Legislative Assembly

Tuesday, 20th October, 1953.

CONTENTS.

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

AUDITOR GENERAL'S REPORT.

Section "A", 1953.

Mr. SPEAKER: I have received from the Auditor General a copy of Section "A" of his report on the Treasurer's statement of the Public Accounts for the financial year ended the 30th June, 1953. It will be laid on the Table of the House.

QUESTIONS.

TRAFFIC.

As to Installation of Lights.

Hon. C. F. J. NORTH asked the Minister representing the Minister for Local Government:

(1) Is the installation of traffic lights proceeding to plan?

(2) Is he in a position to announce the date when the proposed initial traffic lights for the city area will be in operation?

(3) Will the allocation of funds to acquire traffic signs as reported in "The West Australian" of the 8th October, 1953, affect the number of traffic lights to be installed during the 1953-54 financial year?

The MINISTER FOR RAILWAYS replied:

(1) Yes.

(2) It is anticipated that the lights at the West Perth subway will be in operation by the latter part of December.

(3) No.

RAILWAYS.

(a) As to Sale of Scrap Steel and Purchase of Castings.

Mr. LAWRENCE asked the Minister for Railways:

(1) What tonnage of scrap steel has been sold by the W.A.G. railways during the past 12 months—

(a) by private treaty;

(b) otherwise than by private treaty?

(2) (a) What tonnage of scrap steel has been purchased from the W.A.G.R. by Hadfields Ltd. during the last 12 months?

(b) At what price or prices were such purchases made?

(c) At what price or prices were other sales of scrap steel made by the W.A.G.R.?

(d) How was the sale price fixed—

(i) in relation to sales to Hadfields Ltd.;

(ii) in relation to sales to other purchasers?

(3) (a) Has any, and if so, what quantity of scrap steel sold to Hadfields Ltd. been resold by that company?

(b) If so, what was the resale price?

(4) (a) What is the present cost of recovery of scrap steel (including labour costs)?

(b) What is the present selling price of scrap steel f.o.r. Midland Junction?

(c) Does such sale price show a profit or loss to the W.A.G.R.?

(5) (a) What tonnage of steel castings has been supplied to the W.A.G.R. during the past 12 months by—

(i) Hadfields;

(ii) Webster & Lumsden?

(b) During the same period what tonnage of steel scrap has been sold by the W.A.G.R. by private treaty to—

(i) Hadfields;

(ii) Webster & Lumsden?

(6) Will he give the House an assurance that in future all sales of scrap steel will be made by public tender, and if not, then why will such assurance not be given?

The MINISTER replied:

(1) (a) Scrap steel, 2,420 tons; rails, 880 tons.

(b) Scrap steel, nil; rails, 64 tons (tenders).

(2) (a) 1,485 tons.

(b) Tyres: 219 tons at £12 10s. per ton. General scrap: 1,003 tons at £5 per ton. Turnings: 263 tons at 15s. per ton. Total 1,485 tons.

(c) 793 tons at £7 per ton; 142 tons at £8 10s. to £15 per ton.

(d) (i) Private treaty.

(ii) Private treaty with exception of 64 tons (rails) by tender.

(3) (a) Information not available.

(b) Information not available.

(4) (a) £1 17s. per ton.

(b) Tyres, £12 10s. per ton; general scrap, £5 to £7 per ton; turnings, 15s. per ton; rails, £15 per ton.

(c) Profit.

(5) (a) (i) Nil.
(ii) Nil.

(b) (i) 1,485 tons.
(ii) 793 tons.

(6) Generally, tenders will be called, but where the supply at any time is in excess of current demand, disposal must be made to best advantage.

(b) As to Increased Freight Rates on Superphosphate.

Mr. HEARMAN asked the Minister for Prices:

Can he indicate the effect on the cost of superphosphate of the new rail freights and reduction in subsidy on rail freights on pyrites?

The MINISTER replied:

In the manufacture of superphosphate in this State, both brimstone and pyritic ore are used in the production of sulphuric aid.

The degree by which the cost of manufacturing superphosphate for the current season will be affected by the alteration in rail freights, depends upon the proportion of pyritic ore transported prior to and after the new rates became operative.

As the major portion of the pyritic ore which will be used this season had already been transported before the new rates were in operation, it will be understood that the full effect of the increased freights will not be apparent in this season's price of superphosphate.

However, the increases in costs to the industry on that portion of the ore which will attract the new rate, averaged over the whole of the superphosphate produced from both pyritic ore and brimstone, would approximate 1s. 2d. per ton of superphosphate.

These figures are based upon the operations of the larger of the two local manufacturers.

GOVERNMENT STORES.

As to Purchases and Prices.

Mr. COURT asked the Premier.

(1) What were the approximate prices per ton of steel into Government Stores, Perth, as under:—

As at 30/9/49—Australian manufacture; from overseas;
As at 30/9/50—Australian manufacture; from overseas;
As at 30/9/51—Australian manufacture; from overseas;
As at 30/9/52—Australian manufacture; from overseas;
As at 30/9/53—Australian manufacture from overseas?

(2) What were the approximate prices per ton of galvanised iron into Government Stores, Perth, as under:—

As at 30/9/49—Australian manufacture; from overseas;
As at 30/9/50—Australian manufacture; from overseas;
As at 30/9/51—Australian manufacture; from overseas;
As at 30/9/52—Australian manufacture; from overseas;
As at 30/9/53—Australian manufacture; from overseas?

(3) What were the approximate prices per ton of cement into Government Stores, Perth, as under:—

As at 30/9/49—Australian manufacture; from overseas;
As at 30/9/50—Australian manufacture; from overseas;
As at 30/9/51—Australian manufacture; from overseas;
As at 30/9/52—Australian manufacture; from overseas;
As at 30/9/53—Australian manufacture; from overseas?

(4) What were the approximate prices per foot of galvanised piping, sizes ½in. ¾in. and 1in., into Government Stores, Perth, as under:—

As at 30/9/49—Australian manufacture; from overseas;
As at 30/9/50—Australian manufacture; from overseas;

As at 30/9/51—Australian manufacture; from overseas;
As at 30/9/52—Australian manufacture; from overseas;
As at 30/9/53—Australian manufacture; from overseas?

The PREMIER replied:

The particulars are as follows:—

(1) Steel—

Australian Manufacture.

As at—	Reinforced Steel. Per ton. £ s. d.	Steel Plates. Per ton. £ s. d.
30/9/49	16 5 0	19 5 0
30/9/50	18 5 0	21 5 0
30/9/51	20 15 0	23 15 0
30/9/52	29 0 0	32 0 0
30/9/53	30 5 0	33 5 0

From Overseas.

As at—	Reinforced Steel. Per ton. £ s. d.	Steel Plates. Per ton. £ s. d.
30/9/49	—	38 0 0
30/9/50	38 0 0	38 0 0
30/9/51	43 0 0	100 0 0
30/9/52	80 0 0	—
30/9/53	45 0 0	—

(2) Galvanised Iron—

As at—	Australian Manufacture. Per ton. £ s. d.	From Overseas. Per ton. £ s. d.
30/9/49	41 15 0	—
30/9/50	44 0 0	90 0 0
30/9/51	57 10 0	130 0 0
30/9/52	68 7 6	166 0 0
30/9/53	76 12 6	—

(3) Cement—

Australian Manufacture.

As at—	Local. Per ton. £ s. d.	East. States. Per ton. £ s. d.
30/9/49	5 12 5	—
30/9/50	5 12 5	12 14 0
30/9/51	8 1 5	16 6 0
30/9/52	11 17 2	17 0 0
30/9/53	11 9 8	—

From Overseas.

As at—	Per ton. £ s. d.
30/9/49	10 17 0
30/9/50	11 12 9
30/9/51	13 5 0
30/9/52	21 0 0
30/9/53	17 11 6

(4) Galvanised Piping—

Australian Manufacture.

As at—	Per foot. ½in. s. d.	¾in. s. d.	1in. s. d.
30/9/49	0 4	0 5	0 6½
30/9/50	0 4½	0 5½	0 7½
30/9/51	0 5	0 6	0 8½
30/9/52	0 6½	0 8	0 11
30/9/53	0 6¾	0 8¼	0 11½

From Overseas.

As at—	Per foot. ½in. s. d.	¾in. s. d.	1in. s. d.
30/9/49	0 9¾	0 11¼	1 3½
30/9/50	0 6½	0 11	1 2½
30/9/51	0 7	0 9½	1 1
30/9/52	—	2 0	2 1¾
30/9/53	—	—	—

HOUSING.

(a) As to Proposed Flats, Subiaco.

Mr. COURT asked the Minister for Housing:

(1) What are the individual items of expenditure and income and the amount per annum of each of such items used by the State Housing Commission in calculating the net return from the proposed Subiaco flats?

