

I cannot say quite so much for it in regard to smaller bodies. However, it refers only to stock travelling over 20 miles. None of the precautions are necessary in the case of stock moving about within a distance of 20 miles. I have pleasure in supporting the second reading.

Hon. J. J. HOLMES (North) [8.44]: I desire to support the second reading. To my mind the Bill fills a long felt want. The fact that the measure has been practically compiled by the late Mr. Septimus Burt will go a long way towards convincing hon. members that in perusing the Bill they will find a spirit of equity from beginning to end. I do not think there is scope for much discussion either on the second reading or in Committee. The Bill appears to have been carefully and equitably drawn, and it is one which I believe will fill a long felt want. I am convinced that it will meet the wishes of the majority of members of this House.

On motion by Hon. J. W. Hickey, debate adjourned.

House adjourned at 8.47 p.m.

Legislative Assembly,

Wednesday, 10th September, 1919.

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

QUESTION—TIMBER PRICES.

Mr. MUNSIE asked the Minister for Works: 1, Has his attention been drawn to an article which appeared in the "Sunday

Times" on the 7th inst., under the heading "An Impending Timber Boom," in which the following paragraph appeared:—"Only last week the timber companies, including the State sawmills, decided to raise the price of timber 12½ per cent. all round, which means that there will now be a further rise in the cost of building, with a corresponding increase of rents"? 2, Is the information contained in the above paragraph correct? 3, If not, will he take the earliest opportunity of contradicting same through the Press?

The MINISTER FOR WORKS replied: 1, Yes. 2, No. 3, This is not considered necessary.

QUESTION—BULLER RIVER RESERVOIR.

Mr. WILLCOCK asked the Minister for Works: 1, What was the reason for discontinuing work at the Buller River reservoir? 2, Is it intended to recommence the reconstruction of the reservoir? 3, If so, when? 4, If not, what is it proposed to do in order to provide an adequate supply of water for Geraldton for industrial and household purposes?

The MINISTER FOR WORKS replied: 1, Pending Engineer O'Brien's report and recommendation on the value of the site for the purpose. 2, See No. 1. 3, See No. 1. 4, Full and exhaustive inquiries are being made, and it is recognised that Geraldton has claims which cannot be ignored.

QUESTION—COAL DEPOSITS, IRWIN RIVER.

Mr. WILLCOCK asked the Minister for Mines: 1, Has any agreement been completed between the Mines Department and the Midland Railway Company in connection with boring for coal on the Irwin River coal deposits? 2, If so, what are the particulars of the agreement? 3, If not, (a) what steps are proposed to be taken by the Mines Department to thoroughly test the value of the coal deposits at Irwin? or (b) what amount will be made available to assist private individuals or companies to do so?

The MINISTER FOR MINES replied: 1, No. 2, Answered by No. 1. 3, The department has undertaken to put down bores to thoroughly prove the extent and value of the deposit, subject to the Midland Company consenting to the department having the right of access to their land for such purpose. We are awaiting a reply from the company, which is expected at any moment.

QUESTION—WATER SUPPLY, LOAN ESTIMATES.

Mr. WILLCOCK asked the Minister for Works: 1, How much of the £20,000 estimated as required for "Water Supply for Towns generally," on the Loan Estimates

for 1918-19, has been expended? 2, What are the items of expenditure paid for out of this vote?

The MINISTER FOR WORKS replied: 1, £8,048 18s. 2, Return has been prepared and laid upon the Table of the House.

QUESTION—ANDINACH CASE, COMPENSATION.

Mr. JONES asked the Colonial Secretary: 1, Is he aware of the finding of the coroner's jury and of the Royal Commission in the Andinach case? 2, In view of the fact that Andinach's death was caused in a Government institution through a fractured rib, is it the intention of the Government to give any compensation to his widow and children?

The MINISTER FOR MINES (for the Colonial Secretary) replied: 1, Yes. 2, No. The fact as found by the Royal Commission was that Andinach's death was caused by exhaustion induced by his mental condition.

QUESTION—REPURCHASED ESTATES, PROTECTION.

Mr. PICKERING asked the Premier: 1, In the purchase of improved properties does the purchase money include all improvements, including wire in fences? 2, What protection does the department concerned give to such properties? 3, Is it a fact that the wire is being removed from the fences of at least one property near Donnybrook? 4, If so, what action does he intend taking? 5, If not, will he have inquiries made?

The HONORARY MINISTER (for the Premier) replied: 1, Yes. 2, Caretaker put in charge when considered necessary. 3, Not to my knowledge. 4, Answered by No. 3. 5, Yes.

QUESTION—PASTORAL LEASES, SANDSTONE.

Mr. ANGELO asked the Minister for Repatriation: 1, When were P.L. 2683/97 and 2740/97, comprising 768,125 acres, near Sandstone, applied for by one E. J. Church? 2, Is applicant a returned soldier, or has he any sons returning from the Front, or is he merely a speculator? 3, Would it not be advisable to resume these leases immediately, and by so doing enable a number of soldiers now looking in vain for pastoral land, to be satisfactorily settled?

The HONORARY MINISTER (for the Minister for Repatriation) replied: 1, Pastoral Lease 2683/97 was acquired by E. J. Church from the Sandstone Pastoral Company on 28th February, 1919. Pastoral Lease 2740/97 was applied for by E. J. Church on the 23rd November, 1918. 2, The applicant is not a returned soldier. I have no knowledge whether he has any sons returning from the Front, or whether he is a speculator. 3, Inquiry will be made.

QUESTION—EDUCATION DEPARTMENT INSPECTORSHIP.

Mr. GRIFFITHS asked the Premier: 1, In view of the decision of the Education Department in making the recent appointment to the inspectorial staff to revert to the practice of former years and not appoint a man who is over 40 years of age, and of the fact that no teacher was aware that an age qualification was necessary, will he explain—(a) Why the age qualification was not mentioned in the advertisement calling for applications for the position? (b) Why fresh applications were not called for when it was seen that 10 out of the 11 applicants were over 40 years of age? 2, Will he state in their order of importance, as far as possible, the qualifications that are taken into consideration in the selection of an inspector of schools?

The MINISTER FOR WORKS (for the Premier) replied: 1, (a) Teachers are not under the Public Service Act, while inspectors are. Therefore the appointment of an inspector is a new appointment to the Public Service, and no age limitations were imposed in the advertisement. (b) As no limitations had been imposed and none of the applicants was disqualified on account of age there was no occasion to re-advertise the position. 2, Among the qualifications taken into consideration are personality, scholarship, teaching ability, successful control, and physical fitness. It is impossible to state the order of importance of these qualifications.

QUESTION—WHEAT AS ARTICLE OF DIET.

Mr. GRIFFITHS asked the Honorary Minister: 1, Has he received a circular over the signature of Mary Farrelly, which states—"Although there are many people in this State aware of the foregoing facts (i.e., wheat as a food is both a life giver and a money saver, wheat contains 10.90 per cent. of phosphates—white flour contains only 2.80 per cent.—and is in every respect a perfect food) and are anxious to make wheat a staple article of diet, yet owing to the spasmodic nature of the supplies of wheat (clean) which are available, they have been quite unable to do so"? 2, Will he inquire into the statement made re "clean wheat not being made purchasable by the householders of the State," and if it is correct take steps to alter this?

The HONORARY MINISTER replied: 1, Yes. 2, F.a.q. wheat is purchasable from the Wheat Scheme by householders for home consumption. There has been practically no demand for this class of wheat.

QUESTION—VENEREAL DISEASE PATIENTS.

Mr. SMITH asked the Colonial Secretary: 1, How many persons have failed to return to the Perth Public Hospital free clinics

after being notified by the Health Department? 2, What method do the Health Department use to compel patients to continue treatment, and with what result? 3, Will he lay on the Table of the House all correspondence on this matter between the Perth Public Hospital and the Commissioner of Public Health?

The MINISTER FOR MINES (for the Colonial Secretary) replied: 1, 226 persons have failed. 2, The Commissioner immediately upon receiving intimation under Section 242c that a patient has discontinued treatment before receiving a certificate of cure, addresses a notice to the patient concerned, such notice being sent by registered post. If this meets with no response, a second and, if necessary, a third notice is sent, after which legal proceedings are contemplated. Altogether 497 persons have been notified under Section 242c of the Health Act as having ceased treatment before receiving certificates of cure. Of this number 186 have resumed treatment at the Perth Hospital; 85 have resumed treatment elsewhere; 12 have left the State before action could be taken; 7 were reported to have died. In 93 cases, the whereabouts of patients could not be traced; 15 cases were abandoned for various reasons; 99 cases are still the subject of correspondence. 3, Certainly not; as such action would be a contravention of the provisions of Section 242o of the Health Act, seeing that such correspondence deals exclusively with individual cases and contains the names of the persons concerned.

QUESTION—SOLDIER SETTLEMENT, ESTATES PURCHASED, PAPERS.

Hon. P. COLLIER (without notice) asked the Minister for Works: Pursuant to an order of the House, papers were laid on the Table last week dealing with estates purchased for soldier settlement; but those papers represent only a portion of the files dealing with the subject. Attached to them is a memorandum intimating that the other papers are required for the use of the department, and that they will be laid on the Table as soon as conveniently possible. I wish to ask the Minister for Works, as the Minister leading the House to-day, when we may expect to have the remainder of the papers which are covered by the motion?

The MINISTER FOR WORKS replied: Had I known anything about this matter before I came up to the House, I would have had the information; but, as it is, I simply do not know. I shall, however, make inquiries, and let the hon. member know to-morrow.

Hon. P. Collier: Will you make an effort to get the remainder of the papers?

The MINISTER FOR WORKS: Yes.

BILLS (2)—FIRST READING.

1, Constitution Act (1889) Amendment.
Introduced by Hon. P. Collier.

2, Constitution Acts (1889 and 1899) Amendment.

Introduced by the Attorney General.

RETURN—POLICE DEPARTMENT, SECRET SERVICE FUND.

Mr. JOHNSTON (Williams - Narrogin) [4.46]: I move—

That a return be laid on the Table of the House showing the amount expended by the Police Department from the secret service fund during each of the past ten years.

I understand the Government would like to know why I am moving for this return. The reason is that I have received complaints to the effect that only very few officers of the Police Department are permitted to expend any secret service funds, and that consequently those officials have opportunities for securing credit from the department which leads to promotion, opportunities that are denied to a great many other officials of the department. I do not know whether the amount involved is a large one or not. I am unable to find from any returns of the Police Department or any other quarters whether the amount involved is £100, £1,000, or £10,000 per annum. If it is proved that very few officers are permitted to handle the expenditure of this money I think Parliament, in which is vested the control of the public purse, should be entitled to know how much is being expended in this direction. When I have that information I will know whether it is necessary to apply for further information as to how the money is spent. I may say in passing that questions which I have asked about the Police Department have always been answered in a brief manner. That appears to me to suggest that the Police Department is not anxious that there should be much information given about the work of the department. One can understand that the Police Department would not tell us who got the secret service money. Nor is there anything in my motion asking for such information. It merely asks the House to agree to a return being laid on the Table showing how much money is spent each year in this direction.

The MINISTER FOR MINES (Hon. J. Seaddan—Albany) [4.50]: I hope the House will not agree to the motion. Hon. members will recognise that in all police services such a fund is essential to obtaining necessary information.

Mr. O'Loghlen: Tell us the amount.

The MINISTER FOR MINES: The hon. member got information the other day in regard to the service, and the only thing I can see remaining is to allow the hon. member to go into the department and ransack the books and files to his own satisfaction.

The hon. member has given no reason for asking for such a return. In reply to a question the other day, I told him of the method employed for the purpose of satisfying the department that the money is being properly expended.

Mr. Johnston: You said it was the same as that in the Eastern States. Of what use is that?

The MINISTER FOR MINES: If the hon. member would tell us why he wants this information we might make some progress, but he does nothing of the sort.

Mr. Smith: How much of it is expended in his district?

The MINISTER FOR MINES: I do not know. Probably that is the whole point. We could go on continuously in this manner without making progress. No suggestions are offered that the fund is being misapplied. The sole suggestion is that some favoured few get the exclusive privilege of expending the money, and so are able to improve their positions. When money is being spent for the purpose of securing information in the secret service, a certain number of officers are told off for the purpose, and those officers must have the right to draw on the fund. They do not draw anything out before the application by them is carefully perused by the heads of the department. If we are going to have a continual prying into these matters, we may just as well close down the secret service fund which is so essential to seeing that the law is complied with. After all, most of us if found out would get our deserts. We have a pretty difficult task now in bringing to book people who have committed offences. It must be remembered that this fund is never drawn upon in regard to trivial offences. It is in order to bring very clever criminals to justice. There is a similar fund in every country. If the hon. member would bring evidence that the fund is being used for improper purposes, I would at least make inquiries. I am satisfied with the results achieved in this State from the very small expenditure in this direction. We have achieved a great deal, and our achievements compare very favourably with those in the other States. But I am afraid we are asked to pry into these affairs merely to satisfy one or two individuals. No doubt the hon. member is prompted by somebody, a member of the police force, to continually make complaints against the department. Hon. members should not lend themselves to anything of that sort.

Mr. O'Loughlen: You may be surmising something.

The MINISTER FOR MINES: Yes, but I have had a little experience of this sort of thing.

Mr. O'Loughlen: There was a time when you used to pry into a lot of things.

