENERAL: We cannot make an agreement between "the Minister in charge" and some other person. It must be made by a live person. In this instance it is Charles Farquharson Baxter, who is adminis-



tering the scheme on behalf of the Government.

Hon. W. C. ANGWIN: It is not the usual practice for an Honorary Minister to enter into an agreement. The Minister named should be the Premier, who is Minister for Lands and Minister for Agriculture under the Constitution. Under the Constitution only six Ministers are recognised.

Mr. Brown: He is a sworn Minister.

Hon. W. C. ANGWIN: No, an Honorary Minister does not go through the same formalities as a Minister provided for by the Constitution. An Honorary Minister is there as one of the advisers of His Excellency, and he can, at the request of a Minister appointed under the Constitution, assist that Minister in carrying out his duties. Many matters can come before the Government which an Honorary Minister cannot sign.

The Attorney General: That is quite correct: for instance, title deeds.

Hon. W. C. ANGWIN: So in my opinion it is a great mistake that an Honorary Minister should have entered into an agreement when the Minister under the Constitution was in the State. I am not going to insist upon the name being altered, because I do not think it is worth while doing so, but at the same time I look upon it as a bad precedent. I hope a responsible Minister will always enter into such an agreement in the future.

Hon. T. WALKER: The hon. member who has just sat down has emphasised the point I was taking. The Honorary Minister concerned is not really a Minister, and had no right to sign the agreement under the Constitution Act. The agreement should have been signed by a responsible Minister, and to that extent it is illegally signed and can be repudiated. There is a danger in taking any steps towards the recognition of an Honorary Minister as a responsible Minister of the Crown as properly designated by the Constitution Act.

Mr. DRAPER: There does not appear to be any practical difficulty in the matter. The Crown can only make an agreement by some agent. The question of whether the agreement is valid or not is decided by whether the Crown Honorary Minister had authority to enter into it. It does not matter whether it is a Minister of the Crown, or the office boy, provided such authority has been given. The Government have taken a much more prudent course, and have authorised the Honorary Minister to make this agreement, and are rendering the agreement doubly valid by asking Parliament to confirm and ratify it. If Parliament ratifies it, how can it be successfully disputed that the Honorary Minister had authority to enter into it? The arguments advanced do not affect the validity of the agreement in the slightest degree.

Hon. T. WALKER: It is not a question of validity. I do not know that the Government have authorised the Honorary Minister to sign this agreement, I object to this way of doing things. The responsible Minister could have signed the agreement and should have done so. True, if we ratify the agreement the signature is absolutely legal and authorised, but there must be some objection taken to this way of doing it. I move—

“That in lines 3 and 4 of paragraph I the words ‘Honourable Charles Farquharson Baxter’ be struck out.”

The MINISTER FOR WORKS: The hon. member must then take exception to the second line of the preamble of the agreement, where it states that the agreement has been entered into between the Honourable Charles Farquharson Baxter and so on. I hope the Committee will not agree to this amendment. There is no question but that the Honorary Minister has had the authority of the Government to enter into this agreement, which is now being submitted to Parliament for approval or otherwise. Is the point of sufficient importance to necessitate the agreement being re-signed? This would mean that it would have to be submitted to Metcalf & Co. for their signature, and would involve considerable delay. If we are going to do any good in this matter we must act at once.

Hon. T. WALKER: I think my purpose has been served by this serious protest against this method of doing things, and I do not wish to proceed further.

Amendment by leave withdrawn.

Mr. Money: Either one method or the other is the right one.

The CHAIRMAN: The member for Kanowna has withdrawn his amendment, and there is nothing before the Chair.

Mr. THOMPSON: What payment will Metcalf & Co. receive for acting as consulting engineers?

The Attorney General: Nothing.

Mr. THOMSON: That is satisfactory.

The ATTORNEY GENERAL: I do not wish to mislead the hon. member. The words which are used are “consulting, designing, and supervising engineers.” For the supervising the firm will get two per cent., and for the plans and specifications they will get £9,000 and that covers designing, consulting and supervising. There is no special provision for consultation, and they may be consulted by the Government without any fee whatever.

Mr. HARRISON: I take it that it will not mean that these people can place orders for machinery or anything of that kind.

The Attorney General: They have nothing to do with that.

Mr. HARRISON: Supervising and advising engineers often make recommendations that certain lines of machinery will be required. I am more in favour of British made goods than of American or Canadian made goods. I should like our supervising engineers to watch closely any lines of machinery which may be used, because the life of a British made machine is much longer than that of an American made machine. We want to get the best value possible for our money. I have a considerable bias in favour of British made goods.

Hon. W. C. ANGWIN: Suppose that, owing to the state of the money market, the whole of the works covered by the plans submitted were not completed within five years, what extra remuneration would have to be paid?

The Attorney General: None.

Mr. THOMSON: Is it estimated that this work may possibly take five years?

The ATTORNEY GENERAL: The construction of the silos and storage bins for the

season's wheat should be a matter of months only, but under the agreement, it will be observed, further work may be authorised, and that further work, as it progresses, may take a longer period. At the end of the second year we may require more bins. The war may be over then, and we may desire to make these bins part and parcel of the bulk handling scheme.

Hon. T. WALKER: What is the object of the expression, "the Minister and/or the Government" in the eighth line of paragraph 3? It is provided that—

The Minister and/or the Government shall have the option of retaining the services of the company in the manner and for the purposes aforesaid

and so forth. Why the distinction between the Minister and the Government? I intend meaning to those words, "and/or the Government" be deleted.