(2) What staff is proposed to be employed by the State Housing Commission for the management, supervision, maintenance and operation of these flats?

(3) What are the respective duties of such staff and the wages or salary proposed for each of such persons?

The MINISTER replied:

(1) Rents are assessed in accordance with the formula provided under the Commonwealth-State Rental Housing Agreement.

(2) and (3) Not yet determined.

(b) As to Land Resumption, Queen's Park.

Mr. WILD asked the Minister for Housing:

(1) In view of regulation 27, published under the State Housing Act, 1946-1948, have not the proprietors of land at Queen's Park, being portion of Canning Location 320, which has been resumed, a right to have the resumption reviewed during a period of 60 days as from the 25th September, 1953?

(2) Until the expiration of this period, could not the resumption be set aside?

(3) If the answer is in the affirmative, does he think it reasonable materially to alter the condition of the land by the removal of trees, which might be desired by the owner to remain as being necessary in the course of his business?

The MINISTER replied:

(1) No. Resumption was made under Section 21 (2) (d) of the State Housing Act.

(2) No.

(3) See answers to Nos. (1) and (2).

COLLIE RIVER.

As to Draining Mouth.

Mr. GUTHRIE asked the Minister for Works:

Can he inform the House whether the Government has any plans for the drainage of the mouth of the Collie river, for the benefit of tourists who visit the South-West and Bunbury?

The MINISTER replied:

There are no plans for such work.

HOSPITALS.

(a) As to Installing Lift, Bunbury.

Mr. GUTHRIE asked the Minister for Health:

Will he inform the House when the Government intends to install the lift in the Bunbury Government Hospital.

The MINISTER replied:

The practicability of the project is being considered. No date can be suggested at this stage.

(b) As to Regional Building, Bunbury.

Mr. GUTHRIE asked the Minister for Health:

Can he inform the House when the Government intends to commence the construction of the regional hospital in Bunbury, the land for this purpose having already been purchased?

The MINISTER replied:

No definite time can be given. The whole question of regional hospitals is under consideration.

HEALTH.

As to Free Medicine for Asthma Sufferers.

Mr. GUTHRIE asked the Minister for Health:

(1) Is there any medicine on the free medical list for sufferers from asthma?

(2) Will he recommend to the Federal Minister that some relief should be given to sufferers from this complaint?

The MINISTER replied:

(1) Various preparations of drugs commonly used in the treatment of asthma are available under the Pharmaceutical Benefits Regulations.

(2) Further concessions in this field would involve Federal policy and an approach might be made more appropriately through a Western Australian Federal member.

URANIUM.

As to Deposits in Western Australia.

Hon. D. BRAND asked the Minister for Mines:

(1) What steps has the Government taken to ensure that all areas in Western Australia are being thoroughly explored for deposits of uranium?

(2) Can he list the areas where worthwhile deposits of uranium are known to exist in this State?

The MINISTER replied:

(1) The Government has installed Geiger-Muller counters in central parts of the Goldfields and in Perth in order that rocks and specimens may be tested to see if they are radio-active, and it encourages all prospectors and miners to collect and have tested any unusual specimens.

All run of mine ore from the main producing mines in Western Australia has been examined for radio-activity during the last five years.

Published information of the mode of occurrence, etc., of such minerals has been distributed.

Geological examinations of areas where any radio-activity occurs are immediately made.

A request has been made to the Commonwealth Government that when available an aerial scintillometer survey might be made of certain Goldfields areas where radio-active deposits might occur. The Commonwealth Government has one aeroplane equipped in this regard which has been fully occupied on the Northern Territory to date, but we have been informed that it has another on order and that when it is available, an aerial survey will be undertaken on our behalf.

The State Government Geologist was recently sent to the Northern Territory to study the geological nature of the deposits located there.

(2) So far no deposits of radio-active minerals of potential economic importance have been located.

The first areas which it is hoped to have aerially surveyed will be parts of the East Kimberley, Pilbara and Murchison Goldfields.

LEADMINING.

As to Reopening of Protheroe Mine, etc.

Hon. D. BRAND asked the Minister for Mines:

(1) Will he advise the possibility of the reopening of the Protheroe leadmine, north of Geraldton?

(2) Does he agree that the closure of this modern plant is indicative of a decline in the leadmining industry of Western Australia?

(3) If not, could he advise of the prospects of future leadmining in this State?

The MINISTER replied:

(1) and (2) The Protheroe leadmine is held by Anglo-Westralian Mining Pty. Ltd., an active company in W.A. whose principals are American.

With the reopening of the London Metal Exchange last year allowing free sales, and the release of stockpiles held by the British Government, a considerable fall occurred in the price of lead. The Anglo-Westralian company then decided to suspend operations until such time as stockpiles were reduced and the price improved. It estimated a closure period of approximately 12 months. At the present time the price is firming somewhat.

The company advises that prior to reopening it will deepen its main shaft in order to develop further levels on ore

already exposed by winzing from its bottom levels, and will explore lodes already exposed on its Protheroe property by diamond drilling.

(3) As with all minerals other than gold, leadmining activity is governed by the market price offering. The recent drop in price has affected activity, but any firming in price will improve the position. The Mines Department has almost completed a State battery at Northampton for the purpose of treating lead and other minerals, such as copper, wolfram, etc. This plant will, it is hoped, encourage added activity at this centre, as lack of public treatment facilities there has previously been a drawback with regard to development.

ROADS.

As to Resumptions for Widening South-West Highway.

Mr. MANNING asked the Minister for Works:

(1) To what distance along the South-West Highway, in the areas, Coolup to Picton and Picton to Boyanup, are resumptions of land being made for the purpose of widening the highway?

(2) What width of land is being resumed?

(3) What price, per acre, is being paid for the resumed land?

(4) Are the resumptions being made on one side of the road only?

The MINISTER replied:

(1) For the purpose of widening the road reservation of the South-Western Highway within the areas Coolup to Picton and Picton to Boyanup, resumptions are being made—

(a) between Waroona and Wagerup to provide for several small truncations;

(b) between Wokalup and Picton Junction for a length of approximately 17 miles.

(2) The general width to be resumed is 33ft.

(3) Following on formal resumption being completed, consideration will be given to claims submitted.

(4) The proposed resumption varies from one side to the other, and in some instances is on both sides of the existing road reserve.

WORKERS' COMPENSATION.

As to Proposed Increases and Premium Rates.

Hon. Sir ROSS McLARTY (without notice) asked the Minister for Labour:

Assuming that the Workers' Compensation Act Amendment Bill is passed in the form now before Parliament, can he give an estimate of the premium rates likely to be approved by the Premium Rates Committee in respect of the mining industry—

(a) for accident cover; and

(b) for industrial diseases cover.

The MINISTER replied:

I can say "No" to the question, but I have no doubt that the Premium Rates Committee will determine the premiums after due consideration of all the circumstances.

COCONUT, PAPUAN.

As to Compensation for Condemned Lots.

Mr. HUTCHINSON (without notice) asked the Premier:

Has the Government sought assistance from the Commonwealth for compensation money to be paid in respect of contaminated desiccated coconut? If so, what was the result?

The PREMIER replied:

Not so far as I know. I will have inquiries made.

BILL—RURAL AND INDUSTRIES BANK ACT AMENDMENT.

Message.

Message from the Governor received and read recommending appropriation for the purposes of the Bill.

BILL—JURY ACT AMENDMENT.

As to Third Reading.

Order of the Day read for the third reading of the Bill.

Hon. J. B. SLEEMAN (Fremantle): I move—

That the Order of the Day be postponed until next Tuesday.

Hon. A. V. R. ABBOTT (North Perth): I object to the motion. No reasons were given for it, and there seems to be no object in postponing the third reading of the Bill. It is rather unreasonable for a private member's Bill to be postponed in this way.

Hon. J. B. Sleeman: It is not often that a member speaks on a motion for postponement, either.

Hon. A. V. R. ABBOTT: I do not know about that. I think I am entitled—

Hon. J. B. Sleeman: I do not think you are.

Hon. A. V. R. ABBOTT: Anyhow, I oppose the motion.

Hon. Dame Florence Cardell-Oliver: Give reasons!

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

Ayes	23
Noes	16
Majority for	7

Ayes.	
Mr. Andrew	Mr. Lawrence
Mr. Brady	Mr. McCulloch
Mr. Graham	Mr. Moir
Mr. Hawke	Mr. Norton
Mr. Heal	Mr. Nulsen
Mr. J. Hegney	Mr. O'Brien
Mr. W. Hegney	Mr. Rhatigan
Mr. Hoar	Mr. Sleeman
Mr. Jamieson	Mr. Styants
Mr. Johnson	Mr. Tonkin
Mr. Kelly	Mr. Sewell
Mr. Lapham	*(Teller.)*

Noes.	
Mr. Abbott	Mr. North
Mr. Ackland	Mr. Perkins
Mr. Brand	Mr. Thorn
Dame F. Cardell-Oliver	Mr. Watts
Mr. Court	Mr. Wild
Mr. Doney	Mr. Yates
Mr. Manning	Mr. Hutchinson
Sir Ross McLarty	*(Teller.)*
Mr. Nimmo	

Question thus passed.