The MINISTER FOR MINES: But not this sort of thing. If the hon. member can give an instance of my asking for information in regard to funds set apart for the purpose of bringing criminals to justice, I will withdraw my opposition to the motion.

Moreover, in my time I have been pestered by quite a number of members of the police force who have merely wanted to cause discontent in the service. It was not that the information they wanted was of any value; they themselves were discontented, and each wanted to be the Commissioner of Police.

Mr. O'Loughlen: You once preached that doctrine.

The MINISTER FOR MINES: I am preaching another now.

Hon. W. C. Angwin: You are going backwards.

The MINISTER FOR MINES: Whatever doctrine I preached I made progress on. The hon. member is standing still.

Mr. O'Loughlen: You slipped a lot.

The MINISTER FOR MINES: The member for North-East Fremantle (Hon. W. C. Angwin) has gone backwards. After all, it is a question of opinion in such matters, and I do not think the hon. member's opinion is of much value in this respect. I prefer my own. However, all I am suggesting is that the hon. member who moved the motion put up no argument in favour of it, and I want him to realise that the fund is there for a definite purpose. Until he can point to a misuse of the fund, I will not agree to supplying the return he is asking for.

Hon. P. COLLIER (Boulder) [4.55]: I am surprised at the Minister's opposition to the motion. If, as he stated, the hon. member moving the motion has given no reason why the information should be supplied, on the other hand the Minister has given no reason why it should not be supplied.

The Minister for Mines: The hon. member is inquisitive, that is all.

Hon. P. COLLIER: Members are sent here to be inquisitive, especially in regard to the expenditure of public funds, and still more especially where the administration of justice is concerned. Both these questions are involved in the motion. It is not only the right but the duty of members to be inquisitive in this direction. It is not sufficient for the Minister to say the hon. member who moved the motion gave no reason for it. It is the hon. member's right to ask for information as to the expenditure of public funds, and it is the responsibility of the Minister to supply that information. All that the motion asks for is that we should be supplied with information as to the amount of money expended in the secret service fund. It does not ask for information as to how that money has been expended, as to who received it, or where it went to. I ask, why should the House not have that information? If the hon. member were asking for the names of those who received the money I could understand the Minister's opposition to it. Perhaps it would not be fair to disclose names.

The Minister for Mines: You heard what he said in moving the motion.

Hon. P. COLLIER: I know only what the motion contains. It asks for information as to the total amount of money expended. What is the objection to that? The House

is just as much entitled to that information as to information regarding the expenditure of any other public funds. There is a desire on the part of the Police Department to evade giving information on this question.

The Minister for Mines: You cannot say that, for I have not consulted them about it.

Hon. P. COLLIER: Probably the Minister did consult the department in regard to the reply he gave on this question a few weeks ago. The same hon. member then asked for information similar to what he seeks to obtain under this motion. The Minister did not supply the information. The answer he gave was to the effect that the amount so expended during the last 10 years would require some time to tabulate. That is sheer evasion. It would not require two minutes to obtain the information, because it is all in the department's books. The reply merely indicates a desire to avoid giving information. Whether the Police Department spends £100 or £1,000 a year, why should this House, representing the people, not have the information? It is not sufficient for the Minister to say that no reasons have been given. The fact that money has been expended is in itself sufficient reason why the House should have information as to the amount expended.

The Minister for Mines: You were not always of that opinion.

Hon. P. COLLIER: I do not remember being of a different opinion.

The Minister for Mines: Are you going forwards or backwards?

Hon. P. COLLIER: I will go with the hon. member as far as he likes, and we shall see where we come out. I see no reason why the information should not be given. I would go further and not only would I ask for the total amount expended, but an indication should be given as to how the money has been expended. Is it handed over to an inspector so that he may exercise his own free will?

The Minister for Mines: Ask the member for North-East Fremantle. He was there for some years.

Hon. P. COLLIER: The hon. member is not there now. When I was a Minister, information of this description was never refused. The Minister for Mines will remember that his Government were turned out of office because of the alleged secrecy of their methods. Even though we did pursue those alleged secret methods, they never carried us so far as to refuse to give information of this description. The Minister for Works and others, told the people that the present Minister for Mines pursued his course of administration by devious and secret methods, and it was necessary that we should be turned out of office in order that the utmost light should be thrown on the doings of our administration. Apparently the Minister for Mines has not departed from those supposed methods. He is still pursuing the course of secrecy. If the Minister refuses to give us information of this kind which

is of no great importance, how may we expect to get information on larger questions? Will the Minister for Works endeavour to persuade the Minister for Mines to be more open? I hope the House will carry the motion. The House will certainly stultify itself if it refuses to adopt it. The motion does not deal with anything which the House should not have a knowledge of. If the House refuses to supply the information then the Government will only have themselves to blame for the precedent which they will have established. I should like some more details of how some of this money is expended. There is secret service money placed at the disposal of the police, and not only is that money—which is provided from Government funds—expended by members of the police force for the purpose of meeting the ends of justice, but there is also a secret service fund, if I may so use the term, controlled by individuals or by corporations in this State, and that money, too, is placed at the disposal of the police. For instance, the Chamber of Mines has a secret service fund out of which it makes presents to members of the police force, and I shall have more to say about that later on when the opportunity presents itself. The Chamber of Mines makes contributions towards the cost involved in maintaining the gold stealing staff. There is a fund, whether it is secret service or not I do not know, from which money is drawn to pay that organisation. Sums of money, say of £5 or £10 or even more, are paid to individual members of the police force for special services rendered during the year. That is information also which the House should have. I do not suppose it would be within the power of the Government to demand to know from the Chamber how they spend money in that direction. But we have come to a state of affairs which is dangerous to the liberty of the people. Members of the police force are sworn in under the Police Act and they are controlled by the Police Department, and at the same time they are servants of outside and private organisations. They do the bidding of that organisation and draw bonuses or gratuities.

The Minister for Mines: How long has that been operating?

Hon. P. COLLIER: Ten or 12 years. It is nothing new. That is another thing which was in existence in my time.

The Minister for Mines: I was not aware of it until you just mentioned it.

Hon. P. COLLIER: It was inaugurated in 1907 and has been in existence since. I do not think this method of making contributions to the individual members of the police force has been in existence all that time, but it is an iniquitous thing to say that members of the force should be subject to the influence which any private body may care to exercise over them by virtue of the fact that they are making donations to them as the years go round. However, that is a different matter, but it all bears on the dis-

tribution of the semi-secret service funds of the police force. So far as the motion is concerned, the hon. member who moved it is within his rights and the House will be stultifying itself if it refuses to accede to the hon. member's request.

Mr. TROY (Mt. Magnet) [5.8]: This afternoon we have had information which has never been given before. It is certainly the first time I have heard that the police of this State are paid from a secret service fund.

Hon. W. C. Angwin: This money is used for the purpose of obtaining information.

Mr. TROY: I was not aware of that either. I do not know why the Minister should oppose the motion, because if the information is given, the names of the persons concerned will not be known. No injury will be done to the system. The other afternoon there was a motion moved by the member for North Perth in which we were given to understand that extravagance existed in connection with one of our departments. That is information we cannot get unless the Committee asked for is appointed. We are entitled to know how all the money provided by this Parliament is expended. I support the motion because I think it is a matter on which information should be given.

Mr. PICKERING (Sussex) [5.10]: There can be only one or two reasons for not giving the House the information. One is that the amount is so small that it may encourage criminals to go further in their criminality or that it is so large that the Minister does not like to trust the House with the information. In either case, the House is entitled to have the information. There is no reason, so far as I can see, why the information should not be supplied. I intend to support the motion.

Mr. JOHNSTON (Williams-Narrogin—in reply [5.12]: I feel that the unexpected opposition of the Minister is a reflection of the star chamber methods adopted by the police department at the present time under the Commissioner who is there. Members are sent here to scrutinise public expenditure and I think we are entitled to have full information as to the amount spent under the different headings. I cannot help warning the Government to be careful about supporting the Minister for Mines in the dictatorial attitude he has adopted, which, if persisted in on broad lines can only bring harm upon the Government. Since I have been in Parliament it has not been the policy of any Government to refuse members information as to the broad headings on which public funds are expended. I had hoped that the Minister at present controlling the Police department would have profited by past experience, and I feel that I should warn the Government against allowing him to carry his influence too far.

The Minister for Mines interjected.

Mr. JOHNSTON: Like myself, the Minister now supports things that he has condemned. When he left the Labour party, however, unlike myself, he did so without seeking that endorsement from his constituents which I obtained when I was unable to support his Government. I resigned my seat and my constituency endorsed my action. When he went before his, however, to seek approval of his changes of front, they refused to continue to give him their support. I, however, have no desire to cross swords with the Minister on that point, but I do feel, in view of his attitude, that it is my duty to warn the Government against supporting him in the action he has now taken.

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

Ayes	..	..	..	..	25
Noes	..	..	..	..	13

Majority for .. 12

AYES.

Mr. Angwin	Mr. Money
Mr. Brown	Mr. Mullany
Mr. Chesson	Mr. Munro
Mr. Collier	Mr. Pickering
Mr. Davies	Mr. Pilkington
Mr. Foley	Mr. Rocks
Mr. Gardiner	Mr. Smith
Mr. Green	Mr. Thomson
Mr. Griffiths	Mr. Troy
Mr. Johnston	Mr. Walker
Mr. Jones	Mr. Wilcock
Mr. Lutey	Mr. O'Loghlen
Mr. Maley	(Teller.)

NOES.

Mr. Angelo	Mr. Robinson
Mr. Draper	Mr. Scaddan
Mr. Duff	Mr. Teesdale
Mr. Durack	Mr. Underwood
Mr. George	Mr. Willmott
Mr. H. B. Lefroy	Mr. Hardwick
Mr. Plesse	(Teller.)

Question thus passed.

PAPERS—STATE SAWMILLS, PROJECTED SALE.

Mr. O'LOGHLEN (Forrest) [5.19]: I move—

That all papers dealing with the negotiations for the sale of State Sawmills and permits be laid upon the Table of the House.

In moving this motion I desire to point out that I am taking a great deal of interest in these negotiations because over 10 years ago I advocated in this Chamber the establishment of State sawmills. That was largely owing to the fact that at the time the public departments were not getting a fair crack of the whip, which they had a right to expect in a timber country like this. Con-

sequently, when periodically thousands of employees in the industry, whom I represent, went to the Arbitration Court, they were met by a mass of figures, regarding the accuracy of which it was difficult to say, and the State sawmills would give some reliable check on the cost of production put forward by Millars. A Labour Government came into power and launched out in a bigger way than I had expected, in the establishment of mills in the jarrah and karri country. It is now proposed that the Government should sell these mills and permits to a French syndicate. This strikes at one of the chief planks of our platform. The collective ownership of utilities is a principle worth fighting for. It received great stimulus during the war. The British Government commandeered many utilities, and if collective ownership is good enough in war time there can be little against it in peace time. I realise that the Chamber of Commerce and many of its prominent members will put up a fight. They advocate the sale of the whole of the State trading concerns established by the Labour Government, and carried on by subsequent Governments. I attach some importance to the statement of the late Treasurer that the State sawmills were the one bright spot in the picture. The sawmills have shown a profit from the outset. A newspaper correspondent states they have shown a profit owing to the high prices charged. This is not in accordance with the facts. The timber industry has been hit heavily during the war, and for export the prices charged have been too low. The State sawmills have been able to keep going throughout the war. I do not know how they did it when Millar's Combine—one of the greatest in the world—closed down no fewer than nine large mills. The State mills managed somehow to keep their heads above water, occasionally getting a boat to South Africa and elsewhere. Owing to the war, big supplies of American oregon were kept out of the country, and several big companies who were not patriotic before the war were made patriotic against their will. The Broken Hill Proprietary Company was one of them. The result of these conditions is that our timber has secured a good footing in the Australian trade.

Mr. Smith: Can we retain that position in the future?

Mr. O'LOGHLEN: We can retain it. There is no reason why we should not. If our timber was good enough to use throughout the war, it is good enough for all time.

Mr. Smith: It is a question of price.

Mr. O'LOGHLEN: A question of price! No American firm should be able to compete with Australia regarding prices.

Mr. Hardwick: We have not been able to do so in the past.

Mr. O'LOGHLEN: We have been able to do so. It was a matter of prejudice. At the present time a timber boom is approaching. Three firms from the Eastern States are looking for areas and for permits. The

South-West Timber Hewers' Society have negotiated a sale. As the result of the sale, the shareholders who originally launched out 17 years ago, and have not received a dividend up to the present, will realise over £200 for each £10 share they took up.

Mr. Hardwick: If that is not profiteering, what is?

Mr. O'LOGHLEN: If that is profiteering, after waiting for 17 years without a dividend and then getting it, it is an indication of what the State may expect if it hangs on to its mills. The Minister may consider that the price of £400,000 is a good deal; I do not think so. He lacks vision. His colleagues lack foresight, and the members of this House will lack brains if they endorse the deal. I have no more objection to a French firm acquiring this concern than to any other, though our experience with the Italians has not been a happy one.

The Minister for Works: Look how the French settled in Canada.

Mr. O'LOGHLEN: In Canada the French have had the patronage of one of the most illustrious Canadians that ever stood up in defence of the British Empire. Sir Wilfrid Laurier, as a French Canadian, has given every attention to the matter of the protection of the French residents of Canada; but recent statistics show that the French will not emigrate to Canada in any large numbers.

The Minister for Works: It is not likely they will emigrate to Western Australia in any large numbers. If they do, they might do good.