The ATTORNEY GENERAL: It is very difficult in drafting an agreement to say exactly how it should be settled. No two men will draft an agreement in precisely the same way. This particular agreement has been drawn up by Mr. Sayer, the Solicitor General, who has a very finished style of his own of drafting. It has been discussed with Metcalf's representatives and has been settled by outside counsel. This is the form in which it came to me after being settled by other parties, and I did not choose to alter the words of the counsel who settled the agreement.

Hon. T. Walker: Do you attach any special meaning to those words, "and or the Government"?

The ATTORNEY GENERAL: Entirely just what they say. I hope members will not strike out the words.

Mr. MONEY: What would happen in the event of the Minister in charge of the wheat scheme deciding one way and the Government, who under this agreement are apparently a distinct body, deciding another way?

Hon. T. WALKER: Metcalf would win, and the Government would lose. The paragraph puts the Government and the Minister in antithesis, in contrast, as if the Minister were somebody outside the Government and could have responsibilities and intentions different from those of the Government.

The ATTORNEY GENERAL: I do not like those words going out because, although at the moment Mr. Baxter, the Honorary Minister, is in charge of the wheat scheme, it is possible that, in the course of time, during the currency of this agreement, a Minister may not be administering the scheme. There has been a clamour from certain sections that a board should administer the scheme.

Hon. T. Walker: The wording of the paragraph would not apply at all then.

The ATTORNEY GENERAL: Yes. The word "Government" would come in then. But if "and/or the Government" were cut out and "the Minister" only were left, a Minister would have to be in charge of the scheme.

Hon. W. C. Angwin: But the Minister acts on behalf of the Government.

The ATTORNEY GENERAL: But, in the future, there may be no Minister administer-

ing the Wheat Marketing Act; there may be a board administering that Act.

Hon. T. WALKER: I have no objection to the striking out of the words "the Minister and/or" in place of the words which I have suggested should be deleted.

The Attorney General: The only people who could take exception to those words are Metcalf & Co.; not members of this Committee, because the words give the Government additional power.

Hon. T. WALKER: My objection to the paragraph as it stands is that the Minister and the Government are put in contrast. I move an amendment—

"That in paragraph 3, line 8, the words 'the Minister and/or' be struck out."

The Attorney General: What object would that serve?

Hon. T. WALKER: To make the paragraph something like consistent.

Hon. W. C. ANGWIN: I support the amendment because the paragraph has nothing whatever to do with any notifications which may be received from Metcalf & Co. The paragraph contemplates the sending of notifications by the Government to Metcalf & Co. It is an implication, to my mind, that the Ministry have a certain amount of suspicion so far as their colleague is concerned, a fear that he may do something wrong. The paragraph as it is drafted certainly is one of want of confidence in the Minister who is to administer the measure. All the communications dealt with will be sent by the Government to Metcalf & Co., and not by Metcalf & Co. to the Government. If an hon. member were administering this Act and he sent out a notification to Metcalf & Co. without consulting the Government that it was intended to continue the agreement, what position would the hon. member be in?

The Minister for Works: He would have to resign.

Hon. W. C. ANGWIN: I should think so. That shows, therefore, that the words are not necessary. The clause is drafted in such a manner as to insinuate that the Honorary Minister, Mr. Baxter, who is a party to the agreement, might do something that the Government will not approve of.

Mr. Brown: Do you agree that the Minister, without consulting the Government, should engage Metcalf & Co. for a further term of five years?

Hon. T. Walker: On this agreement he certainly can.

Hon. W. C. ANGWIN: Hon. members do not appear to understand that a Minister of a department represents the Government.

Hon. T. Walker: Is the Government.

Hon. W. C. ANGWIN: The Minister is the Government. The appointment of a wheat board or 50 wheat boards has nothing to do with it. I do not know whether the Government intend to take any action in regard to this matter. I do not know whether this paragraph refers to the Commonwealth Government. Will it be the Commonwealth Government who will tell the Minister what action he shall take? Under the Bill the Commonwealth Government are going to take control until the money is repaid.

The Minister for Works: The Commonwealth Government have nothing to do with this paragraph.

Hon. W. C. ANGWIN: I know that the Commonwealth Government do not appear here, but we have been told by the Minister in charge that the Commonwealth Government are lending the money for the works.

The Minister for Works: How can this affect the Commonwealth Government?

Hon. W. C. ANGWIN: I think this provision constitutes a reflection on the Minister. Moreover, the words are not necessary.

Mr. MONEY: I am in agreement with the mover of the amendment. The provision is indefinite, and I do not think half the members know what it means. Some future Minister may be friendly with Metcalf & Co., and in consequence he might renew the agreement with Metcalf for another five years without communicating with the Government at all.

Mr. Munsie: He could do it under this provision.

Mr. MONEY: Undoubtedly he could. If it is necessary to come to Parliament now for ratification of a five years agreement, why should it not be equally necessary to come to Parliament for a renewal of that agreement? In this provision we have three parties introduced, namely, the Minister, the Government, and Metcalf & Co. The provision is loosely drawn. As it stands the Minister would be able to renew the agreement without consulting either Parliament or his colleagues in the Ministry. We are told that no Honorary Minister would dream of doing anything without the knowledge of the Government. But we know that recently one Honorary Minister, without the knowledge of the Government, up-rooted £5,000 worth of fruit trees entirely on his own.

Mr. MALEY: The preamble shows that in entering into the agreement, Mr. Baxter was acting for and on behalf of the Government of Western Australia.

Mr. Munsie: That is entering into the agreement: it is not the renewal of the agreement, which is a different thing.

Mr. MALEY: Even in respect of the renewal, one Honorary Minister could not constitute the Government of the State.

Mr. Thomson: Yes he could.