BILL—WHEAT MARKETING.

Message.

Message from the Governor received and read recommending appropriation for the purposes of the Bill.

Second Reading.

THE MINISTER FOR AGRICULTURE (Hon. E. K. Hoar—Warren) [4.50] in moving the second reading said: I have to claim the indulgence of the House with regard to this Bill inasmuch as it is expected to go through all stages in one day. It was not my wish that this situation should develop; it is due entirely to circumstances over which I had no control. I expected to have the completed Bill ready for the House last Thursday, and we would have dealt with it partly then and partly today, so that we could have adequately covered the whole ground. Unfortunately the Bill was not ready. It was only printed a matter of an hour ago. I hope members, therefore, will understand that if they can co-operate, I shall be very pleased.

Although I do not intend to neglect any portion of the Bill, but rather to deal with it as freely as circumstances warrant, I am going to try to offer an example of brevity in order to give the Legislative Council also an opportunity of considering the measure today. So that members may have a chance to scrutinise the Bill and to understand something about it, the debate will be adjourned at the end of the introduction of the second reading until after the tea suspension. This should give most members an opportunity to bring themselves up to date on the Bill—at least as far as is possible in a short space of time.

Mr. Yates: Is a Bill similar to this being introduced in the other States?

The MINISTER FOR AGRICULTURE: Almost similar. There are one or two provisions in this Bill which are not included in the legislation of the other States. The Western Australian Government decided to give the wheatgrowers an opportunity, towards the end of the three-year term of the International Wheat Agreement, to have a ballot. This provision is not included in other legislation. Apart from that, I think the legislation in the other States is very similar to this, and is designed to do nothing else but arrange for a system of orderly marketing of wheat for a period, plus the provision giving the Commonwealth power to ratify the International Wheat Agreement. All the State Bills will follow that line.

Since the beginning of negotiations between the State Ministers and the Federal Minister early in March this year in order to arrive at a scheme upon which all States and growers of all States might agree, this Government has been in close contact with the wheatgrowers of Western Australia because it felt they should understand what the Government had in its mind, and the Government in turn felt it should know what the wheatgrowers were thinking. As a result no action has been taken by me, as Minister for Agriculture, that had not previously been fully discussed with both the Government and the wheatgrowers.

The purpose of the Bill is to provide legislative power for a Commonwealth-State plan for an orderly marketing scheme for wheat for the next three years. It can be described more as a reserve plan than anything else because when the Ministers met early this year we were getting towards the close of a stabilisation scheme which had lasted for five years—since 1948—and it became imperative, if we wanted to continue with orderly marketing, either with or without stabilisation features, to arrange a plan upon which all States and growers agreed.

Even in March we found that there was extreme doubt—there certainly was in my mind—as to whether or not we could hope to achieve in the next three years, a scheme based on the stabilisation features of the past. The 1948-53 stabilisation scheme included such provisions as these—

(1) A guaranteed home consumption price for wheat based on the found cost of production of 100,000,000 bushels.

(2) The establishment of a stabilisation fund by grower contributions.

(3) A concessional price for stockfeed wheat.

(4) The establishment of an Australian wheat board by Commonwealth legislation and supplementary State legislation.

In March of this year the Agricultural Council, which is composed of the Ministers for Agriculture of all States, met in order to find out what the States required in any future marketing scheme. It quickly became apparent that although all

Ministers agreed on the principle of a stabilisation marketing scheme, they could not possibly hope to agree on the home consumption price of wheat. It was always on that particular rock that unanimity between the Ministers foundered. It was finally agreed, however, that an orderly marketing plan of wheat through the Australian Wheat Board should continue.

There was never any doubt in the mind of any State Minister that the greatest instrument for the better distribution of wheat was the Australian Wheat Board, and that at all costs it should be retained. It was also agreed at the earlier conferences that it was desirable to continue a stabilisation scheme, and that any scheme agreed upon between the Commonwealth and the States should be submitted for the decision of the growers by ballot, the vote being compulsory.

Later in the year—in July—although all Ministers again supported stabilisation, it became clear that any plan of stabilisation must of necessity break down in the Commonwealth because the States could not agree on a home consumption price. We found ourselves in groups of twos and threes, so we endeavoured to compromise between the groups to bring them together, but in the long run we found there were two separate groups of Ministers who could not, in any circumstances, be expected to reach agreement, either because they felt their own State Governments would not support them, or that their own growers would not support them—this latter point being a feature we had laid down as being necessary to any stabilisation scheme.

All the time that the haggling at these conferences was going on, the date of ratification of the International Wheat Agreement was drawing closer, and it became urgent, if we were to be a party to this important agreement, and to be in a position to shoulder fully our responsibilities under the agreement, that something should be done. As a consequence, the Ministers divided into two camps. There was the camp in which New South Wales, South Australia, Western Australia and Tasmania stood on a 15s. per bushel basis under a scheme without stabilisation features of any kind, and there was the other camp in which Victoria and Queensland were definitely hostile to any such move.

As a result we felt again that we could not hope to achieve unanimity in any Australian scheme. I want to make it quite clear that the Western Australian Government has been consistent in its attitude all the way through. It decided, in the first place, that it would legislate for a stabilisation scheme, subject to the approval of the growers by ballot. Failing a stabilisation scheme, the State Government would legislate for orderly marketing through the Australian Wheat Board, even on a basis of three States only, if such would ensure a reasonable return to growers and would enable ratification of the International Wheat Agreement.

Therefore, a plan was developed which found favour with the four States I have already mentioned. This plan was based on a price of 15s. per bushel for home consumption wheat—that is, wheat for home consumption as well as for stock feed At a subsequent meeting of the Wheatgrowers Federation with the Commonwealth Minister for Agriculture, this price was amended to 14s. a bushel, and was agreed to principally because of the great difficulty that would occur in Australia if we had a scheme based on 15s. for the three principal wheatgrowing States and a lower or different figure for Victoria and Queensland. The trafficking that could take place in the marketing of flour and the disorder that would occur where there was no uniformity of legislation so far as price was concerned was a serious matter.

Mr. Ackland: For Western Australia or for the Eastern States?

The MINISTER FOR AGRICULTURE: Western Australia might not have been in such a bad position because we are so far removed from the Eastern States. Therefore, there could have been no trafficking in flour, but such a position could certainly have applied in Victoria and New South Wales. Flour could have been taken over the border from one State to another and the whole system of marketing could have broken down. The Western Australian growers, by agreeing to this reduction from 15s. to 14s. per bushel for home consumption wheat showed a great deal of restraint because, so far as a Commonwealth scheme is concerned, Western Australia stands to lose more than any of the other States. We know quite well that if there had been no International Wheat Agreement, Western Australia could have still marketed its own wheat in a satisfactory manner. It has its own machinery and legislation to do it, and when one realises that this State, each year in the past, has contributed about £2,750,000 by way of a bounty to Eastern States growers—

Mr. Ackland: £21,000,000 in four years.

The MINISTER FOR AGRICULTURE: I am talking about each year. I think we all ought to agree that the wheatgrowers of Western Australia have done everything possible to see that a reasonable orderly marketing scheme operated throughout the whole of the Commonwealth. I have had dealings with growers over the last six months, and I have nothing but admiration for the way they have handled their side of the business.

The Bill is a measure which provides for orderly marketing without any stabilisation features, such as were attached to the old legislation. In the past, Western Australia was only an agent State for the Commonwealth, through the Australian Wheat Board, in the handling of its

wheat, and the first amendment in the Bill seeks to correct that and will give to Western Australia statutory and legal power to acquire its own wheat through its own wheat marketing board. I do not think the terms of this agreement—if it ever becomes law—over the next three years will vary very much from what has been the position over the last five years. But it is an important amendment because if at any time in the future we decide to have some system of marketing, we will not only have our own organisation and legal power but we will also have our own wheat board.

Mr. Ackland: But the power is always in our own hands.

The MINISTER FOR AGRICULTURE: I think this amendment will improve the position to some extent. I am not stressing the point that this is an important amendment, but I am rather pleased to see it in the measure.

Hon. Sir Ross McLarty: Can you have orderly marketing without stabilisation?