Mr. O'LOGHLEN: Possibly, but I am not going to jeopardise the interests of Western Australia even for the sake of a nation whom we so deeply admire for the heroism they displayed in this war. The French Government propose to spend three million pounds on the provision of homes in the devastated areas. The French Government will require timber, in the same way as every other Government in the world will require it. If the Minister would only read the reports of the American Conservator of Forests, it would be demonstrated to him that for many years past, owing to lack of foresight, owing to the apathy which existed and which exists to-day, all the timber areas of the world were being denuded without any provision being made for regeneration. The result is that while in the past timber has been of comparatively little value in Western Australia, the present prospects are so bright that anyone holding a tract of timber country here finds himself on a good financial wicket. Let me again express the opinion that the profits which the State Sawmills will make in the future are sadly needed by our impoverished Treasury and should not be diverted to a foreign country. The profits of the State trading concerns generally are likely to be good. I will admit that some of our State trading concerns do not show a large margin of profit. But

the State Sawmills represent a concern which came splendidly through all the long period of the war. It is marvellous how the State Sawmills have kept going and shown a profit at all. For months at a stretch it was impossible to get a vessel to shift the commodity. What is the result going to be from the increased demand for timber all over the world? People everywhere are looking for timber. In those countries which do not produce iron our timber must find a favourable market. Therefore, I say that in my opinion it is a crime to dispose of a State utility, a huge public enterprise that has shown a profit since its inception and is just on the eve of contributing handsome dividends to the Treasury. The Minister may point out that he has safeguarded the future provision by stipulating that Government departments shall get their timber at a fixed price. Even supposing that is so, we have no guarantee that this new firm will not, in a very short period, sell over to the other timber firms in Western Australia. Even should the firm retain the property, the Minister can only make provision for protecting the public departments. He has at present no power, so far as I can see, to protect the consumer in regard to the prices that will be charged by this firm; and considering that only a fortnight ago the Sawmillers' Association increased their prices by 10 per cent.—the second increase within a very short period—I venture to predict that they can make three or four of those increases and still have their order books full. Only yesterday I was informed by one of the big timber men that he does not want another order for three years, and I believe it is a fact that some of the timber men who now have large orders are anxious to get the other companies to cut them, because to-day further orders are obtainable at much better prices.

The Minister for Works: When wages go up, timber must go up.

Mr. O'LOGHLEN: The Minister may advance that contention, but the sawmillers with the shrewdness characteristic of their class, have on two or three occasions raised the price of timber without any intimation whatever that wages were going to be increased. The price of timber must rise by reason of the increased demand, not only in the Eastern States but all over the world. Timber is going to be one of the chief factors in rebuilding. Timber is going to be in great demand, and we in Western Australia, holding an investment such as this, with 320,000 acres of sawmill permit, would be foolish, in fact criminal, to sell it. To do so would be to reverse the public policy of this country. If the Minister introducing this proposal, and his colleagues, went to the country with a proposal to sell the State Sawmills, the people of Western Australia would turn it down. The present Government went to the country against State enterprise, and promised to sell the State trading concerns. They have not sold them yet. The people do not want them to be sold.

The Minister for Works: The people have only to say so.

Mr. Smith: The Government did not promise to give away the State enterprises.

Mr. O'LOGHLEN: I believe the Chamber of Commerce is pushing the Minister a little bit as regards this sale.

The Minister for Works: Not at all.

Mr. O'LOGHLEN: The Minister may shake his head, but it is significant that he is not so strenuously in favour of selling the State Implement Works, which show a loss.

The Minister for Works: All in good time.

Mr. O'LOGHLEN: The State Sawmills comprise three mills with all necessary equipment. One of those mills is a jarrah mill that has a very fine position geographically. I refer to the Wuraming mill. When the railway which has been authorised by Parliament to link up from Dwarda to Narrogin has been completed, that mill will be in the best possible position to supply the goldfields trade, and there will not be another timber firm in Western Australia able to compete with the State Sawmills for that trade. I assert that the Wuraming mill will be able to supply the goldfields market as no other mill in Western Australia can. The Minister may deny it if he wishes. If he consults even his own departmental heads, he will obtain confirmation of my statement.

Mr. Thomson: But the local markets will not keep the mills going for long.

Mr. O'LOGHLEN: No; but the local market is a big help to a trading concern in reaping larger profits oversea. We have no objection to big profits being reaped by this enterprise in other parts of the world. I believe, however, that local prices should be kept reasonably low. I care not what prices are obtained on the other side of the world.

The Minister for Mines: That is the reason of the high cost of living here. The fellows on the other side of the world say the same thing about us.

Mr. O'LOGHLEN: Ministers should see that we do not utilise things from the other end of the world that we can produce ourselves. But the people on the other side of the world have not the timber, and therefore they must come to us for it. The matter of local prices particularly affects the repatriation question, because soldiers' homes will have to be built by the hundred thousand in Australia. Therefore, there ought to be some provision, if this enterprise should unfortunately be sold, that timber shall be available to Australian consumers at cheap prices. I do not think the Minister at present has power to impose such a condition, which would protect consumers against the rapacity and greed of people willing, as it is in human nature to be willing, to take advantage of the present condition of affairs and force up prices. However, if a body of French capitalists want

to get hold of a Western Australian enterprise at a cost of £400,000, it is good for the Western Australian people to keep hold of it.

Mr. Smith: On that principle no sale would ever be effected.

Mr. O'LOGHLEN: We do not want to effect a sale.

Mr. Hardwick: Why not cut out the mining investor, too?

Mr. O'LOGHLEN: If we are to sell the State Sawmills, why not sell the railways and every other public utility so as to get in a few hundred thousand pounds for the time being? However, it is not the policy of this country to sell the railways; and there are not five members on the other side of the House who would advocate such a proposal.

Mr. Hardwick: What about the South-West Timber Hewers' sale?

Mr. O'LOGHLEN: I believe that had I been a shareholder I would have voted against that sale. But I have no right to interfere with the business of other people. I am, however, in common with the other citizens of Western Australia, a shareholder in the State Sawmills. As regards the South-West Timber Hewers, the Minister for Works would have bought their property if he could. He has even made an offer for it.

The Minister for Works: Who told you that?

Mr. O'LOGHLEN: I can get proof that the Minister's department negotiated for the purchase. Does the Minister deny it? The hon. gentleman cannot deny it. Whilst he is willing to sell the State Sawmills to a foreign syndicate, he has been for some time negotiating a purchase of the South-West Timber Hewers' asset.

The Minister for Works: It might not be a bad thing.

Mr. O'LOGHLEN: I do not say it would be, but I am showing the humbug and hypocrisy of the present proposal.

Mr. Hardwick: The South-West Timber Hewers cadged their concession from the Government.

Mr. O'LOGHLEN: No. For a period of 17 years that body of workers have endeavoured to show results. Up to the present they have not received a dividend. They merely obtained employment during the existence of the society. However, I had nothing to do with that sale. Had I been a shareholder, I would probably have opposed it. I have been offered shares in the society at fairly cheap prices. That was four or five years ago. I believe the largest number of shares any one person can hold in that society is two, and I have been offered altogether four or five.

The Minister for Works: There would have been no harm in buying them.

Mr. O'LOGHLEN: No. Had I been a shareholder, I would have gone to the meeting of the society and raised my voice and cast my vote against the sale of the property. However, I do not think it part of

my business to interfere in other people's affairs in such a manner. I certainly think my interference would have been resented.

Mr. Mansie: You would not protest, either, against Millar's Co. selling their business to anyone they pleased. The present protest is against the sale of the State asset.

Mr. O'LOGHLEN: I hope hon. members will give the closest consideration to this project, and not allow themselves to be led away by some of the pleas which have been advanced. The "Daily News" in a leading article asserted that if the French syndicate acquired this property it would lead to a great deal of freight being carried over the railways. What a fallacious argument to advance! Not an additional load of timber will go over our railways as the result of a purchase by this French syndicate, beyond what is and will be carried as the result of the operations of the State Sawmills Department.

Mr. Thomson: But you have no guarantee that France will take Western Australian timber.

Mr. O'LOGHLEN: There is no guarantee beyond the obvious fact, standing out like a mountain peak, that the shortage of timber throughout the world is such as to compel France to look to Australia for supplies. True, she can look to the west coast of America and to Borneo and the Philippine Islands for inferior timber; but for superior timber she must come to our country. That is recognised throughout the world.

The Minister for Mines: Why did not the British people come here for the ten million sleepers they ordered the other day?

Mr. O'LOGHLEN: For the reason that the freight difficulty came in. The source from which Britain has drawn timber supplies in the past is not available to-day. The Minister knows that the forests of Great Britain, sanctified by old age and by tradition, have been absolutely felled to the ground during the war. And the same thing has obtained in France. India, which used to be one of Western Australia's best customers for timber, which used to take a shipload of our timber every month, was compelled by the lack of transport facilities to use an inferior native timber, which has cost a great deal more and has proved highly unprofitable. India, France, England, and South Africa are all obliged to look to Western Australia as the only country that to-day has a surplus of timber. Such being the case, I hope the Minister for Mines will remember his former advocacy of the State sawmills. It is due largely to him that those big settlements have been effected in what was formerly a wilderness, with not a human being to be found over scores of miles of country. That district has blossomed into a fine settlement. The Honorary Minister can bear me out in that.

The Honorary Minister: Yes, and you gave the people a fat hope of succeeding down there.

Mr. O'LOGHLEN: If the Honorary Minister's proposals were as fat as this one,

Western Australia would not be in her present impoverished condition. No charge of want of success can be levelled against the State's sawmilling enterprise.

The Honorary Minister: It has succeeded at the cost of the unfortunate farmers in the district.

Mr. O'LOGHLEN: Will a man ever broaden with age and experience? The unfortunate farmer of that district has had brought to his door by the State sawmills such a market as he never had in his life before. The "unfortunate farmer of the district" has been enabled to build up a banking account as the result of the expenditure of a quarter of a million of Government money. But because the State Sawmills do not pay rates to a paltry little local authority, they forget the benefits, direct and indirect, conferred upon the settlers, and they say, "If the French come here, they will pay us rates, which the Government do not." Had it not been for the activity of the Scaddan Government those settlers would never have been there at all, and there would have been no rates whatever to collect. There was nothing to justify the building of the railway until the timber was being produced. The hon. member is so short-sighted as to be unprepared to give credit to the Government that launched out and developed that district. I hope the Minister for Mines, who was largely responsible for that launching out, and who was subjected to a lot of criticism—shown to-day to have been perfectly unjustified—on that score, will not support the proposal for the sale of the mills.

Mr. SPEAKER: The sale is not yet on.

Mr. O'LOGHLEN: No, but I am quite in order in appealing to hon. members to turn down the proposal. I have been half my lifetime in the timber industry in this country, and I have this knowledge which permits me to oppose the sale—the knowledge that the timber industry of Western Australia is going to be one of the sheet-anchors of the State. We are in a bad position financially, and we have to look to those industries that are showing a profit to make provision for the future. My motion will give the Minister an opportunity for replying to my remarks and, if carried, it will give hon. members an opportunity for perusing the documents, and informing themselves as to the negotiations. After such perusal they should be in a better position to decide whether it is a good thing for Western Australia to part with one of her paying concerns, or whether it is wiser to conform to the settled opinion of the community. Notwithstanding the change of Government, I am convinced that if the people were consulted they would vote for the retention of the State Sawmills, which show a profit now and will show a bigger profit in the future and so help the depleted Treasury. If time permits of public opinion throughout the country being aroused, I am sure resolutions will be carried in almost

every centre protesting against the sale of the State Sawmills. There is no valid reason why the sale should be effected, unless it is to redeem promises made in the heat of party rancour by hon. members on that side when they wanted to dislodge the Scaddan Government.

Mr. Smith: We have the Scaddan Government with us now.

Mr. O'LOGHLEN: You have a portion of it, and the worst portion too. I am not speaking personally, but I mean you have the reactionary element of the Scaddan Government supporting the proposal. If he had not been reactionary he could not be supporting it. I appeal to those hon. members representing the farming community, and ask them where they are going to land themselves if they sanction the sale of this enterprise? They are, I believe, jealously anxious that the State Implement Works shall be retained because, at some expense to the State, it provides cheaper implements. Even if the State Implement Works be run at a loss, my vote would go to retain such works because, notwithstanding the loss, the indirect return secured by having our own mechanics employed and by having the money spent in the country, is infinitely better than the alternative of sending our money out of the country. I ask those members to consider whether they are under an obligation to support the Government in all their transactions. If they are prepared to conserve the interests of Western Australia, I am sure they will vote against the proposal to ratify the sale of the sawmills. That proposal will have my strenuous opposition, and if the Government succeed by dint of numbers in effecting the sale to a foreign syndicate, later on, when the people wake up, that Government will go down to a dishonourable political tomb.