Mr. MUNSIE: I hope the Minister will agree to the amendment. The point raised by the last speaker does not apply to a renewal of the agreement. We ought to remove the possibility of an Honorary Minister renewing the agreement without consulting Parliament.

The ATTORNEY GENERAL: I have had an opportunity of looking over these words. They are simply the words of the Solicitor General, and an eminent counsel. In the beginning I found no fault with them, neither do I find any now. Reflections were then cast by hon. members on the Honorary Minister in another place, and I made up my mind to retain the words as a kind of protest against these imputations, but after listening to the member for Bunbury, I have come to the conclusion that the legal arguments he used were quite good. In view of those arguments I would agree to the words "The Minister and/or" being struck

out. This would necessitate consequential amendments which would be made.

Hon. J. MITCHELL: Is it not a fact that the Minister can act for the Government, without consulting the Government, whether the words are left in or not? Nothing will be gained by the alteration.

Hon. T. WALKER: The words "Government" and "Minister" are practically synonymous in that sense.

The Attorney General: I prefer them as they stand.

Hon. T. WALKER: The Minister is the Government, and Government includes the Minister. There is no need to have the two. It is possible to have them as alternatives if they take opposite sides. The Minister may have one view and the Government as a whole may have another view.

The Attorney General: This agreement was settled by Mr. Burt, K.C., and I leave the matter to him.

Hon. T. WALKER: By making the Minister one thing and the Government another Metcalf may have two doors to knock at instead of one. At the end of the term of five years confusion may be set up.

The Minister for Works: Why not take a vote on it?

Hon. T. WALKER: Because there is still some misunderstanding.

Mr. Pickering: What words do you propose to strike out?

Hon. T. WALKER: "The Minister and/or."

The MINISTER FOR WORKS: If the words "the Minister and/or" are deleted from paragraph 3 of the agreement, then those other words would have to be added to Clause 2 of the Bill.

Amendment put and passed.

Mr. THOMSON: Will it not be necessary also to omit the words "the Minister or" in line 11 of paragraph 3?

The CHAIRMAN: That is a consequential amendment.

Mr. H. ROBINSON: I propose to move an amendment in paragraph 5, sub-paragraph (b), for the insertion of "Albany, Geraldton, and Bunbury, respectively" after the word "Fremantle."

The CHAIRMAN: I cannot accept that amendment, because the carrying of it would mean a large addition to the expenditure under this Bill. The insertion of the names of more towns would at once alter the whole of the monetary portion of the Bill.

Mr. TROY: I would suggest that, in order to effect the purpose of the member for Albany, we might name Albany, Geraldton, and Bunbury as places where three of the four country elevators should be erected. One terminal elevator at Fremantle, and four country elevators, are contemplated by this Bill, and the districts in which Albany, Bunbury, and Geraldton are situated are all country districts.

Hon. T. Walker: I want Esperance as well.

The MINISTER FOR WORKS: Hon. members do not appear to recognise the effect of the suggested amendment. The agreement fixes certain remuneration for Metcalf & Co. If Bunbury, Albany, Geraldton, and Esperance are added as regards erection of terminal ele-

vators, it is not to be supposed that Metcalf & Co. will prepare the plans required for those additional ports without increased remuneration, and the agreement makes no provision for increased remuneration in a case of that kind. The four country elevators mentioned in the agreement, elevators of 30,000, 40,000, 50,000, and 100,000 bushels' capacity, merely represent types. The Bill does not say that only four country elevators are to be erected, but that Metcalf are to supply plans for elevators of those types. But the Bill does provide for the erection of only one terminal elevator, to be located at Fremantle; and the member for Albany now seeks to add three or four other terminal elevators. If the hon. member desires that these other ports should receive that to which he considers they are entitled, he can attain his object when the details of the wheat scheme are brought before the House. In my opinion, the suggested amendment, if carried, would not advance the hon. member's cause, but would stultify the agreement.

Mr. H. ROBINSON: I regret having to disagree with the Minister for Works. The paragraph from which the hon. gentleman quoted also contains the words "or of other capacity." How can any firm give a price with such a stipulation? Under the agreement the Minister might declare that all the elevators are to be of 1,500,000 bushels' capacity. We have here evidence of hastiness and grab on the part of Metcalf & Co., inasmuch as they have agreed to do work which the Government could greatly increase. The Minister has not told us what the capacity of the bins is to be.

The CHAIRMAN: I do not know what the hon. member is leading up to, because, whatever Metcalf & Co. may have done to obtain a good agreement, that subject does not fit in with this paragraph at all. The amendment indicated by the hon. member would, add very considerably to the expense proposed by this Bill, and therefore I must rule any such amendment out of order.

Mr. H. ROBINSON: If, under this agreement, the Minister demanded that all the elevators should be of 500,000 bushels' capacity, who is to stop him?

Hon. W. C. Angwin: Under this agreement Metcalf & Co. could not stop him.

Mr. H. ROBINSON: Certainly not.

Hon. W. C. ANGWIN: There is a definite size of elevator mentioned in the paragraph and no definite sum; therefore the hon. member's proposed amendment will not add to the expenditure. The price of the plans is regulated according to the expenditure involved.

Mr. Nairn: There will be greater expenditure if more terminal elevators are required.

Hon. W. C. ANGWIN: The Chairman has ruled that the member for Albany's proposed amendment cannot be accepted because it will bring about increased expenditure.

The CHAIRMAN: The member for Albany desires me to accept an amendment to add the words, "Albany, Bunbury, and Geraldton." My ruling is that directly those words are used increased expenditure will follow.

Mr. TROY: I cannot agree with you Mr. Chairman, because the Bill provides for increased expenditure in sub-paragraph 2 of Paragraph 9.