The MINISTER FOR AGRICULTURE: Yes, we are going to have it if this Bill and other similar measures are agreed to. There is no need to have stabilisation with an orderly marketing scheme. Provided we can get the support of wheatgrowers, all that we, as Governments, have to do is to agree to make the wheat available to a central authority which will market our wheat on a pooling basis, and all returns will be shared by individual growers throughout Australia. So there is no reason why we should have a stabilisation scheme if we do not desire to have it.

But, in my opinion, the important part of orderly marketing is not so much agreeing to shoulder our responsibilities internationally as it is to have a uniform price in Australia, because if we do not have a uniform price, chaotic conditions could arise. The best type of orderly marketing scheme is one in which all States agree on a common home consumption price and then, due to our marketing arrangements overseas, if we agree to add to the legislation something that empowers a central authority to handle our export wheat on our behalf, we have the ideal situation. In this particular legislation, we are seeking to do that.

For some time, Western Australia has been endeavouring to get extra representation on the Australian Wheat Board; up to now, we have had only one wheatgrower representing this State. The powers-that-be—the Commonwealth as well as the rest of the States—have agreed that Western Australia's influence on wheat marketing is such that we should be entitled to further representation. As a result, there is a provision in the Bill for Western Australian representation to be increased from one to two, which is all to our advantage. The Bill also provides for a premium of 3d. per bushel to be paid to all Western Australian growers for their export wheat. As there might be a number of questions asked in regard to this aspect, and as there may be some doubt as to how this provision will apply, I have with me some figures which I will quote in order to help members to understand exactly what will happen, and to show them who will be responsible for the payment of this money. Generally speaking, members know that Western Australia has a geographical advantage over other States so far as marketing is concerned, and that advantage is calculated at 3d. a bushel.

Mr. Ackland: Actually, 4½d.

The MINISTER FOR AGRICULTURE: It is calculated at 3d. a bushel for export wheat, and when Western Australia joins in the national scheme for the marketing of its wheat and covers up its own wheat identity, it naturally loses that advantage. In order to pay Western Australian growers for that disability, a premium of 3d. a bushel will be paid on all wheat exported from Western Australia. To give a rough idea of how this will affect the position and to enable members to understand by calculation just how this will work out, I want to quote a few figures, and I ask members not to take the figures as the actual position that will occur, because we never know from year to year just how much wheat we will have for export or how much we will use for home consumption. However, this illustration will give members an opportunity of understanding what is proposed in this amendment to the Bill.

We are assuming here that the Commonwealth crop will be 140,000,000 bushels, and that the Western Australian export crop will be 28,000,000. The sum to be collected, so far as our growers are concerned, is 3d. on 28,000,000 bushels, and this equals £350,000. The whole of the wheat produced in Australia will contribute to this sum, and will equal .6d. per bushel. Now we come to the other side of the picture regarding the payment of this money and, on a crop of 140,000,000 bushels, our exports, throughout the Commonwealth, are 80,000,000 bushels and our home consumption 60,000,000 bushels. Therefore, the nett proceeds, basing the price of wheat today at 17s. 6d. a bushel, is £70,000,000 for 80,000,000 bushels and, on a figure of 14s., which is the agreed home consumption price under the Bill, the proceeds on 60,000,000 would be £42,000,000, making a total of £112,000,000 for 140,000,000 bushels. This is equal to 16s. a bushel overall.

Mr. Ackland: Just one minute. Do you mean to say that Western Australian wheatgrowers will contribute to their own premium of 3d.?

The MINISTER FOR AGRICULTURE: Under this Bill, yes.

Hon. D. Brand: Therefore they are not getting 3d.

Mr. Ackland: Therefore, they are not getting a premium of 3d. but a premium of 2.4d.

The MINISTER FOR AGRICULTURE: If members will allow me to finish the illustration, I will answer their points later. I have mentioned that from 140,000,000 bushels we will get £112,000,000, which is an average of 16s. a bushel. From this sum must be deducted the premium to Western Australian growers, which is .6d., leaving a nett return to growers of 15s. 11.4d. per bushel. Assuming that Western Australia has a crop of 32,000,000 bushels, we would export, roughly, 28,000,000 bushels and consume 4,000,000 bushels, but the growers would receive a sum of 15s. 11.4d. on the 32,000,000 bushels, which equals £25,520,000. We add to that sum 3d. on 28,000,000 bushels, which is £350,000, making a grand total of £25,870,000 or the equivalent of 16s. 2.04d. per bushel, a difference of 2.64d. per bushel.

Members are quite right when they say that the actual amount received per bushel, on the whole of the crop is certainly less than 3d.; but our growers are paid 28,000,000 threepences for the 28,000,000 bushels exported. One might use a simple illustration and say that if three men are together and one of them had to get 3d. more than the other two when they all started off with 6d., he could not take 1½d. from each of the other two, because if he does he has 4½d. which would mean that one would have 9d. and each of the others 4½d. consequently the only way for him to get that amount of money is to take 1d. from each of the others and contribute 1d. himself. He then finishes with 8d. as against their 5d. That is a simple way of explaining exactly what has occurred here.

I understand that there is serious disagreement in connection with this matter by the president of the wheatgrowers organisation in Western Australia who says there has been a breach of faith. I was not at the meeting of the Wheat Federation with the Commonwealth Minister for Agriculture, nor was I at the meeting of the permanent heads of the departments who met in conference at Canberra to iron out this difficulty only a week or two ago. I do know, however, that when the president of the wheat section of the Farmers Union says that this 3d. was intended to apply to all wheat in Western Australia, I have no knowledge of it whatsoever, because in all the letters and telegrams and information that I have been able to get from Canberra and from Mr. McEwen, the Federal Minister, not once has he referred to this 3d. being paid on a Commonwealth basis for export wheat.

So I do not know whether Mr. Maisey, the president of the wheat section of the Farmers Union of Western Australia, has made a mistake or not. As far as I know, the principle agreed to at the last conference of Ministers for Agriculture that I attended was that Western Australia should receive 3d. for the advantage of its geographical situation as it concerns the marketing of wheat. That proposal is included in the Bill. I think it can be said that the total amount of money received because of the position in which Western Australia is today is now being received normally by the Australian Wheat Board.

Obviously, whatever advantages are gained by Western Australia due to the geographical position of its ports, sending this wheat over shorter distances, the Australian Wheat Board is now receiving that amount of money, approximately £350,000, and that is the amount of money that it is giving back to Western Australia. Consequently I do not think there can be serious disagreement on that point.

There is another minor provision in the Bill. It is only a machinery clause which states that the cost of production will be calculated immediately after the 30th September each year on an approved formula. It appears now that this formula will in any case affect the price of wheat today inasmuch as the home consumption price of wheat which is now considered to be 11s. 11d. is almost certain to be increased to 12s. 6d. in the next two or three weeks.

Concerning the amount of money that should be distributed to growers on the basis of this formula, the Bill provides that in the case of the wholesale of bulk wheat, fair average quality, f.o.r. ports, the price shall be the International Wheat Agreement price, or 14s., whichever is lower. But this price cannot at any time fall below that agreed upon as the found cost of production.

Mr. Ackland: What is the minimum Under the International Wheat Agreement now?

The MINISTER FOR AGRICULTURE: The minimum is 13s. 10d. and I think the maximum price is 18s. 3d. So if the cost of production rose beyond that 13s. 10d., then at no time could growers get less than the cost of production. There is also an arrangement in the Bill to cater for the Tasmanian freight. From reports I have heard, I understand that my predecessors and a good many other Ministers throughout Australia have for a long time been worried as to how to overcome this problem. It has been a problem because the cost of shipping wheat to Tasmania approximates 3s. 6d. a bushel, and this is a tremendous amount of money for those few people to pay.

Mr. Ackland: You could almost send it to the United Kingdom for the same amount.

The MINISTER FOR AGRICULTURE: With the approval of members, we hope to increase the price of wheat not more than 2d. a bushel in order to cover this freight. In order to cover the cost of freight to Tasmania, that amount, when added to the 14s., would be 1½d. During the negotiations it had with the wheatgrowers in this State, the Government also felt that the growers ought to be given an opportunity at a later stage to ballot as to whether or not they wanted this legislation to continue. The measure itself will not apply to any crops that are harvested after 1956. Because it is a well known fact that there has been a division of opinion in Western Australia about the marketing of wheat and so on, the Government has inserted in the Bill a provision for a ballot to be held by the growers in the third year not later than the 30th June, 1956.

Mr. Ackland: Do you know that the Commonwealth Minister for Agriculture, Mr. McEwen, said it had to be held before the 30th March, 1954?

The MINISTER FOR AGRICULTURE: I do not know anything about that.

Mr. Ackland: I heard him over the radio.

The MINISTER FOR AGRICULTURE: To which ballot does the hon. member refer?

Mr. Ackland: The ballot of wheatgrowers throughout Australia.