The MINISTER FOR WORKS (Hon. W. J. George—Murray-Wellington) [5.51]: I did not anticipate that the hon. member would have treated us to so much of his feelings in regard to this matter. I took it he would simply move the motion and that I should be able to place a statement before the House. Later on the House will be asked by the Government to consider the question of the sale. That will afford an opportunity for going through the papers and seeing the grounds upon which the proposal is based. I do not propose to reply to the hon. member's speech to-night, because I think it can be better dealt with later on. There are, however, three points mentioned by him to which I wish to refer. One is in regard to the co-operative society. I am free to admit that for eight or nine months I have known that this society was anxious to part with its concession. Had I been able to persuade my colleagues in this and the preceding Government, I should have gone and investigated the society's assets with a view of recommending the Government to purchase them. I still hold that if

the co-operative society's plant and permits had been attached to the State sawmills permits, it would have constituted the key to the timber situation of Western Australia. Therefore, I should have been pleased to have had it; not that it would have altered my views in attempting to sell, but I should have been able to make even a better deal and, if I had not been able to make a deal at all, we should have been able to work the whole proposition more economically for the State. In regard to the co-operative society, I have been interested in it ever since it started. It is acknowledged that I have been a good friend to the society. I helped it 17 years ago and at every opportunity since then. The movement is a good one, and in some respects I share the regrets that the company parted with its possessions.

Hon. W. C. Angwin: You will have the Chamber of Commerce after you.

The MINISTER FOR WORKS: If there is any man who does not care what the Chamber of Commerce says when he is along the path of duty, I claim to be that man. I have had much criticism from members of that Chamber in their foolish, ill-advised utterances, to which I pay no attention whatever. One of my indiscreet friends at the back tried to claim for me all the credit in regard to the State sawmills, but I must remind hon. members that in Mr. Humphries and Mr. Properjohn the State has two really good servants, who have done their duty faithfully and well. Let me say it is not my intention to oppose the motion of the hon. member for Forrest (Mr. O'Loughlen) and that I have the papers here with me. I desire, however, to make a short statement which, I think, will help hon. members when they peruse the files. The firm which has been in negotiation with the Government is known as The Société Franco-Australien Syndicate, which is domiciled at Paris, in France.

Hon. W. C. Angwin: Are you sure it is not a German concern?

The MINISTER FOR WORKS: If I had any idea that Germans had anything to do with the company, they would have to get over my dead body before they secured the sawmills. I hate Germany, and I would sell my soul to get at the Kaiser. The Government are informed that the society is a fully responsible concern, the operations of which are wide in France, and are not confined to timber dealing, although these are important and far-reaching. The authorised capital is two million francs.

Hon. P. Collier: How much is a franc?

The MINISTER FOR WORKS: Roughly 25 to the pound. Arrangements are in process of being carried out to provide the necessary ships to be controlled by the syndicate for the conveyance of cargo to Australia, and to take our timbers to France and elsewhere. The supply of shipping has always been one of the main drawbacks to the full success of the timber industry of Western Australia. The war just ended has, how-

ever, carried with it so much wanton destruction, that timber for the replacing of the devastated homes of France and Belgium becomes a necessity of the first order. The guarantee of ships thus becomes not so much a means of making profits, as of supplying timber for purposes so urgent that no difficulty will be permitted to intervene. So far back as 1913, the society has been investigating the timber resources of Western Australia. Since the commencement of the war the inquiries have been more closely pursued, as the experience of the Franco-Prussian war in 1870, left lessons which have not been forgotten. The lessons that unfortunate country learned from the Franco-Prussian war of 1870-71 call for the exercise of foresight.

Mr. O'Loughlen: I admire their foresight and regret yours.

The MINISTER FOR WORKS: I am informed that 400,000 francs—approximately £16,000—have been expended by the society in connection with these inquiries. In October, 1917, Col. Mathey, the French Conservator of Forests, visited Western Australia at a heavy cost to the syndicate. Colonel Mathey is recognised as the first authority on forestry in France, and is regarded with respect throughout the world. He was employed to come to Western Australia to make investigations in regard to large areas of timber which were offered to the syndicate. I understand he was paid a fee of 400 sovereigns per month in addition to all his expenses, so that the company give evidence that they have not only large amounts at hand, but are prepared to expend them to satisfy themselves that they are on the right track. Colonel Mathey came to Western Australia in October, 1917, and under the guidance of the Western Australian Conservator of Forests, Mr. Lane-Poole, he visited the timber areas of this State. In October, 1918, I was requested by the then Minister for Forests and Industries (Mr. Robinson) to prepare a statement in regard to the State Sawmills showing their trade, scope of operations, plant, etc., and this will be found among the papers. On the 26th October, 1918, the Minister for Forests forwarded a copy of this statement with a covering letter to Colonel Mathey's friends in France. Certain correspondence followed, and, on the 14th April, 1919, an offer was received by me for the purchase of a portion of the business. This was supported by a bank credit for 5,000 francs, approximately £200. Members will find on the file my reply which stated that the business, if sold, must be sold as a whole, and that I was prepared to receive a bid for full consideration. Later on advices were received by Mr. Lane-Poole that two delegates, with power to purchase, were en route to Western Australia.

Mr. O'Loughlen: Is Mr. Lane-Poole also negotiating?

The MINISTER FOR WORKS: No. I am giving members a plain statement.

Mr. O'Loughlen: I was wondering why they sent advices to him.

The MINISTER FOR WORKS: I understand he received his education in forestry in France and that Colonel Mathey was his professor, and Mr. Lane-Poole acted as interpreter and guide, not only to Colonel Mathey during his visit, but to the French Mission who were here.

Mr. Lambert: Not the whole time. The Minister for Works acted part of the time.

The MINISTER FOR WORKS: I am not desirous of blowing my own trumpet in that respect. On the 5th August, the delegates, Messrs. Dutilleul and Ghyselinck, directors of the syndicate, arrived. They immediately called upon me, accompanied by Mr. Lane-Poole, as their English was not very strong, being in this respect akin to my French. The record of what transpired will be found amongst the papers. Certain further information was asked for by these gentlemen and, while it was being prepared, they visited the mills and forests under the guidance of Mr. Humphries, the manager of the State Sawmills, and accompanied by Mr. Lane-Poole, the Conservator of Forests. On their return, certain letters passed between us, resulting in an offer of £385,000 being made, coupled with certain conditions which are fully detailed in the papers referred to. After considering this offer, I prepared the letter of the 27th August, 1919, which sets forth the price of £425,000 and the terms and conditions which the Government were prepared to accept, subject of course to submission to Parliament, whose decision would either approve or veto the sale. A reply from Messrs. Dutilleul and Ghyselinck was received on the 28th August, and my letter of the 29th shows clearly what will have to be considered later on when the motion for the sale comes before Parliament. On the 30th August, a further interview took place, during which a letter of acceptance of my terms and conditions was handed to me. Owing to the stringent control which the French Government exercise over the finances of their people, it is necessary for the society to submit their proposals for full consideration before the French Government will permit the transfer of the large amount of capital which the undertaking will require. It was explained to me—and it is borne out by the letter of credit—that no money has been allowed to be sent out of France during the war or since unless the fullest explanation has been given to the French Government, and the approval of the latter has been received beforehand. It was therefore necessary for the society to submit their proposals to the French Government before they would be permitted to transfer the large amount of capital to which I referred. Members will find that I had asked for a deposit of 5 per cent. on the purchase money to be paid to the Government as a guarantee of good faith. The delegation, though accompanied by ample funds, were not so provided as to be able, here and at once, to put down so large a sum as £21,250. They offered to pay

to the Government 50,000 francs, approximately £2,000 for the option to hold good until the 30th November, 1919. This period would enable them to reach France and to lay their proposals before the French Government and their own shareholders, in order to make the arrangements necessary to pay, on or before the 30th November, 1919, the sum of £15,000 sterling to the Agent General for Western Australia in London as deposit. The 50,000 francs for the option have been paid to the Government and form no part whatever of the purchase price for the concern. Whether the deposit of £15,000 is paid or not, whether the transaction comes through or not, the cash held for the option is the sole property to-day of the Western Australian Government.

Mr. Green: It is not much.

Hon. P. Collier: The Minister might have converted these amounts into terms of English money instead of using millions of francs which only amount to a few thousand pounds.

The MINISTER FOR WORKS: They were prepared to pay practically £2,000 down for the option to the 30th November, 1919. That looked as if they meant business. I would not mind if I could find a couple of thousand pounds hanging on every tree in the State.

Mr. Munsie: It shows what a good thing they are after and how unwise you are to sell.

Hon. P. Collier: No one suggests it is not a bona fide offer.

The MINISTER FOR WORKS: On the deposit of £15,000 sterling being paid as provided, the next payment will be £100,000 on the 30th April, 1920, and the balance will be spread over two years from the 30th June, 1920, at equal rests of three months and carrying interest at 6½ per cent. until the transaction has been closed by the payment of the whole of the moneys due to the Western Australian Government, not later than the 30th June, 1922, or earlier if the purchasers wish. Members will find from the papers that these sums of money are to be paid to the Western Australian Government free of exchange, so that the full amount of purchase money will be received without deduction. Until the £100,000 is paid and also all moneys due to the Government for working capital, etc., no control, partial or otherwise, will pass from the State, and it is stipulated that the concern be taken off our hands on the 30th June, 1920. Members will see from the papers that the Government will carry on the concern until the 30th June, 1920, as for and on account of the purchasers, that all moneys provided by the Government are to be subject to payment of interest at 6½ per cent. on the daily balance as since the 30th June, 1919, and until the conditions have been fulfilled.

Hon. W. C. Angwin: You are carrying on for them now?

The MINISTER FOR WORKS: We are carrying on the concern now in the ordinary

way. Should Parliament approve, a contract of sale, embodying the terms and conditions laid down, will be drawn up and completed. This contract will, of course, provide for the protection of the interests of the State should default arise.

Mr. Green: How did they catch you, with a glass of absinthe?

The MINISTER FOR WORKS: Cannot the hon. member allow me to proceed on a business deal without interruption? I ask the hon. member's consideration. It will be seen that the Government will be carrying on the business in the meantime just as we have done previously. Should, therefore, default happen, the Government will be in a position to continue as though no intervention of a purchaser had occurred. No freehold or leasehold land is owned by the State Sawmills, and so there is none that can be conveyed to the buyers. The society will operate on the State Sawmills' permits, just in the same way and subject to the same fees, conditions, royalties, regulations, etc., as the State Sawmills and other permit holders under the Forestry Act administered by the Conservator of Forests. The society will, of course, be subject to the laws of Western Australia, and the obligations thereto. The staff and employees of the mills will be continued in their employment. This will be found mentioned in the papers and, for my part, I have no anxiety whatever on that score. The supplies of timber for Government requirements are secured at an advance on actual cutting costs, which it is considered fully preserves the Government's interests. The Government have the option of so obtaining their supplies or going elsewhere if they choose. The society will assume, as from the 30th June, 1919, the responsibility for such contracts and agreements which the Government now hold in regard to employees, powellising contracts, and usual commitments for purchases, sales, etc. The railway from Jarnadup to a point named at Big Brook mills has not been sold, nor does it pass to the company. It forms part of the trunk system of the Government railways and is so retained as State property. When members are going through the papers, together with the balance sheet, and judging what the price should be, they will need to take this point into consideration as it represents roughly £31,000, that being the debit to the mills.

Sitting suspended from 6.15 to 7.30 p.m.

The MINISTER FOR WORKS: Before we adjourned for tea I was stating that the society will assume as from the 30th June, 1919, the responsibility of such contracts and agreements which the Government now hold in regard to employees, powellising contracts, and usual commitments for purchase and sales. I mention that because I would like hon. members to take that into consideration, especially with regard to the powellising matter, in connection with which there has been some litigation which is not yet

concluded. The railway that was built from Jarnadup to a point named at Big Brook was built specially by the Government of the day as being a portion of the trunk system of the State, and although up to the present that line has been run by the State Sawmills as if it were one of the lines belonging to the mills, if this transaction does take place, the railway will not pass to the company; it will be retained by the Government, and will be worked as part of the main trunk lines. In connection with the working of the mills, it would be ridiculous to suppose they could be worked unless some arrangement was made between the Government and the company so that they could run their log trains to their junctions. If that was not done the company would not be able to get any timber, or very little, into the mills, and there will have to be some arrangement made by which their traffic can be worked and the Government line can be run. Hon. members may consider that if the Government had decided upon disposing of the State enterprises, the proper thing might have been to call for tenders throughout the world, to see whether other people were desirous of acquiring as well as the company in question. In this matter my opinion is that there would have been no difference whatever. If any of the large timber companies at present operating in the State had been inclined to put in a price for this concern, they would no doubt have opened up negotiations had it suited their business and finances to do so. They have been aware for the past three years what the views of the Government have been so far as the State enterprises are concerned.

Hon. T. Walker: They know that this Government alters its opinion so often.

The MINISTER FOR WORKS: The hon. gentleman is entitled to his own opinion. I am not disputing his right in that respect. I am only stating what are the facts, and he can criticise them when the proper time arrives. I was remarking that in my opinion the big timber companies could have, if they so desired, put in a price for the concern. If any one of the large timber companies operating in this State had acquired the State sawmills they would practically have had control of the timber trade of this State, and it would have been a matter for debate as to whether, that being permitted, it would have been for the good or against the good of the community. To my mind no one but a large concern could operate the State Sawmills, and it would be far better for the State and the interests of the people, instead of their being one huge concern, that there should be at any rate two which could not be considered small. In my opinion the introduction into this State of a French company like the one in question will be to extend our markets in a direction in which there has been comparatively little trade before. There has not been much of our State timber imported by French firms up to the present time, and this transaction will

mean that we shall have an additional market to exploit. The capital which must be got together for the carrying on of this business, namely, £425,000, for the purchase of it, and probably another quarter of a million for the working of it, is large in itself, and is a matter which none of us can afford to leave out of our calculations. Another matter I would like to refer to is that in this transaction there is no one, to my knowledge at any rate, who is getting a cut out of it. There is not one penny of commission being paid by the Government, nor will anybody benefit in that direction.