Mr. H. ROBINSON: My amendment will also provide for the deletion of the words from the paragraph, "and four country elevators of the respective capacities of 30,000, 40,000, 50,000, and 100,000 bushels," so that no additional expenditure will be involved. Moreover the paragraph itself provides that drawings shall be prepared for a terminal elevator of a capacity of not less than a million, and not more than a million and a half bushels, as the Minister in his discretion shall determine. The paragraph will certainly give the Government power to erect four elevators within the scope of the financial assistance received from the Federal Government. There is no need to emphasise the great benefit which will accrue to the farmers this year by the erection of the terminal elevators at the ports I have suggested, the principal ports of the State. I move an amendment—

"That after the word 'Fremantle,' in line 2 of sub-paragraph (a) of paragraph 9, the words 'Albany, Bunbury, and Geraldton respectively' be added, and that in lines 4, 5, and 6 the words 'and four country elevators of the respective capacities of 30,000, 40,000, 50,000, and 100,000 bushels' be struck out."

The ATTORNEY GENERAL: I am strongly opposed to the addition of the words, not that I object to elevators being erected at those places but for quite another reason. We are employing Metcalf & Co. who are skilled engineers in this class of work. They are to advise us where the elevators should be placed and the capacity at the different places. If we have hon. members with a knowledge of this class of work who are prepared to advise the Government we had better tear up the agreement. If we are going to have experts let us have them but members representing the different ports think that elevators should be erected at those ports and the member for Kanowna takes these members off by saying he must have an elevator at Esperance. When we get the plans of the different types we can determine where the elevators should be placed. Paragraph (b) is rendered senseless if we name the places where the elevators should be erected. Under paragraph (a) the first thing the experts do on arrival is to visit the proposed sites of all the works comprised in the system and give us their advice. Until we get that advice for which we pay them a heavy sum no one can determine where the elevators should be erected.

Mr. Thomson: Why one at Fremantle?

The ATTORNEY GENERAL: Because if we have a scheme at all we must have one at Fremantle. There will be no centralisation over the scheme but it would be foolish for me to say I want one at Albany, another at Bunbury, and I think there should be one at Mandurah. When we get the advice from the experts we will then have the advice of the committee on which I suggest there shall be two practical farmers.

Mr. Broun: Under the agreement the Government are paying £9,000 to Metcalf for plans and specifications. Will that include plans and specifications for elevators at Bunbury, Geraldton, and Albany and so forth?

**The ATTORNEY GENERAL:** If the hon. member will look at the paragraph he will see it is in addition to the £9,000. If we insert the amendment stating the places where elevators are to be erected we may as well tear up the agreement. It is no good having engineers come here to advise us if we tell them where the elevators are to be placed.

**Mr. THOMSON:** We have it from the Attorney General that the Government are not competent to say where the silos are to go, that the whole question must be left to outside experts. If we pass the agreement as it stands, providing for a terminal elevator at Fremantle, the country elevators will be expected to feed that at Fremantle. We have at Fremantle to-day the most up-to-date facilities for handling bags which are to be found in the Commonwealth. If we are to inaugurate a system of bulk handling of wheat, we must remember that we are coming to the days of large ships, and that therefore Albany should be given first consideration. It is only since the existence of the wheat pool that the farmers in my district have been placed on a proper basis, and rendered able to get fair prices for their wheat at their natural port, Albany. Previously they were penalised a penny per bushel because of lack of proper handling appliances. We are to have over £200,000 provided for these elevators.

**The Minister for Mines:** How many will that provide? Perhaps one.

**Mr. THOMSON:** Yet the Government have entered into an agreement for the erection of five. I want one of those five to be situated at Albany. I trust the Committee will agree to the amendment.

**Hon. T. WALKER:** This is not a matter of construction. All that we are dealing with is that when plans are drawn and specifications and estimates prepared in respect of one terminal elevator at Fremantle, the company shall also draw plans and prepare specifications for similar elevators at Albany, Bunbury, Geraldton, and Esperance. This could be done without any trouble and without tearing up the Bill. Provision is made for it in this very paragraph.

**Hon. W. C. ANGWIN:** How is it possible for the Government to construct four terminal elevators at a cost of £285,000? One alone would cost £200,000. A terminal elevator is no good unless there is also storage accommodation for the wheat. It is impossible to make the bulk handling scheme successful in Western Australia without having terminal elevators at the ports mentioned by the member for Albany and Katanning, but the Government have no money with which to erect these. One little set of machinery alone at Fremantle, which cost £2,500 before the war, would now cost nearly £4,000.

**The Attorney General:** To build an elevator of a capacity of 1½ million bushels, completely finished, would cost a quarter of a million of money. We have that estimate for it now.

**Hon. W. C. ANGWIN:** The estimate I gave in connection with the Geelong elevator was £214,000, giving a capacity of 1,250,000 bushels.

**Mr. Maley:** There is no machinery provided here for anything else than for drawings and storage capacity.

**Hon. W. C. ANGWIN:** If the drawings are made now we have to pay 3 per cent. for them before they are required.

**Mr. Lutey:** Why not, when we have the experts here?

**Hon. W. C. ANGWIN:** When the five years have expired, I hope we shall have officers in the State with the necessary experience, and those plans, which will have been prepared by Metcalf, can be used by them because they will be the property by the Government.

**Mr. Thomson:** I doubt that very much.

**Hon. W. C. ANGWIN:** A big saving will thus be effected to the Government.

[12 o'clock, midnight.]

**Mr. HARRISON:** I move—

“That the question be now put.”

**Mr. MALEY:** It is absolute moonshine for the Minister to say that we must delay this matter until Metcalf & Co's. expert arrives here. Any man can to-day find sufficient evidence as to where the wheat is accumulating in this State.