The MINISTER FOR AGRICULTURE: The hon. member is thinking of a different matter altogether. I am talking about Western Australia being given the opportunity to ballot in respect of this legislation, and only this legislation, before the 30th June, 1956. It should be borne in mind that the principles embodied in the Bill—particularly now we have unanimity between all the States in the Commonwealth—have created a set of conditions where we could indeed today have a stabilisation scheme, if we wanted it. Victoria has already started to press for that. Only a few days ago Victoria asked the Commonwealth Minister for Agriculture to arrange for a ballot to be held to test the feelings of the other States in the meantime. So it is quite possible that Mr. McEwen may have been referring to that. I would inform the hon. member that the question of stabilisation is not entirely dead.

Mr. Ackland: If we pass this legislation tonight, we are committed to it for three years.

The MINISTER FOR AGRICULTURE: Yes, that is so. There is nothing that cannot be done following a poll of wheatgrowers throughout the Commonwealth and a unanimous decision between the States on stabilisation—that is, if we so desired it. The object of the Bill is to overcome a very difficult situation and to give to Australia the opportunity to market its wheat under the most orderly conditions.

In fairness to members who are perhaps not so much connected with wheatgrowing areas, I think an opportunity ought to be given them to know just how much this proposal will affect the cost of living. It was not without a good deal of thought that even the 15s. was arrived at under the first reserve plan. Assuming that the Bill becomes law, the effect of wheat going to 14s. a bushel will, of course, have some influence on the cost of living generally. The cost to the consumer for home consumption wheat today is 11s. 11d. per bushel.

It is well known, however, that within the next two or three weeks this must automatically go up to 12s. 6d. or 12s. 8d. a bushel because of the application of the index or formula which is being used in connection with farm costs on wheat production. Assuming that the new cost of production figures are 12s. 6d., the increase of the present price would be 1s. 7½d., and with 1s. increase in the price of wheat for home consumption, it is estimated that the cost of living would be increased as follows:—Bread, 2.7d.; plain flour, 1.6d.; self-raising flour, .8d.—a total for bread, flour and for cooking purposes of 5.1d. That is the effect it would have if wheat rose by 1s. a bushel, and, as a consequence, the present rise over and above the 12s. 6d. will be somewhere round about 8d. a week.

For stock feed purposes, the use of wheat has little or no effect on the situation because the new price of wheat would be 14s. 1½d. including the 1½d. freight from Tasmania. It would have little effect on the cost of living. If the increase were 1s., the increase in the cost of living would be:—Eggs, .57d.; bacon, .91d.; pork, .19d. —a total of 1.7d. As I say, however, the cost to the dairy farmer and the poultry farmer and so on is 11s. 11d. today. This is the cost for home consumption plus 2s. In other words, they are paying 13s. 11d. for stock-feed wheat and there is going to be an increase of only 2½d.

There would be a slight advantage to stock-feeders inasmuch as if they continued to pay 2s. 4d. a bushel more than the cost of production figure, which was 12s. 6d., then the price under that system would be 4½d. higher than the proposed flat rate of 14s. 1½d. for home consumption and stock-feed wheat under this proposal. I think it would be useful for members to know that in order to get this unanimity of thought for wheat marketing purposes throughout Australia and to tie ourselves up internationally with this important agreement, the effect on the cost of living in the long run must be considered to be negligible.

Mr. Ackland: Do you think that if you increase the price of wheat .2d. per lb. you have any right to increase bread and flour to that extent? All that is involved is .2d. per lb.

The MINISTER FOR AGRICULTURE: That is so. I included flour for bread and flour used for all other purposes and said that the cost of living could not be increased by more than 5.1d. for every shilling increase in the price of wheat.

Finally I wish to make it clear that without some arrangement of this sort, a most undesirable situation would develop all over Australia. If the States decided to trade on their own account and we had not an orderly marketing scheme either with or without stabilisation, a ridiculous state of affairs would develop because there would be different prices for flour and bread in the various States, as well as for stock feed, and some States would be desirous of exporting as much wheat as possible in order to get the advantage of the higher world prices instead of accepting the local price.

Hon. D. Brand: Did one State make all the sacrifices in order to bring about this scheme?

The MINISTER FOR AGRICULTURE: One State?

Hon. D. Brand: Well, one State in the main.

The MINISTER FOR AGRICULTURE: There were the three principal wheatgrowing States—New South Wales, South Australia and Western Australia. Tasmania also approved but is not a wheatproducing State. Western Australia did make certain concessions, but I am satisfied that an orderly marketing scheme of a Commonwealth character is desirable in the interests of the wheatgrowers. It is only five years since the wheatgrowers of this State voluntarily voted for a stabilisation scheme because they had experienced difficulties resulting from the lack of security, and security was then obtained by the application of stabilisation features to the scheme.

Since several good seasons have been experienced, however, they are more or less reluctant to approve of stabilisation, feeling that they could do better if they had their own scheme. I agree that they could, but taking the long view, it may be in the best interests of Western Australian wheatgrowers to continue in an overall Australian plan. They can have an orderly marketing scheme without stabilisation, and I would not be a party to the States' breaking up into factions such as would occur without legislation of this sort. Australia as a whole could market its wheat quite satisfactorily in the absence of an international wheat agreement, but the agreement having been signed, we cannot afford not to be a party to it.

Mr. Ackland: That is the tragedy of it.

The MINISTER FOR AGRICULTURE: Yes. The loss of the valuable flour trade with Ceylon and Indonesia, not to mention other countries, would be serious, representing as it does, some 16½ million bushels of wheat, and so far as the users of stock feed are concerned, it would be disastrous. If we lost those markets for flour, we would lose 138,400 short tons of offal that would no longer be available for Australian stock feeding. The importing countries not a party to the agreement would obtain their requirements from the signatories of the International Wheat Agreement, and the accumulation of wheat in Australia would become so great that it would be difficult to dispose of.

I have endeavoured to be brief in my explanation of the Bill without neglecting to mention any point of importance. I have dealt with the major points, I hope, adequately, and I feel sure that the measure, which is complementary to the Commonwealth legislation, and to similar Bills being passed by other States, is absolutely necessary in every other way to the security of wheatgrowers during the next few years and absolutely essential to enable Australia to meet its obligations. I move—

That the Bill be now read a second time.

On motion by Mr. Ackland, debate adjourned till a later stage of the sitting.

BILLS (2)—RETURNED.

1, Industries Assistance Act Amendment (Continuance).

2, Industrial Development (Kwinana Area) Act Amendment.

Without amendment.

BILL—DAIRY INDUSTRY ACT AMENDMENT.

Second Reading.

Debate resumed from the 15th October.

MR. MANNING (Harvey) [5.37]: The Bill seeks to remove from the Act all reference to the Dairy Produce Improvement Fund. This fund is administered by the Under Secretary for Agriculture, and the contributions to the fund are deducted by the manager of the dairy produce factory from moneys payable by him to suppliers. The amount being deducted is ¾d. in the £, and this money is being used to pay the salaries of several dairy instructors, whose job it is to provide information and advise farmers regarding faults in cream and the proper methods for improving the quality of cream. Their duties also include the supplying of information to manufacturers regarding the correct grading, testing, weighing and handling of cream in factories, and also the inspecting of dairies and factories concerned with the production of milk other than whole milk.

The standard of the dairies and the quality of the cream and milk have now reached a fairly high level, and although the instructors serve a useful purpose, the farmers consider that the charge should no longer be levied against them. Admittedly the amount involved is relatively small, being approximately £5,200, but the amendment is a step in the right direction. I commend the Minister for having introduced the measure because it will be the means of affording the dairy farmers some relief. The dairy section of the Farmers' Union favours the amendment and I support the second reading.

Question put and passed.

Bill read a second time.

In Committee.

Bill passed through Committee without debate, reported without amendment and the report adopted.

BILL—PUBLIC TRUSTEE ACT AMENDMENT.

Second Reading.

THE MINISTER FOR JUSTICE (Hon. E. Nulsen—Eyre) [5.44] in moving the second reading said: This is another small though very important Bill. I shall not say whether it is contentious because that will depend upon the attitude adopted by the Opposition.

The Premier: Members of the Opposition will be friendly.

The MINISTER FOR JUSTICE: They usually are, though sometimes the Leader of the Opposition himself becomes a little antagonistic. The Bill sets out two amendments to the Public Trustee Act. The first provides for a slight increase in the charge on gross capital of certain estates administered by the Public Trustee and the second is for the purpose of minimising effort and therefore helping to keep down costs.

Dealing firstly with the proposed increased charge on gross capital, the Act now provides for a charge of 2½ per cent. or £5, whichever is the greater. It is now proposed that the minimum fee of £5 shall apply to estates not exceeding £100, so members will see that no increased charge is being applied to these small matters while estates in excess of £100 shall bear an administration charge of £10 or 2½ per cent., whichever is the greater.