Hon. P. Collier: How can the hon. member say there are no commissions being paid?

THE MINISTER FOR WORKS. I am speaking so far as my knowledge is concerned. There is no one getting anything out of it so far as I know. The buyers and the sellers have come together without any intermediary. I believe that when hon. members read in the papers the statement which I have made to-night they will agree with me that it is a clear and straightforward narrative of what has taken place, and with the hope that my remarks may be of some value to hon. members I will conclude by asking for leave to lay the papers on the Table of the House.

Hon. P. COLLIER (Boulder) [7.40]: I do not intend at this stage to discuss the merits of the proposed sale of these mills. We shall have ample opportunity of debating the whole question when the motion for the ratification of the sale comes down for discussion. In the meantime, of course, we shall also have an opportunity of perusing all the papers connected with the negotiations which have been going on for so long. I hope the Minister has placed all the papers on the Table.

The Minister for Works: They are all here, all the papers that I know anything about.

Hon. P. COLLIER: I am glad to hear that. I am rather sorry that the Minister when quoting figures in connection with the purchase price of the mills, and the amount deposited and so on, did not use terms of British currency. It will sound big when the average citizen to-morrow reads in the newspapers that the capital of this company is two million francs. I know that the members of the present Government delight in talking in millions, and if the Minister had used British terms of currency he would have had to confine himself to thousands. After all, two million francs amount to about £80,000, and that is the capital of the company which is going to purchase for £425,000 our State sawmills. The Minister stated that the option price of 50,000 francs had been put up. That sounds big, but it is only £2,000.

The Minister for Works: That is what I told you.

Hon. P. COLLIER: Yes, but it would be just as well to have it all expressed in Brit-

ish terms. The only thing revealed by the Minister's statement that surprises me is the fact that negotiations have been going on for the purchase of these mills ever since October of last year, a period of 12 months, and no member of the House or any member of the public had any knowledge whatever of those negotiations. For a whole period of twelve months up to the time the bargain had been clinched, so far as it was possible for the Government to clinch it, until the negotiations had been concluded, there was no single fact disclosed. So far as the Government could keep the matter secret they did.

The Minister for Works: That is correct.

Hon. P. COLLIER: This Government kept the whole of these negotiations secret for a period of twelve months. I only mention that to remind the Minister for Works how for years he and those associated with him stormed at the members of the Labour Government for what they characterised as the secret negotiations of that period. When it was pointed out sometimes that it was impossible to make public from day to day and from week to week negotiations that were being carried on by the Government, it was ridiculed by the hon. member himself. And I venture to say that if the Labour Government were to-day connected with the disposal of a State asset running into nearly half a million pounds, and if the negotiations covered a period of 12 months, and no member of the community knew anything about those negotiations, the first man to denounce that Government would be the Minister for Works himself. There is no reason why the public should not have known that those mills were for sale, that negotiations were being carried on. As a matter of fact, more than one deputation has waited on the Premier during the last 12 months and asked that the Government should clearly define their policy in regard to State trading concerns. The deputationists wished to know whether it was the policy of the Government to dispose of the State trading concerns, or to continue their operations; and so far as I know, on no occasion has a clear and definite expression of policy on that point been given by the Premier. There have been evasion and shuffling. One day one could gather from a Minister that the Government were prepared to sell the works, and the next day one could gather from the expressions of another Minister that the Government were not prepared to sell the works. Yet we are informed to-night that, from a date long before the period I refer to, negotiations have been in progress for the sale of State trading concerns. Why this secrecy? Is there any reason why the world at large should not know that the State Sawmills or the State Implement Works were for sale, if a suitable offer were received?

Mr. Pickering: To the highest bidder.

Hon. P. COLLIER: If the information had been broadcasted we might have got a higher bidder. The Minister is satisfied with the bargain.

The Minister for Works: I think it is a good bargain.

Hon. P. COLLIER: How does he know that those mills would not have brought a higher price had it been known to the world that they were for sale? If it is the policy of the Government to dispose of the State trading concerns they should advertise it broadcast throughout the world and let possible purchasers know that the property is for sale, so that the best deal might be made. Instead of that, what has happened? There have been representatives of a French firm in Perth for 12 months past carrying on negotiations with the Government for the purchase of those mills, no one else in the State knowing anything about it. A Government who attained office because of their alleged desire to do things by the light of day, because of their desire to get away from what they characterised as the secret methods of the Labour Government, should have taken the first opportunity to let the people into their confidence in regard to the negotiations that were going on. Instead of letting the House know 12 months ago that a French firm was here for the purpose of purchasing the sawmills, the Government have kept the matter close. Secrecy has characterised the attitude of the Government until, as I have already said, secrecy could no longer be of any avail to them. If the Government could have disposed of those mills without the sanction of the House, no doubt it would have been done. It is only at this late stage that we are acquainted with what has transpired, because the Government are now up against a stone wall and are unable to proceed any further without taking the House into their confidence.

The Minister for Works: It is a very nice way of putting it.

Hon. P. COLLIER: It is the clear fact of the position. What chance had any possible purchasers in Australia? There is a great demand for our hardwoods in different States of the Commonwealth. What chance had the Government of getting a possible purchaser in Australia, or indeed outside of Australia? What chance have they given to any purchaser in any part of the British Empire? We have heard a great deal during the last four or five years of how the interests of the British Empire would be best conserved in the consideration of post-war problems by our acting as a unit in a great family of nations. Yet here we find that when one of the dominions of the British Empire has an important and valuable asset for sale, all the rest of the British Empire is kept in darkness and is not permitted to know of the proposed sale. Negotiations are carried on for 12 months with the representatives of a foreign company and this, too, on the part of a Government whose members, when on this side, denounced in season and out what they were pleased to call the secret methods of the Labour Government. They went further than denouncing them; they insinuated pretty clearly that there was some ulterior motive for the secret methods

of the Labour Government. The Minister for Works all the time wanted the light of day. He said, "When we get into office we want an opportunity for looking behind the scenes to see what has been carried on by the dark and devious methods of the Labour Government." When they got into office they kept the departmental officers working day and night going over the files in order to get at the bottom, as the Minister for Works used to say, of the secret methods of the Labour Government. And now the hon. member himself has been a party to secret negotiations extending over a period of 12 months.

Mr. SPEAKER: I do not see that that affects the motion.

Hon. P. COLLIER: I think it does.

Mr. SPEAKER: No; the motion is that all papers dealing with negotiations for the sale of the State Sawmills and permits be laid on the Table. The Minister has already laid them on the Table, yet the motion is still under discussion. If the hon. member wanted reasons why the papers should not be laid on the Table—

Hon. P. COLLIER: But this motion asks for all papers dealing with the negotiations for the purchase. I am confining my arguments to that. Although the Minister has laid the papers on the Table, that does not deprive me of my privilege of discussing the question.

Mr. SPEAKER: It does not deprive the hon. member of the opportunity for discussing the motion, but he is not in order in discussing the whole of the ramifications of the Labour Government on this motion.

Hon. P. COLLIER: In my opinion I am within my rights.

Mr. SPEAKER: I am of opinion that the hon. member is going a bit too far, that is all.

Hon. P. COLLIER: I am pointing out that the negotiations in connection with this proposed sale have been going on for 12 months, and that those negotiations were conducted in secret; and in order to emphasise the secret nature of the negotiations, I am referring to criticism of methods of a similar character, criticisms expressed by the Minister for Works on a former occasion.

Mr. SPEAKER: The hon. member is in order in doing that, but not in labouring the question.

Hon. P. COLLIER: I am doing the best with the language at my command and the knowledge that I have. The matter is so important, and the backsliding of the Government so transparent, that I feel I have not sufficient command of language to so labour the question as the merits of the case justify.

Mr. SPEAKER: The hon. member would be in order in doing that at another stage, but I do not think the hon. member would be in order in proceeding on that line on this motion.

Hon. T. Walker: On a point of order. May I suggest that the hon. member is perfectly in order in traversing all the grounds

covered by the speech of the Minister, who made a lengthy statement dealing step by step with the whole of the negotiations, from their initiation to the present day.

Mr. SPEAKER: What is the hon. member's point of order? I have not ruled the member for Boulder out of order. Is the hon. member raising a point of order?

Hon. T. Walker: I understood you had ruled the hon. member out of order.

Mr. SPEAKER: No, I have not done so.

Hon. P. COLLIER: I want to emphasise what, in my opinion, is the serious offence committed by the Government in withholding from the House information regarding the negotiations that have taken place.

Mr. Munzie: And from the country as well.

Hon. P. COLLIER: When I say the House, I mean the country also. I am more than astonished at finding that the Minister for Works would be a party to proceedings of this kind. The very fact that negotiations have been carried on in secret, known only to the Government and to the representatives of the firm concerned, it not being known to anybody else in Australia that these mills were for sale, has possibly prevented the Government from making the best deal in the interests of the State. If the Government had made it known that it was their policy to sell the mills, it would have been all right to carry on negotiations with any possible purchaser that might come along.

Mr. SPEAKER: I am sorry to interrupt the hon. member, but the time has expired for the discussion of motions. It will be necessary for a motion to continue them.

Resolved: That motions be continued.

Mr. O'Loghlin: Third lap.

Hon. P. COLLIER: There will be a good many more laps before these mills are lost to the State.

The Attorney General: They will not be sold at all if you can prevent it.

Hon. P. COLLIER: I am going to avail myself of all the forms of the House in my endeavour to prevent this sale. I am going to fight it inch by inch at every stage. I am within my rights in doing that. I believe I am fighting for the best interests of the people of the country which, in my opinion, are at stake in this proposal to sell the sawmills and, believing that, I am going to contest every inch of the ground.

The Minister for Works: It does not matter to whom the mills might be sold, you would still oppose the sale.

Hon. P. COLLIER: I am opposed to their sale, which I say is doubly reprehensible when done in the way it is being done.

The Minister for Works: You object to their being sold to the French.

Hon. P. COLLIER: I object to their being sold at all, and whilst I have never got on a public platform and wrapped myself in a Union Jack and talked largely

about patriotism and the British Empire, I nevertheless believe in giving our own people the first option over anything we may have to sell. It is the party to whom the hon. member belongs who have on every possible occasion stood forth and talked about the British Empire and said that every other nation should play a secondary part to it. But when he is in a position to confer a benefit on another part of the British Empire, he apparently forgets his duty to the Empire. No other part of the British Empire has had an opportunity of making a deal as a possible purchaser of these State sawmills. Whilst the Minister for Works assures us that everything is fair and above board—

The Minister for Works: So far as I know. I can only give you my word for that.

Hon. P. COLLIER: I am extremely surprised that the Minister should say nobody is getting a cut out of this. I do not know why the Minister should make that extraordinary announcement in this House. Why such a reference? I never suspected that anyone was getting a cut out of it.

Hon. T. Walker: The Minister said, "So far as he knew." That is a very wise qualification.

Hon. P. COLLIER: I did not think we had reached that stage in the public life of this State when a Minister would think it necessary to make such a declaration. From the fact of such a declaration being made, one might imagine it had been the practice in the past for Ministers or members of Parliament to get a cut out of such things, and that this particular deal was an exception to the prevalent rule. The next phase of the business will come later. At this stage I wish only to emphasise again as strongly as I can my condemnation of the conduct of the Government in carrying on secret negotiations for a period of 12 months without anyone in this country knowing anything of the business. There will be further opportunities of dealing with the matter, and I can promise the Minister that by the time he secures the approval of this House to the sale of the mills he will know that he has been through a willy-willy.

The ATTORNEY GENERAL (Hon. T. P. Draper—West Perth) [8.5]: The leader of the Opposition has frankly told us that he is going to oppose the sale of the State sawmills on principle. I can respect that statement, although I do not agree with the principle. If he says that he is going to oppose the sale through thick and thin because he considers that the sawmills should not be sold, I can respect that opposition though I do not agree with it. But this debate has now resolved itself into criticism of the Government because they have given an option—

Hon. W. C. Angwin: A secret option.

Hon. T. Walker: Do not forget that it is secret.

The ATTORNEY GENERAL: An option, subject to the approval of Parliament, to purchase the State sawmills. I cannot help feeling that the leader of the Opposition, in criticising the secrecy which he alleges has characterised the proceedings, is trying to get back a little of the criticism which may have been levelled from the Opposition side of the House when he was occupying a seat on the Treasury bench. From a human point of view that may be justifiable, but from a logical point of view what has it to do with the matter before the House? The great complaint of the leader of the Opposition is on the score of secrecy. Does the hon. member, or does any person with the business attainments of the hon. member, imagine for one moment that a business concern involving several hundreds of thousands of pounds can ever be sold at a good price if the moment a possible purchaser appears upon the Government's doorstep and even hints at purchase Ministers rush off to the offices of the morning papers and advertise to the whole community that there is a prospect of a sale taking place? The hon. member knows that such a course of action would be that of a lunatic. In a transaction of this kind one has to enter into negotiations and to keep the matter to oneself until the business has been concluded, or has reached such a stage that under the law of the State one cannot go further.

Hon. W. C. Angwin: Why not call public tenders?

The ATTORNEY GENERAL: I will deal with that point. What has taken place is that an offer has been obtained rightly or wrongly—rightly, as I think—to purchase the State sawmills at a satisfactory price. What would have been the use of giving the information to the public or of calling for tenders if this price is a good one?