**The CHAIRMAN:** Did the member for Avon move that the question be now put?

**Mr. HARRISON:** I think we have had sufficient discussion; but, still, I ask leave to withdraw my motion.

Motion by leave withdrawn.

**The Colonial Treasurer:** Are ports of more importance than the establishment of the scheme?

**Mr. MALEY:** In introducing the Bill, the Minister said that under the scheme provision would be made for the storage of five million bushels. Allowing that the Fremantle elevator is to be of the highest capacity of which the Government have the choice, namely, 1,500,000 bushels, and allowing that the Government choose also the highest capacity for each of the four country elevators, namely, 100,000 bushels, that would allow only for the storage of a total of 1,900,000 bushels.

**The Attorney General:** But there may be 20 elevators of one type.

**The Minister for Works:** Plans for four types of elevators are to be supplied. That does not mean that only four of those elevators are to be built.

**Mr. MALEY:** To obviate the necessity for all this variation of plans the amendment of the member for Albany should be carried.

**The MINISTER FOR WORKS:** That would cost a million of money. What is comprised in the agreement is portion of a complete scheme, and it is desired in the interests of the farmers and of the country that whatever is done in the immediate future shall form part of a complete scheme without unnecessary expenditure being occasioned. The member for Greenough has said that there are to be four terminal elevators. But he has been told that the cost of a terminal elevator is £250,000. Therefore, four of them would cost one million pounds. Now the funds at the command of the Government for this purpose are £285,000. A terminal elevator at a port is of an altogether different type from a country storage elevator. The terminal elevator must not only be prepared to take the wheat out of the truck, in the same way as the country elevator does, but must be prepared to discharge it at any elevation that may be required in order to load the wheat into the ships. As regards the amendment of the member for Albany, I quite appreciate his desire, and that of the member for Katanning, that the claims of Bunbury, Geraldton, Albany, and even Esperance shall not be overlooked. But this is not the place to make provision for those ports. The Bill deals with an agreement between the Government and a firm of experts for the supply of plans and advice. The experts will first of all

have to visit the sites and then advise the Government. When they have advised the Government, the matter will not be settled in a hole-and-corner way, but will be duly considered. Moreover, before anything can be done, there will be another session, and it will then be open for any member to table a motion that when the scheme is put into operation the claims of Albany, Bunbury, Geraldton, and Esperance shall be considered. If the motion is carried, that will be a direction to the Government, and from the Government that direction can be conveyed to Metcalf & Co.

Mr. THOMSON: Do I understand that if we pass this Bill it will not amount practically to an authority for the erection of an elevator at Fremantle? Am I to understand that if this Bill passes the Government will immediately proceed with the work?

The Minister for Works: No. What will follow on the passage of this Bill is that the plans for an elevator at Fremantle will be prepared.

Mr. THOMSON: And a later Bill will come down to inaugurate bulk handling, and by that Bill the Government will be authorised to expend money on the scheme?

The MINISTER FOR WORKS: A Bill for that purpose will have to be submitted to Parliament and discussed, as indicated by the Attorney General in his speech introducing this measure.

Mr. Thomson: Before you proceed to erect elevators you will ask the permission of Parliament?

The MINISTER FOR WORKS: Hon. members are quite safe in connection with this matter. The ratification of the agreement will enable Metcalf & Co. to proceed with inspection of the sites, the making of reports, and preparation of drawings, plans, and estimates. It would also permit the Government to purchase, or arrange for the purchase, of all the necessary material, such as cement and reinforced steel. Some action of that sort must be taken, or else the country will be mulcted in great sums. The price of all these materials is going up by leaps and bounds. If this matter could have been settled three months ago, there would have been £30,000 or £40,000 saved to the State in the cost of material alone. I hope the hon. member will withdraw his amendment because what he requires can be done next session. No one knows better than the member for Albany that delay in connection with a matter of this sort will mean considerable expense. Delay has already cost us a big sum, and if we do not take action at once, we shall be the losers. Besides, the inclusion of the words the hon. member proposes will render the agreement of no value.

Mr. TROY: The Minister for Works first said that the amendment could not be admitted because the money was not there, and now he states that it can, but that it will embarrass the Government. The amendment does not provide for the expenditure of one penny in construction. The only expenditure that will be incurred is provided for by subparagraph 2 of paragraph 9 of the agreement. If the amendment provided that there should be a big expenditure of money, the Minister's statement would stand, but since it only provides that plans and specifications shall be secured for Bunbury, Albany, and Geraldton, it should be allowed to pass. My desire is to see that every port shall have the trade that belongs to it, and I believe that ports like Geraldton, and Albany, and to an extent Bunbury, which have wheat areas as a hinterland, should have the consideration shown to them as desired by the member for Albany.

If the object of Parliament is to agree to the Bill without question or amendment, what purpose are we serving? The Government have forgotten what responsible government means. The Government do not control the policy of the country. Parliament does that and when an agreement is submitted for the consideration of members, members have a right to make any alteration which it is thought is in the interests of the people.

Hon. J. MITCHELL: The question is, are we to have plans or storage capacity? If we are to have plans for terminal elevators which cannot be built for some time, we are losing the opportunity of preserving the wheat. We want the greatest possible capacity for the storage of the wheat. Everybody knows that we cannot have a bulk handling scheme without a terminal elevator, or without elevators at Albany, Bunbury, and Geraldton. When once the bulk handling scheme is adopted these ports will get their terminal elevators; we need not bother about them now because they cannot be built now. We want the money spent on the erection of silos. In connection with the terminal elevators, we must have a nest of silos. I hope that silos will be placed at the ports, where a great deal of wheat must be stored. I think the hon. member should withdraw his amendment, because it cannot achieve his object. I want to see all the money available expended on silos, and none wasted on plans.