In effect this means that the minimum of £5 charged by the Public Trustee for his services in the administration of an estate is retained on estates up to a value of £100 and is increased to £10 when an estate exceeds that figure. This minimum equates with the Public Trustee's commission charge of 2½ per cent. when the value reaches £400. It is considered that other than for the very small matters especially provided for, a charge of £10 is little enough to secure the services of the Public Trustee. I feel that this charge is very small by comparison because the W.A. Trustee Executor & Agency Coy. Ltd. and the Perpetual Executors Trustees & Agency Coy. Ltd. both have a minimum charge of £25 for any estate, of whatever size.

Hon. A. V. R. Abbott: Is that charge fixed by their Acts?

The MINISTER FOR JUSTICE: Yes, by an Act introduced by the hon. member during the term of the previous Government. The position at present is that the minimum of the Public Trustee for the first £100 is only £5 while that of the private trustees is £25, yet in spite of that we have complaints about the Public Trustee not showing a profit. Of course, he cannot do so if he is not permitted to make charges comparable with those of the other trustees.

Hon. Sir Ross McLarty: How much extra revenue is it thought that this will bring in?

The MINISTER FOR JUSTICE: A very small amount—probably from £700 to £1,000 annually. Members will remember that as recently as December, 1951, approval was given for two private trustee companies to made additional charges for certain services and to make a minimum gross capital charge of £25. There is no difference, of course, between the duties and responsibilities of these companies and those of the Public Trustee, but the Public Trust Office is for the purpose of providing a service particularly in regard to small matters for which a charge of £25 would be unreasonable.

The private trustees will not handle any estate for a charge of less than £25, with the result that the Public Trustee has the expense of handling all the small estates. The above charges do not apply to workers' compensation moneys. In those cases we do not charge anything for the services of the Public Trustee while in other States there is a charge of from 1 to 1½ per cent. I would remind members that the Public Trustee has to supply stamps, stationery and office space as well as the time of his employees and receives nothing in return, while private trustees have their fixed rates of remuneration.

The second provision in the Bill is, as I mentioned earlier, purely for simplification purposes in the interests of economy and will enable the Public Trustee to avoid the already very busy periods of the 30th June and the 31st December for the crediting of common fund interest. This procedure has already been adopted by at least one other office such as this, namely, that of the Public Curator in Queensland. This will save about 12 days per annum and will be of help to the Public Trustee and his officers at the peak period. They will have to assess interest only twice per annum instead of each quarter.

I would have liked to bring in the increased charges for the Public Trust Office by regulation, but that course has been objected to on so many occasions that it was thought best that we should follow the present course. The staff of the Public Trustee is increasing as there are now approximately 1,100 new estates per year to be handled. Most of them are small and in that regard it would be helpful if the charges of the Public Trustee were on the same basis as those of private trustees. There are approximately 300 estates of under £400 value handled per annum and it is expected that if the amendment is agreed to the increase in fees will, as I have stated, amount to from £700 to £1,000 per annum. The number of accounts to which common fund interest is credited quarterly is at present 2,000.

Hon. A. V. R. Abbott: Under the Bill you will get the use of their money for three months.

The MINISTER FOR JUSTICE: That advantage will be infinitesimal and I do not think it is worth taking into account.

Hon. A. V. R. Abbott: People will have to wait six months for their money as their accounts will not be available.

The MINISTER FOR JUSTICE: If they want their accounts at any time they can be assessed, but the general assessment will now take place twice instead of four times per annum. That will mean a considerable saving to the office and will involve only a small amount of loss of interest—actually the interest on interest—which is not worth taking into consideration.

Hon. A. V. R. Abbott: But will the income be available for drawing? If it is not computed and credited to the accounts, can the people concerned get it?

The MINISTER FOR JUSTICE: If they want to draw it at any time, they will receive what they are entitled to.

Hon. A. V. R. Abbott: But if it is computed half yearly, they will not be able to get it quarterly.

The MINISTER FOR JUSTICE: They will be able to get it at any time that they want the money.

Hon. A. V. R. Abbott: But it will not be due.

The MINISTER FOR JUSTICE: It can be computed at any time.

Hon. A. V. R. Abbott: But it will not be computed.

The MINISTER FOR JUSTICE: That is a small point which I will have cleared up and at all events there will not be many people affected. Few people would want to draw their money inside of six months.

Hon. A. V. R. Abbott: Most people like to get their money quarterly.

The Premier: I like mine weekly.

The MINISTER FOR JUSTICE: The member for Nedlands, who is an accountant, will no doubt go into considerable detail, but I believe the amount involved will be small. If members do not desire to agree to the second portion of the measure they may be willing to put the Public Trustee on the same basis as the private trustees, and in that case he would be able to show a profit. I hate criticism of this officer, who is doing excellent work. I do not think the member for Mt. Lawley, my predecessor in office, will have anything to say against the Public Trustee or his officers. They are anxious to show a profit, but their legislation does not permit them to do so. If I brought down a Bill to put them on the same basis as the private trustees, I know the member for Mt. Lawley would oppose it.

Hon. A. V. R. Abbott: No.

The MINISTER FOR JUSTICE: I think he would, as otherwise he would have brought down an amendment to that end during the five or six years when he was in charge of this office. I move—

> That the Bill be now read a second time.

On motion by Hon. A. V. R. Abbott, debate adjourned.

BILL—CREMATION ACT AMENDMENT.

Second Reading.

Debate resumed from the 6th October.

HON. A. F. WATTS (Stirling) [5.55]: A Bill which deals with the cremation of human bodies is one that has very many personal aspects. It is, for example, objected to by some people on religious grounds and by others for other and quite personal reasons. Therefore in approaching any amendment to the law on this subject it seems to me that one has to exercise considerable care that nothing is done that is likely to affect the feelings of those who do, or do not, desire to have the bodies of relatives cremated.

This measure was stated by the Minister to have practically only one purpose and that was to remove from the district registrar the obligation of supervising the issuing of permits or licenses for the cremation of human bodies. He indicated that the major proposition in the measure was to provide for these permits to be issued by medical practitioners, described in the Bill as medical referees. The principle of removing from district registrars the obligation which they have had since the passing of the parent Act in 1929 seems to me quite unobjectionable.

There are, I would suggest, reasons other than the mere desire to take the obligation away from the district registrar for placing the matter in the hands of somebody with medical knowledge. For that reason I propose to support the

second reading. Were that not the underlying principle contained in the Bill, I personally would have considerable doubt about supporting one or two of the proposals contained in it because it seems to me that they have not been very well considered. Although the clauses which seek to put them into operation may have been well drawn, they seem to me to have been ill-considered and, in fact, to present something in the nature of an example of muddled thinking.

I will explain, to some degree, what I have in mind. In the parent Act, which is to be found in Volume II of the reprinted statutes, "Administrator" is defined as follows:—

> "Administrator" includes executor and any person who, by law or practice, has the best right to apply for administration, and any person having the lawful custody of the body of a deceased person.

So not only does the definition include a person who is appointed an executor by the will of a deceased person, but also anybody who, in the absence of a will, by law or practice has the best right to apply for administration. Therefore, that would include the next of kin. Then it goes on to include any person who has the lawful custody of the body of a deceased person. So when the word "administrator" is used in the Bill, it obviously includes all those persons intimately connected with the affairs of the deceased.

It also goes on to provide that an application for a permit may be made by a person acting with the written authority of and on behalf of the administrator. So anybody acting with his authority can make application.

Hon. Sir Ross McLarty: Does that mean that the family of the deceased person would not have a say with regard to the cremation of his body?

Hon. A. F. WATTS: I will explain that in a minute. I intend to make some reference to it. The Bill then goes on to provide that in addition to the administrator who, as I have said, could be an executor or the next of kin, or the person having the lawful custody of the body of the deceased person, a person acting with the written authority of the administrator could apply. Then the Bill reads—

> a person who satisfies a medical referee that no application for a permit is to be made by the administrator or nearest surviving relative of the deceased person in respect of whom the application is made and that he is a proper person to make the application.

So this "proper" person is allowed to make the application when the administrator and the nearest surviving relative have not done so, and there is no attempt made to define who this proper person is, but it should be made quite clear to every member of the House that the proper person is to have this right only when the administrator or the nearest surviving relative does not apply, which seems to me a most extraordinary proposal.

The administrator not only includes an executor, but also a person who has the right to apply, which involves practically all the next of kin, and the nearest next of kin would include the widow or the widower, as the case may be—although I question whether the words have been used properly in the Bill—who do not apply and somebody who is regarded by the medical referee to be a proper person can apply for them. Therefore, if the administrator, the next of kin and the nearest surviving relative do not want the deceased person cremated, somebody who, in the opinion of a medical referee, is a proper person, can make the application for the body to be cremated.