Hon. W. C. Angwin: You did not say that over Wyndham.

The ATTORNEY GENERAL: I have never said a word about Wyndham. Hon. members know that under the State Trading Concerns Act the Government of the day are entitled to sell a State trading concern.

Hon. P. Collier: Yes, subject to the approval of Parliament.

The ATTORNEY GENERAL: No. The Government can sell without obtaining the approval of Parliament; but, if they do, they must come to Parliament before they can give possession.

Hon. W. C. Angwin: Oh!

Hon. P. Collier: That is a lawyer's distinction.

Mr. Munsie: It is splitting straws.

The ATTORNEY GENERAL: It is the wording of the Statute. The Government cannot give possession until they have obtained the approval of Parliament, and that is quite sufficient protection, for this reason, that no Government would enter into a contract to give possession until they had obtained the approval of Parliament.

Hon. P. Collier: That is so.

The ATTORNEY GENERAL: Until they have something to lay before this House, they are not in a position to ask the House to approve of possession being given.

Hon. P. Collier: I did not say they were.

The ATTORNEY GENERAL: Therefore all the Government can do is to enter into preliminary negotiations and make a contemplated sale of the premises subject to the approval of Parliament. That is all the present Government have done.

Mr. O'Loughlen: Could not they have invited offers from other firms and from other countries?

The ATTORNEY GENERAL: That makes not the slightest difference, assuming as I do for the purposes of my argument, that the price is a good one. If the price is not a good one, the House can turn the whole thing down, and what harm will have been done? But if the price is satisfactory, then the Government are in a position to say to the House, "Now we have a good bargain, will you approve of possession being given?" That is all that has been done, and I think it is a commonsense manner of conducting the business. Assume that by calling tenders a better offer might be obtained. It is perfectly obvious that the House, if of opinion that we have not obtained a sufficient price for what we propose to sell, will say, "We do not desire to sell." But does anyone imagine that, if we advertised all over the world, buyers would come along to purchase a State trading concern while knowing that they could get no direct offer from the Government but that everything must be subject to the approval of Parliament? In my opinion very little good would have been done by calling for tenders in a matter of this kind. So much for the secrecy. The Government have not committed Western Australia in any way or Parliament in any way.

Hon. P. Collier: They could not. They have gone as far as they could go, and done it secretly all the time.

The ATTORNEY GENERAL: I agree we have done it secretly. We have gone as far as from a practical commonsense point of view the Act contemplates. We have made the preliminary arrangements, and it is entirely for this House and another place to say whether they approve of the sale being carried out.

Hon. T. WALKER (Kanowna) [8.14]: It is very entertaining to listen to the special pleading of the Attorney General, but he has by no means removed the effect of the speech delivered by the leader of the Opposition. It seems to me an absurd idea that the Government can depart from a policy which has more or less been adopted and accepted. It seems to me absurd that the Government should maintain secrecy in negotiations for close upon 12 months, and then say that they are pursuing an ordinary common-sense course. There has not been in Western Australia or in any other State a Parliament

that would tolerate 12 months of underground engineering and then call it common sense.

The Minister for Works: You are not justified in saying that. You will know that you are not justified when you read the files.

Hon. T. WALKER: I am justified in saying that there has been absolute secrecy so far as the general public are concerned.

Mr. Underwood: And there always has been secrecy in such negotiations.

Hon. T. WALKER: No.

Mr. Underwood: There was at the time of the Scaddan Government, anyhow.

Hon. T. WALKER: Nothing of the kind. It is quite true that when all things are equal—

Mr. Underwood: Fight the principle. Never mind the secrecy.

Hon. T. WALKER: The question here is the secrecy of the thing or the openness of it. These State sawmills were accepted as a State trading concern. The Government have endorsed the principle of State trading concerns in more ways than one, and the community have been led to believe that we have adopted or accepted the principle of State trading. We have that principle endorsed at the election of the Minister for Mines, by the member who was then Attorney General, at the Albany election. He supported the State trading concerns to the utmost then, yet all the while he had at the back of his head the knowledge that the Government were trying to get rid of one of the most important assets of the State trading concerns. The Government knew it, and had known it for 12 months. They only divulged the fact when they could not go one step further in secrecy. The Attorney General says, "What wrong can be done by this, because in the end we could turn the whole transaction down by a resolution in the House?" But we know the Government have committed themselves. The bargain is almost complete. The whole thing only requires ratification. Every supporter of the Government is linked with the transaction. It is a question of the Government standing or falling, and the matter does not get a fair chance. We cannot now turn back on the track. What objection can there be to secrecy, asks the Attorney General. This objection: we are parting with one of the most valuable assets of the State, not only in the shape of sawmills, but in the shape of forests; in the shape of an asset that is required not only in Australia, but in the whole of the British Empire. It is property that belongs to posterity, and that cannot easily or quickly be replaced. We are parting with it, not for the service of the Commonwealth or of the Empire, but to what, when the world becomes settled, will be a foreign country. We give away command of what is equally as useful in peace as in war. What harm can there be in secrecy? The harm is that we have given no part of the world an opportunity of competing in the purchasing of such a valuable asset. The Attorney General puts it down as a mere matter of price. They

were getting a figure satisfactory to the Minister for Works and to the Attorney General. That is good enough. How are they to know it is satisfactory when, they have not put the proposition on offer to the whole world? The valuable speech by the member for Forrest (Mr. O'Loughlen) has shown that a timber asset is not merely a national asset. It is of world-wide and international value. There never was a time when the product of the forest was of such value. They say that a few million francs is the test. The whole world is to fall down and worship the Minister for Works because he has got a few million francs for the mills.

The Minister for Works: I do not want anybody to worship me.

Hon. T. WALKER: We ought to reverence the profound genius that will be satisfied with parting with the assets of posterity for a few million francs. I am casting no insinuation on anyone. I am not suggesting the possibility of any secret cuts in this matter, so suggested to my mind and to the mind of this Chamber by the Minister for Works. But we have seen that in instances of corruption in the histories of Ministers and Parliaments, the system pursued has always been this one of secrecy—to keep things in the dark until the bargain was ripe.

The Minister for Works: Apparently you are getting very familiar with the method.

Hon. T. WALKER: I am getting more familiar with it the more I read and study actions of some Ministers and members of Parliament. Although it may be common sense, it is always considered more or less suspicious for any Government to be indulging in secret negotiations. Nobody else knew there was any possibility of negotiations for the sale of these mills. The secret was that a particular party who had come in contact with some member of the Government was negotiating for the purchase, and that secrecy was maintained until the whole thing was ready, and the Government could not turn back. This is the method always followed when it is sought to give some particular party a bargain, or to some particular negotiator a special concession. We condemn the secrecy as to the possibility of the purchase of this concern. No information was given to anybody else that the sawmills were up for sale. Nobody else had a chance to bid. It was given out to the world that we were working this valuable asset, and that we were content to stick to our bargain, while all the time the Government were in the act of selling to a foreign syndicate. Nobody in this Chamber, or in Australia, or in the British empire, was aware that the emissaries of a foreign nation, for a foreign nation's advantage, was in process of buying this great asset. This is what the leader of the Opposition has condemned in the name of the people of Western Australia, of the Commonwealth, and of posterity. I am aware what I am saying fits better into the debate which is to come, but I, like my leader, and the mem-

ber who moved this motion, feel so indignant at the tactics of the Government in this matter, that I feel it is my absolute duty to oppose every step of this iniquitous robbery of the State, for I can call it nothing else. I assure the Minister that whatever the attitude of those sitting behind him in this matter may be, no consent of mine shall ever be given to this secret bargain.

Hon. W. C. ANGWIN (North-East Fremantle) [8.25]: I must state that the Minister in dealing with this question has disclosed an entire change in his policy from what he professed when he was on this side of the House. The Minister does not practice what he preaches. The Minister asked on one occasion where did the firm of Nevanas come in.

Mr. SPEAKER: I must ask the hon. member to confine himself to the motion.

Hon. W. C. ANGWIN: I wish to point out that the Minister, in dealing with the question, never said a word about the papers. He dealt entirely with the sale of the sawmills.

Mr. SPEAKER: The hon. member must admit the Minister said he would lay the papers on the Table, and that they contained certain information which he would verify by a statement.

Hon. W. C. ANGWIN: It is unnecessary for me to read what he said because I will have an opportunity to do that later, but the Minister should be thankful to you, Mr. Speaker, for not allowing me to condemn him out of his own mouth. I was surprised to hear the arguments of the Attorney General.

Mr. O'Loughlen: They were not arguments.

Hon. W. C. ANGWIN: He asked how could the Government do otherwise; how could they call for tenders? What was to prevent the Government from calling for tenders? By the instructions of this House, they should have called for tenders. Members will know that a motion was carried in this House directing the Government then in office to call for tenders. It was the instruction of Parliament that tenders should be called when such a matter affecting the public was concerned. That decision was arrived at in this Chamber at the instigation of the present Minister for Works. He started the ball rolling. It was his belief and his action, and now he says, "I have done this quietly. I found it unnecessary to call for tenders." In the Press not long ago, one of the members of the late Government pointed out the possibility of the Broken Hill Proprietary negotiating for these mills.

Hon. P. Collier: Did you notice how the Minister resented it, too? He had this on the go at the time.

Hon. W. C. ANGWIN: They are an Australian company to a large extent, but they are to have no opportunity to submit a price for these mills. Why were they blocked out? The Minister was approached in the matter. Why were not they told the sawmills were for sale?

The Minister for Works: Who are "they"?

Hon. W. C. ANGWIN: The Minister in his indignation one day almost repudiated the statement in the Press, in regard to that matter. The Minister knows to whom I refer.

The Minister for Works: The Broken Hill Proprietary?

Hon. W. C. ANGWIN: Yes; the Minister knows all about it. Yet he negotiated secretly and by methods which he himself has condemned strongly.

The Minister for Works: I think you will alter your opinion when you have read the file.

Hon. W. C. ANGWIN: We did not know anything about this matter until a few days ago. There is no question of altering one's opinion. It would not alter my opinion if the Minister were to receive double the value, because he is not in a position to say, after he has fixed the price of the mills at £450,000, that another company would not have offered £500,000.

The Minister for Works: Then call for tenders.

Hon. W. C. ANGWIN: It would be a nice thing, after the Minister has negotiated and stated that the concession and the mills are worth only £450,000 to suggest that we might expect now to get £500,000.

Hon. P. Collier: We would never get more now. The Minister has accepted this as their value.

Hon. W. C. ANGWIN: I suppose the Government call that keen business acumen.

The Minister for Works: I think it is a good business deal.

Hon. W. C. ANGWIN: I remember a good business deal which was mentioned here once before, and which might have saved this country about £20,000, but it was said to be a bad business deal because public competition was not invited, and the Minister was the man who condemned it on that account.

The Minister for Works: What was that?

Hon. W. C. ANGWIN: The Minister knows all about it.

Hon. P. Collier: Why not sell this by public tender?

Hon. W. C. ANGWIN: After the distinct expression of opinion by this House on this very question of secrecy, the Government are no longer fit to hold their positions.

The Minister for Works: You will say anything to stop the sale of these trading concerns.

Hon. P. Collier: Yes, by secret negotiations.

The Minister for Works: Why not come straight out instead of insinuating?

Mr. SPEAKER: Order!

Hon. W. C. ANGWIN: This secret deal could not have been intended by the Minister's colleague to be kept secret. When he tried to induce other customers, he did not think the purchase would be confined to one company.

The Minister for Works: Who was the colleague you refer to?

Hon. W. C. ANGWIN: The late Treasurer. I do not want any bluff from the Minister. He knows all about it.

Mr. SPEAKER: I want the hon. member to keep to the motion. That is my trouble.

Hon. W. C. ANGWIN: I have been trying to keep within the debate which has been admitted here this afternoon.

Hon. P. Collier: The late Treasurer did not think it necessary to keep the matter secret, and quite right, too.

Hon. W. C. ANGWIN: It could not have been the intention of the Minister's colleagues that one company only should have an opportunity to deal with this question. If other people have had an opportunity, we should have all the papers. There might be other companies who submitted offers privately, and who desired to have some information in regard to these sawmills. There might be other papers dealing with the matter.

The Minister for Works: How can that be if I put all the papers on the Table? Why make a statement like that?

Hon. W. C. ANGWIN: I have not had an opportunity of perusing the papers, therefore I am quite justified in making that assertion.

The Minister for Works: You are not.

Hon. W. C. ANGWIN: Is not it a fact that the late Treasurer was approached in the Eastern States in regard to the matter?

Hon. P. Collier: And did not keep it secret, either.

Hon. W. C. ANGWIN: No. And is it likely that the Minister would reply to a statement made by the late Treasurer in the Press in regard to the sale of these works if he did not know anything about it? There must be a portion of those papers dealing with the proposed sale. If they are not in existence, the white ants must have been at work, as on a previous occasion; or some person must have eaten them.

Hon. P. Collier: Silverfish, perhaps.

Hon. W. C. ANGWIN: Another of the Minister's colleagues—I do not refer to the present Minister for Railways—speaking at Albany, was so impressed with some of our trading concerns that he implied he had no intention of selling them, particularly the ships.

The Minister for Works: One of my present colleagues?

Hon. W. C. ANGWIN: No. These negotiations have been going on for twelve months.