Mr. PIESSE: I urge the hon. member not to press the amendment, because even if it were carried it would not assure the construction of terminal elevators at the various ports, notwithstanding which it would commit the Government to largely increased costs for plans and specifications. In view of this, I will vote against the amendment.

Hon. T. WALKER: I want to ask the mover of the amendment if he is willing to include Esperance with the other ports. My object is to test the sincerity of those supporting the amendment. They support it on the score of decentralisation, but they are not prepared to follow out the principle and give a chance to remote ports. If they will not include Esperance I will vote for the Government's proposal.

Mr. H. ROBINSON: I would like to know from the Minister for Works if my interpretation of his remarks be correct. I understood him to say that the passing of the Bill will merely approve the Government instructing Metcalf & Company to prepare plans and specifications, and that before any work is put in hand the question will be brought before Parliament again.

Mr. FOLEY: It seems to me the whole question has resolved itself into a demand for a terminal elevator in each member's electorate. The question of site ought to be left with the experts. It behoves the Government to confidently rely on the experts engaged in the work. I am going to vote for the paragraph as it stands.

The MINISTER FOR WORKS: What I understand from the member for Albany is that, if this is passed, he wants to know if we are going to proceed with the erection of the silos right away. We cannot do that until we have sites selected and plans drawn. What we can do, however, is to make arrangements in the meantime for the purchase of the necessary cement and other material required for reinforcement.

Hon. W. C. Angwin: Would you do that without the approval of Parliament?

The MINISTER FOR WORKS: We have lost close on £30,000 in connection with the wheat.

marketing scheme, owing to the delay in the preparation and discussion of the agreement. If we defer it any longer we shall lose more money. It is hoped the wheat marketing scheme will be brought down next week, and then the question can be discussed as to the ports which have been mentioned.

Hon. T. Walker: More Bills this Session?

The MINISTER FOR WORKS: What can one do with an hon. gentleman who talks not like that?

Hon. T. Walker: It is not to talk about bringing in more Bills this session.

The MINISTER FOR WORKS: We must buy our material. If hon. members opposite think that this is a waste, let them say so. If we are to lose more money in the proposition let them take the responsibility. There is no single member of the Government who believes in centralisation, or in sending all the business of the State to Fremantle. I think we all believe that our ports should have the traffic which geographically belongs to them.

Mr. H. ROBINSON: After the explanation of the Minister for Works, I shall be glad to withdraw the amendment.

Hon. W. C. Angwin: You cannot withdraw that without the consent of the Committee.

Mr. H. ROBINSON: I should like to say a few words to the Honorary Minister in reply to the remarks he made. I have come here as a National representative to follow the Government, but not as a blind follower of any Government. If I feel inclined to vote against the measure I will not be coerced by anyone.

Mr. FOLEY: On a point of order. The hon. member is not discussing the clause and there is nothing in the clause to say that he came here as a Nationalist.

The CHAIRMAN: If the hon. member desires to ask the Committee for leave to withdraw the amendment I will put that question to the Committee. Is that the hon. member's desire?

Hon. W. C. ANGWIN: This paragraph deals with the preparation of drawings and specifications for elevators, and an amendment has been moved to it. This will bring about the expenditure of money. The Minister for Works has accused hon. members of wasting £30,000 owing to delay.

The MINISTER FOR WORKS: Not at all. I did not accuse anyone of wasting £30,000. I pointed out that the time which had to be taken to get the agreement drawn up, discussed and ratified, namely two months, has made a difference of £30,000 in the purchase of material.

Hon. W. C. ANGWIN: The Minister said that it was owing to delay which took place in the discussion of the agreement.

The Minister for Works: That was in the discussion with Metcalf.

Hon. W. C. ANGWIN: That was not explained. I did not understand it that way. It was only last Thursday that the Bill was introduced, and there has been no delay. If the delay has been occasioned by discussion outside Parliament, hon. members are not responsible for it in any way.

The Minister for Works: Exactly.

Hon. W. C. ANGWIN: There would have been no delay in the discussion of this Bill to-night, and the measure would have gone through an hour and a-half ago, had it not been for the Minister for Works and the Attorney General. They are responsible for the delay. You, Mr. Chairman, told them how to proceed with this measure, and,

indeed, the Speaker before leaving the Chair, advised them how so proceed with it. But they asked you, Mr. Chairman, to deal with the agreement paragraph by paragraph—an unheard-of thing. You, Sir, with your usual kindness, acceded to the request of the Ministers. If members had been stonewalling the measure, I could understand the position. But they have not done so. This Bill represents one of the biggest questions that has come before our Parliament for several years. It represents the whole question of bulk handling. Half a million of money is not going to be spent merely in silos. The whole scheme of bulk handling has been pushed forward at a time when we cannot consider it as we would under normal conditions. I object to the Minister for Works blaming hon. members for the position which has arisen. That position is entirely due to the Minister for Works and the Attorney General.

Mr. H. ROBINSON: I ask leave to withdraw my amendment.

Amendment by leave withdrawn.

Hon. W. C. ANGWIN: Why does paragraph 6 provide that inspections shall be made and plans, drawings, specifications and estimates prepared "to the satisfaction and subject to the approval of the Minister or the Engineer-in-Chief"? This is liable to cause misunderstanding between the Minister and the Engineer-in-Chief. Metcalf's people might go to the Engineer-in-Chief, and, not getting from him all they desired, might then, unknown to the Engineer-in-Chief, approach the Minister and get him to consent to something possibly under a misunderstanding. If Metcalf's went to the Minister in the first instance, he in all probability would say, "I will refer the matter to the Engineer-in-Chief." I consider that in this paragraph "Minister" alone should stand, "Engineer-in-Chief" being deleted. No Minister would decide a question under this agreement without first referring to the Engineer-in-Chief.