Mr. J. Hegney: I think there will be some peculiar situations arising.

Hon. A. F. WATTS: That is why I say it is a case of muddled thinking.

The Minister for Health: Would not that apply in the case of a deceased person who has died from a disease and where it was considered unwise to bury the body?

Hon. A. F. WATTS: I do not think that has anything to do with it. The Bill reads—

> An application for a permit may be made by—
>
> (i) an administrator;
>
> (ii) a person acting with the written authority of and on behalf of the administrator; or
>
> (iii) a person who satisfies a medical referee that no application for a permit is to be made by the administrator or nearest surviving relative of the deceased person in respect of whom the application is made, and that he is a proper person to make the application.

I say that there are no proper persons to make the application when the administrator and the nearest surviving relative have not made one, and obviously, therefore, do not desire that cremation should take place.

At the outset, I said that—and I think members will agree with me—the question of cremation, apart from the religious aspect, is a very delicate business indeed. That is my first objection to the measure and it carries, of course, my objection to the next succeeding paragraph in the Bill which provides what a proper person shall do when making application. I will not have the provisions dealing with the rights of this proper person, and naturally I do not want the succeeding paragraph relating to the same matter, because they are equally unreasonable and objectionable.

The next provision I will refer to is that setting out what the medical referee has to do when the application is made to him. In this respect, the Bill reads—

> Where it appears to a medical referee that the death of the person in respect of whose body the application for the permit is made, whether the cause of death is shown on the death certificate of that person or not, is due to violence or unnatural causes, or if there are in his opinion suspicious circumstances surrounding the death, the medical referee shall refuse the application and report the refusal and the reason for the refusal to the Coroner residing nearest to the place where the body is lying.

That, by itself, is quite a proper provision. If the medical referee believes that death has been caused by violent or suspicious means, the Bill directs him to refuse the application for cremation and report the refusal to the coroner. The word "shall" is used and the Interpretation Act, 1918, provides that when the word "shall" is used in a statute passed after 1918, it is mandatory.

Therefore, when the medical referee has arrived at the conclusion that there has been violence or there are suspicious circumstances, he has no option, under this measure, but to refuse the permit and refer the matter to the coroner. The next subclause of the same clause reads as follows:—

> Where a medical referee refuses to issue a permit, the applicant may appeal in the prescribed manner to the Commissioner, who may uphold the decision of the medical referee or direct in writing the medical referee to issue the permit to the applicant.

That subclause, following directly on the one immediately preceding it, can have reference only to the provision of the subclause before it which provides that the medical referee shall refuse the permit and report the matter to the coroner because he is of the opinion there has been violence or there are suspicious circumstances.

Then, immediately following that is the provision that when the medical referee does refuse to issue a permit—there is no other ground for refusal except violence or suspicious circumstances—the applicant may appeal in the prescribed manner to the commissioner, who may uphold the decision of the medical referee or direct in writing the medical referee to issue the permit to the applicant.

With those two paragraphs in contact with one another in the Bill, I do not know where the coroner is supposed to come in, because if the applicant did appeal to the commissioner and he decided to direct the issue of a permit, it would seem to me that the provisions of the first paragraph become nugatory, and the coroner's duties cease to exist. Therefore, it appears to me that some decided amendment is required to the Bill in that regard before it should go on the statute book. I propose to deal further with that aspect in Committee.

There is another interesting paragraph in the Bill to which I will now refer. This clause, which proposes to add a new section to the Act, reads—

> A medical referee shall not issue a permit for the cremation of the body of a deceased person—

It then sets out a variety of reasons, of which this is one—

> where the medical practitioner who gives the certificate referred to in paragraph (a) of this section is—
>
> (i) the parent, child, brother or sister of the deceased person or is the uncle, aunt, niece or nephew of the deceased person;
>
> (ii) in partnership with the medical referee.

If the medical practitioner who issues the certificate is a relative of or a partner of the medical referee, the medical referee is not allowed to issue his permit, but nothing is said about the medical referee himself, who seems to me to be the most important of all.

If the partner and the relative are excluded, why is not the medical referee excluded? If there is going to be fraud or suspicious circumstances, surely it is usual for a man to act by himself rather than with some second or third party. Therefore, it seems to me that if it is desirable to exclude his relatives and his partners, it is also equally desirable to exclude the medical referee himself because nowhere in the Bill is there any suggestion—and I presume it is not the intention—that the medical referee should be employed only on that work. I take it that he will still be a medical practitioner doing this work only on odd occasions when the necessity arises. Therefore, he is liable to be the medical practitioner attending the deceased person before he died and then, under the Bill, he will not be prevented in any way from issuing a permit for cremation after his death, although his partner and his relations will be. So, once again, it seems to me that the Bill requires amending in this respect.

Further, there is a provision with regard to still-born children. Without labouring the point, I consider that precisely the same considerations apply to this provision as those I have already mentioned. The Bill therefore, in its present form, is going a great deal further than the Minister indicated. In my opinion, persons are in no way entitled to interfere unless confined to those in whom the deceased person has placed his trust or, alter-

natively, the person in whose hands the law has placed the estate or, alternatively, the surviving relative. No other person should interfere. I support the second reading of the Bill but I intend to debate it further in Committee.

Question put and passed.

Bill read a second time.

Sitting suspended from 6.15 to 7.30 p.m.

BILL—WHEAT MARKETING.

Second Reading.

Debate resumed from an earlier stage of the sitting.

MR. ACKLAND (Moore) [7.30]: I listened with a great deal of interest to the Minister when he introduced this Bill. I cannot be enthusiastic about it, and I intend before resuming my seat to appeal to the House to get a decision from the farmers as to whether they want a renewal of the old stabilisation scheme that went out of existence so recently; or whether they want a purely State scheme; or whether they want to implement this stop-gap legislation at the end of the three-year period.

I must congratulate the Minister on the clear way in which he introduced the Bill. He made himself perfectly plain to all of us, but I was disappointed that he did not tell the House what had transpired with reference to an approach made to the Agricultural Council, if such approach was made, for a system of State accountancy; because I believe that if such a scheme as is embodied in this legislation included a system of State accountancy, it would have a great deal of merit. But I can see no reason whatever why Western Australia should continue subsidising the big centres of the East, as it has done for so many years. I am of the opinion that a ballot could have been taken, in Western Australia at any rate, to find out what sort of scheme the Western Australian wheatgrowers wanted.

I will admit that the Minister was in a very awkward position. That is evident from the articles that have appeared in the Press, and I believe he would have found great difficulty in conducting a ballot because of the position in which he found himself. But I do know that the branches of the Farmers' Union throughout the wheatgrowing centres, and the district councils, and the Farmers' Union conference itself, called on the executive of the union to conduct such a ballot; and I do know that an organisation was approached, which was able to conduct and has had experience in conducting such a ballot, and was prepared to do it in this instance. I will admit that the details of such a scheme could not have been given, but the wishes of the wheatgrowers could have been ascertained in a general way.

We know that the executive of the Farmers' Union has given this Bill its blessing in a general way, but I have known executives of the Farmers' Union to be wrong in the past. It will be remembered that the wool executive decided on an international wool disposal set-up, and it committed Western Australia, and the Minister for Agriculture and Commerce believed that it spoke for the woolgrowers of this country. Yet we found that when it went to a referendum, the growers of Western Australia turned down the proposition in no uncertain manner—and that proposition had been sponsored by their own organisation. I would have found it very much easier to get behind this legislation had the wheatgrowers of Western Australia decided for themselves how they desired their own produce to be handled. I believe that the produce of the land belongs to the producers, subject only to their just debts.

So I would very much have liked to see an opportunity given to the growers to decide what they wanted. I would ask the Minister, when he replies to the debate, to tell us whether he did anything with regard to a system of State accountancy; and, if so, what the attitude of the Agricultural Council was towards the proposal. I would also like a little clarification of his statement that a ballot of growers will be conducted within three years, whereas the Minister for Commerce and Agriculture, when speaking last Thursday night, stated that ballots had to be held in the several wheatgrowing States before the 30th March, 1954.

The Minister for Agriculture: That was on stabilisation.

Mr. ACKLAND: Those are the matters on which I want some clarification. I do think I have the ear of a great many wheatgrowers of this State. Perhaps I should put it rather differently and say that I do know the desire of the wheatgrowers of this State, because my own electorate is by far the biggest wheat-producing district in Western Australia. In the last three years we have produced 26,000,000 of the 114,000,000 bushels of wheat delivered to the licensed receivers, which represents 22.8 per cent. of the total marketable crop. I am of the opinion that the great majority of those people—and, I think, of the growers of the State—would favour a purely State pool working in conjunction with the other States in an Australia-wide selling organisation.