Hon. P. Collier: You have had half the House as colleagues while these negotiations have been going on. The member for Guildford (Mr. Davies) was a colleague while this was on.

Hon. W. C. ANGWIN: The member for Guildford did not get so far as that; he was not sworn in. If it was the intention of the Government, when the matter of the trading concerns was being dealt with at Albany, to sell them, the only honourable action which could have been taken by a Minister at that time was to say—"Yes; we

intend to sell them as soon as possible, and are negotiating for their sale." But the Government said they had no intention of selling.

The Minister for Works: I do not know the colleague you refer to.

Mr. Green: Did you let your colleagues into the joke?

Hon. W. C. ANGWIN: The Minister seems to be the only one who knew anything about this. He did it entirely on his own. He wants to show, if possible, what a smart business deal he can carry out.

The Minister for Works: It is a good deal, anyhow.

Mr. SPEAKER: The hon. member can hardly discuss the merits and demerits on this motion.

Hon. W. C. ANGWIN: I admit the Minister drew me off the track. I think the people of this State will agree with me that the last man in this House, whom they would have expected to enter into a secret contract, after his own actions and denunciations scattered broadcast throughout the country, and after his successful endeavours to pass a motion of condemnation and prohibition against secret contracts, would be the Minister for Works.

The Minister for Works: How long have we kept you from knowing it?

Hon. P. Collier: Twelve months.

Hon. W. C. ANGWIN: It is not the question of keeping us in darkness that matters; it is the question of pounds, shillings and pence to the State. It is a matter which concerns others who might have purchased if they had had an opportunity.

The Minister for Works: I doubt if you could find any.

Hon. W. C. ANGWIN: It is a matter affecting the finances of the State. We are the guardians of the State's finances, and we are here to see that, if a profitable concern is to be got rid of, the finances are protected, and that we make as good a deal as possible. The Minister has not done that. I do not know what has gone wrong with him. I cannot understand him. I am afraid he has been led astray by some of his colleagues.

Hon. P. Collier: The bad company he has been keeping lately.

Hon. W. C. ANGWIN: We know his profession to smartness, keenness, and insight in business dealings. Now he comes along quietly and secretly saying—"For goodness sake do not let anyone else know anything about it. You will never get the same price as I am offered. Keep it quiet. I have got £2,000 for an option." How many million francs was that amount expressed in?

Hon. P. Collier: Two million francs.

Hon. W. C. ANGWIN: I am surprised that the Minister, who has been acknowledged one of the keenest men in the State, after having spent a lifetime in business, should have been had in the manner he has been over this matter.

Question put and passed.

The Minister for Works: I have the papers here.

Mr. SPEAKER: The papers have been laid on the Table, in accordance with the resolution.

BILL—PEARLING ACT AMENDMENT.

Received from the Legislative Council and read a first time.

MOTION—WHEAT PRODUCTION, PRICE GUARANTEE.

Sir H. B. LEFROY (Moore) [8.45]: I move—

That in the opinion of this House it is in the best interests of Western Australia that the sum of 5s. per bushel should be guaranteed to growers of wheat for a term of five years.

Mr. Smith: On a point of order; I would draw attention to Standing Order 192, which reads—

No member shall be entitled to vote in any division upon a question in which he has a direct pecuniary interest, and the vote of any member so interested shall be disallowed.

I have a direct pecuniary interest in this matter—

Mr. SPEAKER: What is the hon. member's point of order?

Mr. Smith: I want to know whether I may be allowed to vote on this motion.

Mr. SPEAKER: The hon. member is raising the point rather early. If he waits until the vote is taken that will be time enough to raise the question.

Mr. Troy: There is nothing in his point.

Sir H. B. LEFROY: I am not submitting this motion in the interests of any individual; I am moving it in the interests of the State.

Hon. P. Collier: Incidentally, of course, you may benefit by it.

Sir H. B. LEFROY: Resolutions in similar terms have already been adopted in America and in Canada, and we know that in a country like ours the only way we can possibly raise Western Australia out of her present condition is by getting the people to produce, produce, produce.

Mr. Lambert: We have heard that cry before.

Sir H. B. LEFROY: Every encouragement we can possibly give to enable people to go in for production in Western Australia will prove in the interests of the State. We have at the present time 21¼ million acres of land alienated, or in process of alienation, and of that area 18½ million acres are yet uncleared. Surely there will be an improved national asset if we can only induce people to produce from the huge area. What we in Western Australia want to do is to induce the people to improve the national asset, not so much in their own interests as in the interests of the State as a whole. There are 7½ million acres

cleared and partially cleared, while 3¼ million acres are only ringbarked. Ringbarking is useless unless followed up by the plough. We who have experience of this country know that if we ringbark the country, in a few years' time it will grow up thicker than ever unless we follow up the ringbarking with the plough. If we can induce the people to clear more land and cultivate it, that land which is cleared and cultivated will be worth three or four times as much to the State in productiveness than before. The only method by which we can improve the national asset is by encouraging people to grow wheat and at the same time the grazing possibilities of the country will be improved and the country will be made worth, as I said just now, three or four times what it was worth in its natural state.

Mr. Green: Will you agree to the increase of all wages to 14s. a day?

Sir H. B. LEFROY: That is one of the difficulties the farmers have to contend with. There is no industry in Western Australia which is more sweated than that of farming.

Mr. Green: That is why they ride in motor cars.

Sir H. B. LEFROY: The man who produces wheat is really carrying on an industry which is a more sweated industry than any other. On the question of wages paid by the farmers, I would say that these are higher, considerably higher, than they were some years ago. The area under cultivation has increased enormously since 1909 and I wish to admit that even hon. members opposite, when they sat on this side of the House, recognised as I do the importance of the agricultural industry to Western Australia.

Hon. T. Walker: We do now.

Sir H. B. LEFROY: Hon. members opposite did a great deal to encourage agriculture in Western Australia, knowing that by doing that they were doing something which was in the interests of the country. That being the case, the land cleared and the land under crop increased enormously during the last decade. In the year 1914, when war broke out, the industry began to wane. There were many reasons, but the principal one was that the farmers felt an uncertainty as to whether they were going to be able to sell their wheat and as to what they would get for it. If the farmers had some certainty that they could get a fixed price for the wheat, there is not the slightest doubt that a great impetus would be given to agriculture in Western Australia. The member for North Perth (Mr. Smith) seemed to assume that I was submitting the motion because I might be partly interested.

Mr. Smith: I was concerned about myself; I do not know whether you are a wheat grower.

Sir H. B. LEFROY: I represent Western Australia in this House although I was sent here by a farming constituency. Hon. members know well that I have never been

a party to moving any motion which will in itself advance the interests of only one particular class without advancing the interests of other classes of the community. If we increase the productiveness of the soil and if we encourage those who have land to work it, and get more out of it, we are benefiting the whole State. The man on the land, perhaps, supports more people than are supported by any individual industry in the State. With regard to the gold mining industry, it is said that each worker in a gold mine helps to support five other people in that community. I think it may safely be said that the farmer helps to support double that number, if not more. The farmer depends on—

Hon. T. Walker: The Agricultural Bank.

Sir H. B. LEFROY: Not altogether. I do not desire that the farmers should depend on the Agricultural Bank. The man who is placed in such a position that he knows he has to depend on himself only is the man who is doing more good for himself and more good for the community. The man who is always held up and supported is never strong. The man who supports himself is the one who grows strong and is able to do more for his country. Those men who are most successful in this country are the men who have not had any assistance of this nature, but have depended on their own wits and their own perseverance. I move the motion because I think it my duty to obtain an expression of opinion from the House at this time, when there is not nearly the risk in making a guarantee of the price of wheat that there would have been some years ago. The experience of the past shows invariably that the price of wheat has kept up for a number of years after a great war. I have in my possession a statement of the average prices of wheat in England for the last 320 years, and that statement shows that the price keeps up as I have said. During the five years preceding the battle of Waterloo, which marked the conclusion of the Napoleonic wars, and for five years after, the average price of wheat in England was 12s. 10d. per bushel. From 1801 to 1810, the earlier years of the Napoleonic wars, the price of wheat in England averaged 12s. 3d. per bushel. During one year of the Napoleonic wars the price rose as high as 19s. per bushel. There was a similar experience after the Franco-Prussian war, which was of only very short duration. At the end of that war wheat rose to 6s. 11d. per bushel in England—a price considerably higher than it had reached for some years previously. The present is a time when we want above all things to develop the national estate. The State itself cannot do that; only man can do it, and we want to encourage man to do it. We have 21 million acres of land alienated and in process of alienation, and of those 21 million acres only 4½ millions are actually cleared. Travelling through the country we see enormous tracts of land which could be utilised

if people could only be encouraged to clear them. But Western Australia is differently situated from other countries in the matter of clearing. The wheat-bearing areas of South Australia required little or no clearing, and the same thing applies in the case of Canada. But this country of ours is a peculiar country. It is a productive country, and one which will respond to improvement perhaps to a greater extent than many other countries. When one goes into a salmon gum forest, one notes the growth of the timber and the absence of grass. When one sees the forest cleared and the land cultivated, and observes the wonderful sward of grass that follows, one recognises what the advantage of clearing the country really is. The only thing that can properly develop Western Australia is the clearing of the timber which retards the growth of the feed required for the carrying of stock. Undoubtedly the future of our farmers largely consists in raising sheep and growing wheat. Some people say, "Do not grow wheat; fools grow wheat." I am not one of those who hold that view. Undoubtedly the man who grows wheat runs a risk, owing to the seasons; but while he is growing his wheat he is also improving his property so that it will be able to carry three or four times the number of sheep afterwards; and in that way he is benefiting, not only himself, but also the State. I am sure hon. members recognise that a man who increases the carrying capabilities of his land is doing a great thing for the State. We want to see this enormous territory of ours denuded of some of that useless timber which is cumbering the ground; we want to see the land made productive, not only for the present generation, but also for posterity. It is an old truism that the land is the basis of everything that man uses, of absolutely everything. From that basis we want to start an uplifting of Western Australia. The gold-mining industry has done wonders for this State, uplifting it as in a night from absolute obscurity into something visible to all the rest of the world. I hope the time is not far distant when the gold production of Western Australia will be further developed. I have always been one of those who believe that every encouragement given to increase gold production and towards the making of new discoveries is to the advantage of Western Australia. The goldfields provide a market, and in that way give encouragement to the man producing from the soil. I think something can be done to carry out the principle embodied in the motion. Although we hear it often in this House, it is a fact which we must realise that on the man upon the land depends the future of this country. Therefore anything that will induce him to improve the national estate must be to the advantage of the country. I think the Federal Government should assist in a matter such as this, which is brought forward in the interests, not only of Western Australia, but of Australia as a whole. We want more

people in this country if we are to hold it for Australia, and the only way in which we can induce people to come to this country is to offer them every possible encouragement to settle on the soil and to produce from the soil that which nature intends they should produce for their own advantage and for the advantage of the Empire. I have no desire to labour this question, but I have considered it in all its phases for some time, and I am strongly of opinion that the formulation of a scheme by which the farmer can be guaranteed a price for his wheat over a term of years, will give the greatest impetus ever given to farming and production in this country. Hon. members fully realise the scope of the motion, which I offer for the serious consideration of the House. I trust that it will occupy the attention of the House as it should in the interests of this country of ours.

On motion by Mr. Maley debate adjourned.

MOTION—AGENT GENERAL'S OFFICE, SECRETARY AND EMIGRATION OFFICER.

Mr. PICKERING (Sussex) [9.13]: I move—

That in the opinion of this House it is undesirable that the offices of Secretary and Emigration Officer should be amalgamated, and that in the opinion of this House the latter officer should be equipped with a thorough knowledge of the land and of farming, and of the conditions appertaining to this State.

This motion has become necessary in consequence of the action of the Government as regards the appointment of an Emigration Officer to be attached to the Agent General's office. It will be remembered that recently I asked here some questions regarding this vacancy. One question was whether the appointment had been filled, to which the answer was in the negative; and the other question was whether, in the event of the vacancy not having been filled, the Government would consider the absolute necessity, in the best interests of the State, for selecting a man who had expert farming knowledge, to which the answer was in the affirmative. Strange to say, this appointment had been hanging fire for a considerable time, but immediately after the putting of these questions to the Government we find an advertisement in the "Government Gazette" calling for fresh applications for the post on different lines. I take some credit to myself, perhaps, in that connection. In to-day's "West Australian" there appears an advertisement calling for applications for the vacancy, and stating that applications will be received by the Public Service Commissioner until the 15th September for the position of "Secretary and Emigration Officer in London." My reason for asking the questions which I have quoted was that I had been informed it was the intention of

the Government to appoint to the position of Emigration Officer a gentleman quite unfitted to hold the position. I firmly believe that if the position is to be adequately filled it must be filled by a man cognisant of all the conditions of the land in Western Australia and its working. The officer suggested has been engaged entirely on clerical work during the whole of his service in the State.

Hon. T. Walker: Has he been appointed?

Mr. PICKERING: According to the Minister, no. But this gentleman, while not fitted for the appointment as emigration officer, is one who might be eminently fitted for the position of secretary. We find on inquiry that the position of secretary is fraught with considerable difficulty, requiring special ability. We know that it was necessary to withdraw Mr. Moss from the Front to take charge of the secretarial position in the London Agency, and it has taken Mr. Moss all his time to bring about a state of order in the London Agency. I have heard it said that offers were made by the Government to retain the services of Mr. Moss in that office, but that Mr. Moss is not prepared to accept the terms. If that is so, we require for the position of secretary a man of special ability. If the work is as strenuous as I am led to believe, it is necessary that the two appointments should be kept separate; that is, if the Government are in earnest in their policy of immigration. What has been the result of the past immigration policy of the State? Pamphlets have been issued from the London office which have proved most misleading. The officer who had charge of immigration made a huge effort to get immigrants, quite regardless of their suitability for work in this State.