The ATTORNEY GENERAL: In the agreement as originally drafted, wherever a deciding thing had to be done the word "Minister" was used. Metcalf's strongly objected to that, contending, through their lawyer, that "Minister" might mean some person who for some whim, or for some party object, or from something other than a sense of duty, might possibly raise unreasonable objections. It was really giving the Minister, who is in fact a party to the agreement, power to say whether the agreement was satisfactorily performed. As the member for North-East Fremantle knows, in all Government contracts—say a contract between the Minister for Works and a given firm—there is a clause providing that the work shall be performed to the satisfaction of the Engineer-in-Chief. Accordingly I suggested—it was I who did this—that the dispute should be got over by getting rid of the word "Minister."

Hon. W. C. Angwin: Either "Minister" or "Engineer-in-Chief" should be struck out. I do not care which.

The ATTORNEY GENERAL: Sir Walter James, who acted for Metcalf & Co., was in Melbourne, and all the negotiations were conducted by telegraph. We telegraphed suggesting that in these various clauses the word "Minister" should be excised in order to get over Metcalf's objection, and that the Engineer-in-Chief, who would act in a kind of judicial capacity, should be specified. Had that been accepted, it would have been all right. However, Metcalf & Co.'s further message accepted my suggestion as regards para-

graphs 3, 4, and 13, but in this particular paragraph retained the words "the Minister or the Engineer-in-Chief" as seen here now. Sooner than have the agreement travel again to Melbourne, with a waste of ten days, we decided to let those words remain. I do not think they make a difference. We will take good care that no approval is given until inspections and plans, drawings, specification, and estimates have been well considered, not only by the Engineer-in-Chief and the Minister, but also by the Government.

Hon. T. WALKER: It is an innovation of an extraordinary character, and I do not know whether the Attorney General can refer me to any other such instance.

The Attorney General: I cannot. It arose in the way I explained.

Hon. T. WALKER: It may have possibilities of untold complications. One may act behind the back of the other and one may act entirely without the other. The Minister may act without consulting the Engineer-in-Chief and exercise undue haste, or even the other may do it. If the Minister can act without consulting the Engineer-in-Chief, the very danger we are trying to avoid may arise.

The Attorney General: It should not be left solely to the Engineer-in-Chief; the Minister should have some control, but they will not agree to it being left solely to the Minister for the reason I have given.

Hon. T. WALKER: No contractor should be allowed to cast that aspersion on the integrity or capacity of a Minister.

The Attorney General: You never saw the word "Minister" used in any agreement; it is usually "Engineer-in-Chief" or "Chief Architect."

Hon. T. WALKER: The Engineer-in-Chief in giving his approval will undoubtedly, by virtue of his office consult the Minister. I do not care which is omitted, the "Minister" or the "Engineer-in-Chief."

Hon. J. Mitchell: Keep in "Minister"; it does not matter what Metcalf's like.

The Attorney General: I would prefer to retain "Minister."

Hon. T. WALKER: The word "Minister" includes all officials and it is an aspersion on the Government to suggest that we have a Minister in this State who will act without consulting his expert officers.

The Attorney General: Move an amendment.

Hon. T. WALKER: I move an amendment—

"That in lines 12 and 13 of paragraph 6 the words 'Engineer-in-Chief' be struck out." Amendment put and passed.

Mr. PICKERING: In paragraph 9 it is stated that the Company's headquarters will remain in Melbourne. I consider that the Company should have an office in Perth. The amount at issue is sufficient to warrant them having an office in Perth.

[1 o'clock a.m.]

The ATTORNEY GENERAL: They probably will establish one in Perth. These travelling expenses are to be paid to attend conferences in Melbourne during the time the plans are being prepared.

Hon. W. C. Angwin: It is an exceptional way of doing business.

The ATTORNEY GENERAL: It is a small matter.

Mr. THOMSON: According to paragraph 11 the Government would have to pay for any errors

made by Metcalf & Co. in the plans or specifications; or alteration might be made to suit Metcalf & Co., and the Government called upon to pay the cost.

The ATTORNEY GENERAL: Paragraph 6 provides that the plans must be effective in all respects for the purpose and to the respective capacities for which the same are intended. Therefore, if a defect in the plans arises through some neglect of Metcalf's, they have to put it right. In other words they warrant the plans to do what they say, they will do.

Mr. THOMSON: Under this provision they can claim from one per cent. to three per cent.

The Attorney General: But only on alterations put in at the request of the Minister.

Mr. THOMSON: The State may have to pay a considerable sum of money through the plans being defective.

The Attorney General: No; under paragraph 6 they warrant the plans.

Mr. THOMSON: The possible alteration of the plans may mean thousands of pounds to the State.

The ATTORNEY GENERAL: It is provided that if the alterations amount to 25 per cent., then 3 per cent. shall be paid, but if they do not amount to 25 per cent. it shall be only 2 per cent. on the construction cost of the alterations. The customary rate is 3 per cent.

Hon. W. C. ANGWIN: I think the hon. member is looking at this, not from the point of view of plans, but from the point of view of buildings. It is the alteration of plans which we are dealing with.

Mr. THOMSON: The mere alteration of a plan may mean 3 per cent. on the cost of construction, notwithstanding that the alteration may represent merely the addition or the elimination of a line on a sheet of paper.

The CHAIRMAN: If the hon. member objects to the provision he should move an amendment.

Mr. THOMSON: I am not just now in a position to draft a comprehensive amendment, and so I must content myself with calling attention to the necessity for such amendment. It is a very serious thing, and I am only doing my duty in calling attention to it.

Hon. W. C. ANGWIN: When the Minister was speaking on the second reading of the Bill I drew his attention to paragraph 13 and 14. Does not paragraph 14 upset paragraph 13?

The Attorney General: I do not think so.

Hon. W. C. ANGWIN: In the one case power is given to do almost anything in connection with the works, and in the other the matter has to be submitted to arbitrators.

Mr. MONEY: Under paragraph 13 the Engineer-in-Chief, although not a party to the agreement, apparently has power to end it. If that is the case, the works referred to in the succeeding paragraph can only mean those works in hand on the date of the termination of the agreement. I should like to know if paragraph 14 is confined to the work in hand, or whether it has to do with future works.

The ATTORNEY GENERAL: This is one of the paragraphs around which a fight with Metcalf arose. In these agreements it is the custom to insert an arbitrary clause which gives the Government power and authority over the works. We could not have a party to the agreement being able to suddenly terminate it at his own whim, whereas a third party, such as the Engineer-in-Chief would act judiciously, if he found that the parties were not carrying out the work properly. He would be acting in the capacity of an agent



In this case, instead of power being made absolute, as I desired, Metcalf insisted on the qualification now in the proviso, which says that the works in hand, or under order, shall not be affected. The company said they would only provide the plans for the scheme, provided they had the supervision of the works in hand. I came to the conclusion that in view of the stringency of that paragraph and of other paragraphs, it would be a fair thing to agree to Metcalf's having that provision. There was even a difference of opinion among the lawyers as to whether that proviso paragraph should come in. The member for North-East Fremantle took exception to paragraphs 13 and 14 as contradicting each other.

Hon. W. C. Angwin: I am satisfied.

The ATTORNEY GENERAL: The only point in the discussion which has specially caught my eye is as to whether the Engineer-in-Chief should be the one to terminate the agreement. I shall think that point over, and, if alteration is needed, I will have it made in another place. I do not know which hon. member mentioned that point.

Hon. W. C. Angwin: The member for Bunbury (Mr. Money).

The ATTORNEY GENERAL: The Engineer-in-Chief, I should say, could terminate the agreement as agent for the Government; but the insertion of another word or two may express that more plainly.

Mr. THOMSON: Paragraph 16 provides that all moneys payable under the agreement—shall be free from any further taxation which may be imposed by the Government of Western Australia.

Any private firm of engineers resident in Western Australia would be subject to taxation, and I certainly think that if Metcalf & Co. are to come here and derive considerable pecuniary benefit from this country they should pay legal taxation. I would suggest that the words which I have quoted should be struck out, with a view to the insertion of other words providing that Metcalf & Co.'s remuneration shall be subject to any taxation which may be imposed by the Government of Western Australia. Or else all reference to taxation might be struck out of this paragraph.

Hon. W. C. Angwin: Metcalf & Co. are getting the usual terms of payment.

Mr. THOMSON: They are to be well paid. I move an amendment—

"That in paragraph 16 the words 'and shall be free from any further taxation which may be imposed by the Government of Western Australia' be struck out."

Am I to understand that this agreement has been signed already?

The Attorney General: Certainly it is signed; but it is subject to the approval of Parliament.

Mr. THOMSON: I presume Metcalf & Co. will listen to reason.

Mr. LAMBERT: I support the amendment, and I hope the member for Katanning will show consistency later, when members on this side avail themselves of opportunities to impose taxation similarly.

Mr. MONEY: Is this a usual provision in Government contracts, or is it an unusual provision? I am not aware that contractors with the Government have a special provision exempting them from State taxation. I take it contractors operating here for four or five years should be subject to the taxation of Western Australia.

The Attorney General: It is an unusual provision.

Amendment put and passed; the schedule as amended agreed to.

Postponed Clause 2—Ratification of agreement:

The CHAIRMAN: Clause 2 of the Bill will now have to be consequentially amended by the inclusion of the amendments made to the paragraphs of the agreement. It will now read as amended:—

"The agreement set out in the schedule to this Act is hereby ratified and confirmed subject to the following amendments:—(1) In clause three of the agreement, line eight, the words 'The Minister and/or,' are omitted. (2) In clause six, line three, the words 'or the Engineer-in-Chief,' are omitted. (3) In clause sixteen, all words after 'payable,' are omitted."

Clause as amended put and passed.

Mr. HARRISON: On account of what the Minister stated that certain charges are to be made for the storage of wheat which will go into the silos, I intend to move the insertion of a new clause as follows:—

"When the capital cost of the storage bins has been met, the bins shall be retained by the State for the use of wheat growers, free of charge other than administrative charges and maintenance."

The CHAIRMAN: I would point out to the hon. member that the object of the Bill is to ratify an agreement between the Government and Metcalf & Co., therefore the hon. member's amendment is out of order.

Title—agreed to.

[The Speaker resumed the Chair.]

Bill reported with amendments and the report adopted.

House adjourned at 1.45 a.m. (Friday).

## Legislative Council.

Friday, 12th April, 1918.

The PRESIDENT took the Chair at 3.0 p.m., and read prayers.

[For "Papers Presented" see "Minutes of Proceedings."]

### LEAVE OF ABSENCE.

On motion by Hon. H. MILLINGTON leave of absence granted to Hon. J. M. Dwyer (Central) for six consecutive sittings of the House, on the ground of urgent private business.

### BILL—EMPLOYMENT BROKERS ACT AMENDMENT.

Read a third time and returned to the Assembly with an amendment.