Hon. W. C. Angwin: All bunkum!

Mr. PICKERING: It is not bunkum, it is true, and I can prove what I say by my knowledge of some of the men who have occupied the position and by my knowledge of others who have come out here as immigrants. A prominent emigration officer of the past was Mr. Dolly. Previously he was a land guide in the Collie district, and whilst engaged in that post he used to show four or five people the same area of land. Immigrants who came out here in response to advertisements from the London Agency have proved to be of all trades, when they were supposed to be farmers; and they were placed on virgin country when they expected to go to homestead farms and, in consequence, many of them have been quite unable to contend with the conditions.

Mr. Smith: That was no fault of the land.

Mr. PICKERING: But it was the fault of the immigration policy in bringing out people quite unsuited to the work.

Mr. Smith: In many cases those immigrants swore that they were farmers.

Mr. PICKERING: But if we had had an emigration officer who was thoroughly conversant with farming conditions, he could

have found out for what avocation they were best suited.

Hon. W. C. Angwin: There are many avocations other than farming.

Mr. PICKERING: But the Government of which the hon. member was a member clung to the policy of bringing out none but farmers. On making inquiries about the dual position, I find from the Public Service Commissioner that the superior appointment is not that of emigration, but of secretary to the London Agency, and that the appointment of emigration officer is quite a secondary consideration. If the Government are in earnest in their immigration policy, let them appoint two separate officers, one to be secretary and the other to take charge of emigration. I am convinced that if we are going to do any good with immigration in this State, we require in the London office a man with an exact knowledge of everything pertaining to farming.

Mr. Smith: Then the best officer would be a farmer?

Mr. PICKERING: I know of several officers of the Agricultural Bank who have an exact knowledge of farming. Some of them have been farmers themselves.

Mr. Smith: Would they be good emigration officers?

Mr. PICKERING: There is every reason to believe they would be more valuable in the position than would a man without their training. It is not necessary that an emigration officer should send out the greatest number of immigrants. It is of far greater importance that he should send to us a suitable class of immigrants. Farmers applying to the London Agency for emigration passages, would naturally want information of a farming nature, would want to know what the soil was like and the methods of working it, what the difficulties are in the way of settlement, what money would be required and how the advances are to be obtained. Therefore, I think that if the Government were to appoint an officer who has had experience in the Agricultural Bank, he would be able to satisfactorily answer all the questions asked of him.

Mr. Smith: But you do not seriously suggest that a farmer would be the best man for the post?

Mr. PICKERING: Why should we assume that a farmer is a blithering idiot, as the hon. member seems to think?

Hon. P. Collier: We can only go by the standard of the Country party.

Mr. PICKERING: If they are all up to my standard, they are not idiots. I have grave doubts as to the seriousness of the Government in regard to immigration. I believe they would be glad to welcome thousands who brought a few pounds each, irrespective of what should be the ultimate fate of those people. Much of the unemployment of to-day is consequent upon the bad immigration policy of the past. Men who have brought out money but no special knowledge have failed signally on the land. I have been 15 years on the land and I

know something of the subject. I know of the vital necessity for filling the position in London with an experienced man. From their calling of fresh applications I fear the Government are endeavouring to fit the conditions to the man, and not the man to the conditions. It has been alleged by certain members that I am interested in the appointment of Mr. Fairbridge to this position. I disclaim that. I am not at all interested in the appointment of Mr. Fairbridge. Indeed, I hope he will not be appointed to the position. But I am interested in seeing that the position is filled by a man with a thorough knowledge of farming conditions, one who will be able to satisfactorily answer questions.

Hon. W. C. Angwin: When you get into the Government you will have a chance of filling the billet to your own liking.

Mr. PICKERING: It is not a remote contingency.

Mr. Johnston: We do not want another Premier for a bit.

Mr. PICKERING: The levity of the Chamber does not reflect very highly on its intelligence. The position is one of importance to the State. Immigrants should have a proper knowledge of the conditions to which they are coming. The prospects which the State holds out to any energetic man with a knowledge of farming leave nothing to be desired, but we do not want people to think they are coming out to an Eldorado. They require to know rather that the difficulties are great, but that the reward is certain provided they devote attention and energy to their task. We do not want the London Agency to issue highly coloured prints descriptive of homes and residences which, as a matter of fact, have been 50 or 60 years in the making. We want to tell prospective emigrants the truth. If the Government appoint a man who will do this, and who has a thorough knowledge of the conditions of land settlement in Western Australia, we shall have men coming out here who are likely to be entirely satisfied with their lot.

On motion by the Minister for Mines, debate adjourned.

MOTION—STATE SMELTING WORKS, TREATMENT OF ORES.

Debate resumed from 27th August on the following motion by Mr. Smith:—

That Subclause (2) of Regulation 16, for the treatment of auriferous copper ores at the State Smelting Works, Phillips River, under the "Mining Development Act, 1902," and laid upon the Table of the House on the 31st July, 1919, be disallowed.

The MINISTER FOR MINES (Hon. J. Scaddan—Albany) [9.29]: The member for North Perth has been prompted to move that a portion of a regulation which was made

early in the year should be disallowed. After having heard the hon. member I conclude that it is not so much the principle contained in the regulation which he complains about as it is the retrospective nature of the regulation. I at once admit that under ordinary circumstances it would be highly inadvisable to frame regulations under an Act of Parliament and then to make them retrospective, particularly so when it is to deal with customers of one of the Government departments. I think the member for North Perth (Mr. Smith) when he knows the facts will appreciate there are times when it is desirable, before a regulation is promulgated, that something of an agreement between the Government and their customers should be arrived at. That is really what occurred on this occasion. May I explain what is known to most members and particularly to the leader of the Opposition, that prior to the outbreak of war, the department were treating ore on behalf of mine owners and others at Phillips River and charging the cost of treatment. They were responsible for the realisation on their product. On the outbreak of war, the mine owners were immediately notified that we were not prepared to continue that practice. In fact, it was in the interests of the customers of the department that an alteration was made, and from that date onward we changed over, in lieu of purchasing the ore, to making advances against the value, treating it on their behalf and then, as opportunity offered, placing it on the market, charging them the actual net cost without any commission or other charges, and giving them any balance realised. The point arose as to what should be the charges for such treatment and realisation. The regulation then existing dealt with the question of purchase outright, and to the new methods—adopted in the interests of those engaged on the field more than anyone else, because we made advances when they could not have disposed of their ore, which enabled them to carry on—they made no objection, although no regulation was promulgated at that time.

Hon. P. Collier: When was this?

The MINISTER FOR MINES: In 1914. From that time onward, that practice operated until the smelters closed down recently.

Mr. Smith: They did not object to the change over.

The MINISTER FOR MINES: No, and they proceeded on that basis for some time. The change was found necessary in their interests, as well as in the interests of the Government. When we made the advances we were not aware of the possibilities of a market. We took the risk of making the advances and made no profit at all. We merely charged them the actual cost of realising on their copper ore. Then we had to decide what should be the cost, to give them an idea whether they could continue to work their mines profitably, and a notice was posted on the field, for the information of those

who desired treatment at the smelter, that the charges would be 40s. treatment costs and 5s. realisation charges. The raisers of ore proceeded on that basis, although they immediately wired the Minister suggesting that the charges were too high, and asking him to meet them and discuss the matter. He agreed to do so, and in the circumstances it would have been inadvisable to have made a regulation which would have been binding, when a conference was pending. The Minister conferred with them on a number of occasions, and when finality was arrived at after the lapse of some period, a figure considered equitable to the department and the customers of the smelter was agreed to. The treatment costs were reduced from 40s. to 35s. and the realisation costs from 5s. to 3s. 9d. We proceeded on that basis for a while, and discovered that the department were losing money. After further consideration, the Minister decided that the prices should be 38s. treatment costs and 5s. realisation charges, and when that was finally decided upon, the regulation was made, and we had to make the regulation cover the period which had elapsed while the discussion was taking place. That is all that happened.

Mr. Smith: Did they agree to this?

The MINISTER FOR MINES: I do not suppose they agreed to the charges. Quite naturally they would have agreed more readily if we had charged half the amount or done the work for nothing. No serious objection was raised, and the work proceeded without question. The hon. member is probably aware that, at present, a case is pending which may come into the court, and therefore may be considered sub judice, in regard to the question of costs at the Ravensthorpe smelter. Therefore I do not propose to deal with that aspect. I want to assure the House that the regulation to which the hon. member takes exception was simply made retrospective to charge up the cost of treatment as agreed upon, and not the first charges posted on the mines.

Mr. Thomson: Was a notice stipulating the price published in the "Gazette?"

The MINISTER FOR MINES: The men at Ravensthorpe would not have worried about the "Gazette," when the notice was posted in the district. The hon. member will realise that the notice was seen and known of by all the miners in the Phillips River district. The fact that they had a meeting and decided to send representatives to Perth to discuss the matter with the Minister shows they realised the regulation would apply. They asked the Minister to stay his hand. No objection was taken to this, and the objection taken now is largely due to the case pending in the court. I do not wish the House to prejudice the case, which may come into the court, by taking the action proposed by the hon. member.

Mr. Thomson: Will not this prejudice the miners' case?

The MINISTER FOR MINES: No.

Mr. Thomson: Why?

The MINISTER FOR MINES: Their objection is largely a question of whether the realisation charges levied against some of the producers were equitable and not the cost of treatment at the works.

Mr. Smith: They were relying on the Government charging so much.

The MINISTER FOR MINES: They were not misled. The first notice posted stipulated 40s. for treatment. Then we decided by arrangement to 'make it 35s., and found we were losing money. Then we made it 38s. There is nothing serious about that. If the first price had been 35s. and we had then increased it to 38s., the miners might have claimed that they were misled. But when we originally posted the figure at 40s. and finally made a regulation charging 38s., the miners, if misled at all, were misled in their own interests. When, at the outbreak of war, we notified them that advances would be made, and the copper ore would be sold on behalf of the producers, instead of purchasing outright as previously and that we would not charge commission, no one complained. That proposal was accepted, and acted on without regulation, for a period. In July, 1915, a regulation was made, and although it was not retrospective, it covered the period just as this regulation would operate, except that in this case we mentioned the fact. The hon. member suggested that the regulation would have retrospective effect for three years back. That is not so. It will only cover the period back to the time notifying that the new prices would prevail.

Mr. Smith: When was that?

The MINISTER FOR MINES: In July, 1918. Although we made a regulation in 1915, no one complained, and even when this regulation was promulgated nobody complained except on the basis that the charges were high. As the case referred to may come into court, it would be inadvisable for the department to show their hand here. The department are entitled to the same protection as anyone else, and I have made reference only to that portion of the regulation referred to by the hon. member. When it became necessary, in July, 1918, to increase the charges, the charges were posted at the smelter, the easiest and best method of notifying all concerned. The leader of the Opposition knows our proposals were hailed with delight. Owing to the difficulty of getting shipping space, our proposals were regarded as excellent.

Hon. P. Collier: They could not have carried on otherwise.

Mr. Smith: When did these charges operate?

The MINISTER FOR MINES: From July, 1918.

Mr. Smith: But the ore then treated would probably have been raised six months before.

The MINISTER FOR MINES: No objection was raised at the time.

Mr. Smith: The miners were relying on the Government not going back on their word.

The MINISTER FOR MINES: The regulation does not apply further back than July, 1918.

Mr. Smith: But the ore would have been raised before that date.

The MINISTER FOR MINES: A similar position would occur in many walks of life.

Mr. Smith: They should have had six months' notice.

The MINISTER FOR MINES: They did not ask for six months' notice when the change was made to save them from disaster at the outbreak of war. They only want notice when it is entirely in their own interests. The Minister, as trustee for the State, which has to find the money, found he was operating at a loss. He has to carry the responsibility and answer to Parliament and the people, and if he had given six months' notice, Parliament would have said, "You knew you were operating at a loss when you were treating the ore at actual cost and you were guilty of a breach of trust." The Minister took the proper course by immediately notifying the miners. The price then posted was higher than the miners considered fair, and the conference was held. That was infinitely preferable to taking immediate action. The Minister discussed the matter with them, and finally reduced the figure, but after operating for a period it was found that the figure would not cover the cost. I would ask the hon. member whether he consults the public regarding what he charges for a commodity he sells to them. Is a man running a private battery at a loss going to wait while he gives six months' notice, before increasing his charges? After five years have elapsed they have forgotten the action the Government took to keep them alive. I do not think that the Phillips River people have much to complain of about the action of the Government during the war period; yet on a small matter of this nature they make a complaint. So far as I can judge, after discussing the matter with various officials, and wading through the file, I have come to the conclusion that the method adopted was the best in the interests of the producer himself. I ask the hon. member not to press the question of the disallowance of this regulation, though I do not know that it amounts to much. If it came to the point I think that the Government could if it liked, claim the 40s., because they went on treating after the notice was posted. The regulation was not amended earlier because we were waiting to arrive at a figure that would be fair to both sides.

On motion by Mr. Mullany, debate adjourned.

House adjourned at 9.43 p.m.