But there would also be some advantages in the scheme proposed in the Bill, if we had a State accountancy system. I am told by so eminent an authority as Sir John Teasdale that there is no reason why such a system should not be conducted, and that machinery could very easily be included in any legislation in-

troduced. Six years ago I opposed stabilisation with all the power I had. I told this House, and the wheatgrowers, that it was going to be a very costly business.

Speaking in the House of Representatives last Thursday night, Mr. Hugh Roberton went into details in telling that Chamber that stabilisation had cost the wheatgrowers of Australia the sum of £250,000,000 during that period. I believe that is problematical, because we have to deal with some assumptions in arriving at that figure. But we can say, with all the surety in the world, because the statement is based on the prices that have been received, that the wheatgrowers of Western Australian have contributed £21,000,000 to the economy of the Eastern States during that period, a matter of more than £4,000,000 per year. Even under the proposed scheme, where the home consumption price has been increased so considerably, we shall be contributing somewhere in the vicinity of £2,700,000 per year to feed the people of Melbourne and Sydney and the other big centres of Australia.

I feel that I have to support this legislation, but I do it with a great deal of reluctance. It has to be supported, not because of the merits of the scheme, but because the Commonwealth Government has committed us to the International Wheat Agreement. That agreement was rotten from the first. It was introduced by the United States of America to protect her own interests, and that is what it has done most effectively through the years. I believe Britain showed good judgment, as she usually does, when she refused to be party to that agreement any longer. Had we in Australia been prepared to stand beside her, there would have been no international agreement, and we would not be in the position today of running the risk of losing our very best customers for both flour and wheat if we do not pass this legislation.

I would like to read a few extracts from an article which, to a great extent, explains the world situation far better than I could. I have no intention of reading it at length, but will quote a few paragraphs dealing with the position in which we find ourselves. I shall read from a paragraph entitled, "Postwar Trade in Wheat." It is as follows:—

> By 1949 exporting countries, foreseeing the end of the war, united in a four-year International Wheat Agreement. This agreement limited the price range for about half the volume of international trade in wheat. Four exporting nations undertook to supply 42 importing nations with certain quotas each year at a maximum price of $1.80, (16s. 1d. Australian) per bushel wheat in bulk in store Fort William/Fort Arthur.

We base ours on Geelong. The extract continues—

> A minimum price was set which fell from $1.50 in the first year to $1.20 in 1952-53.

But, as it happened, the price never fell, because wheat was always at a premium, and selling as high as 21s. 6d. for a very big proportion of that five-year period. The extract continues—

> During the five years practically all wheat was sold at the maximum price and demand remained very steady.

I turn now to the paragraph dealing with the renewal of the International Wheat Agreement—

> After lengthy negotiations hinging on the maximum price the United Kingdom, the worlds largest single importer, withdrew. All other countries in the previous Agreement signed, so that the new Agreement came into force from August 1, 1953. The maximum price finally accepted is $2.05 (18s. 3½d. Australian) with a minimum of $1.55 (13s. 10d. Aus. tralian) for the full period of the Agreement.
>
> The reason for the United States' insistence on this high level is to be found in her internal price support programme. In order to relate rural incomes to the level of industrial prices, farmers are paid 90% of "parity" based on a group of selected basic commodities. This was $2.18 in 1951/52 and $2.20 in 1952/53. From mid-1952 the support price was higher not only than the I.W.A. price but also than the free market price.

That is something we ought to remember—

> Thus the Government received more wheat than usual and had to pay a small subsidy on wheat sold on the free market, as well as larger amounts on I.W.A. wheat.
>
> The domestic problems of the United States were created by setting too high a local support price combined with a run of good seasons. The decline in world demand has aggravated the position. Thus it is clear that the action of the United Kingdom is essentially sound in refusing to allow one country to force the acceptance of a higher price of wheat than appeared reasonable on a supply and demand basis, to solve its domestic problem.
>
> World Price Prospects.—It is quite possible that without the United Kingdom, whose quota of 179,000,000 bushels will not all be taken up by other signatories, nearly two-thirds of world trade in wheat will be restored to the free market and the Agreement may breakdown. It has been found in

the past that guaranteed quotas and prices cannot always be carried out when other pressures, often political, become too strong. This was instanced in the 1933 I.W.A. which broke down in the first year because Argentina exceeded her export quota. Argentina and Russia have both remained outside the post-war Agreements and the lack of knowledge of Russian crops is always a danger to organised marketing.

The effect of United Kingdom withdrawal from a renewal of the I.W.A. poses great problems to the other two large exporters, Canada and Australia.

It goes on—

Canada's internal marketing arrangements resemble those in Australia, except that the I.W.A. price is accepted as the domestic price.

They are as different as can be. In America the farmers get in the vicinity of £1 a bushel because wheat was not quoted at the cost of production, but at the cost of other commodities. Not a bushel of wheat was sold in Canada under the agreement at less than 16s. It was 16s. 3d. under the International Wheat Agreement price. Canada had about 400,000,000 bushels of wheat sold at the world market price, which was in the vicinity of £1 per bushel. I wish to quote further—

The best interests of the industry seem to lie in freedom to meet the market level and allow future production to be controlled by home and world demand. This will mean higher bread and other food prices initially, but a return to economic reality is the only permanent solution. The agitation for return to freedom from wartime controls is not exclusive to the wheat industry in Australia.

Australian wheat production costs are generally below the world market price at present. Growers have an opportunity to reap the benefit and build up individual reserves to meet future troubles as in other forms of business. This is surely a much sounder proposition than a government controlled reserve fund which would be used if world prices fall, to maintain the guaranteed price.

Somewhere amongst my notes I have a statement made by the late Mr. Chifley when he said most definitely at the beginning of the first State scheme that the stabilisation scheme of Australia was so organised that the Government of Australia could never be called upon to guarantee it out of the public purse. I can quite understand a Labour Minister for Commerce and Agriculture, as a cautious man, grasping the International Wheat Agreement to make quite sure that there would be no charge left on the Treasury. But to me it is amazing that Mr. McEwen, the present Minister for Commerce and Agriculture, who is a member of my own party, should agree to such a scheme as this. All it is designed to do is to draw into the dollar block the world demand for wheat. We in Australia—the only exporting country in the sterling block—lost every advantage we had by entering into the International Wheat Agreement; although I admit the advantage is not so great today.

The Minister for Housing: It may be less next year.

Mr. ACKLAND: I am willing to take that risk, and I have wheat whereas the Minister has not. I have more right to speak on this subject than has the Minister for Housing who does not know the first elementary thing about wheatgrowing.

The Minister for Housing: I am interested in the farmers, not in you. You might be able to survive.

Mr. ACKLAND: I would like to read on a little to show how the agreement has effected this country.

The Minister for Housing: It will be better if you read it than if you say it.

Mr. ACKLAND: It goes on—

The future of the wheat industry in Australia is cast against an entirely different background from the circumstances of the 1930's.

The Minister for Housing goes back to the circumstances of 1930—

The area sown to wheat last year in Australia was little more than 10m. acres compared with an average of about 15m. acres in the 1930's. But even more important today, application of scientific methods, unknown in the 1930's, such as means of increasing soil fertility, improving pastures and wheat varieties, combined with better knowledge of climatic variability, make it possible for wheat farmers to achieve substantially higher yields and turn to other lines of production to reduce their costs and spread their financial risks.

Those people, whether they be the Government or the official Opposition, who have the idea that the farmer is subservient to financial institutions, must readjust their views. He has such a varied income that he need not grow wheat; and if he does not grow wheat, he is going to create a great deal of chaos. He is as much a businessman as any other section of the community. The Minister for Railways needs the wheat freight, and the wharf labourers need the wheat industry.

I say that we realise our responsibilities, but let us get out of heads the idea that we can bully and browbeat the wheat farmer as was the position in the 1930's. The International Wheat Agreement has

done nothing whatever to increase the volume of wheat in the world, but it has effectively fulfilled its main function so far as the United States of America is concerned. On paper it was created to ensure supplies of wheat to importing countries, and markets for exporting countries, but in practice it maintained the United States of America, and Canada to a lesser degree, as the chief suppliers of wheat to the world, and, as I said previously, it shepherded the wheat-consuming countries into the dollar block.

Already I think I have mentioned that Australia threw away her great advantage when she put herself in such a position that her sterling export of wheat gave her no benefit whatever. Whereas the American wheatgrower during this period received at least £1 a bushel for his wheat, and the Canadian wheatgrower the 16s. under the International Wheat Agreement, and a great deal more because of Canada's volume of export wheat, the wheatgrowers in Australia received from 8s. to 10s. per bushel below the free world price for the wheat sold in this country; and at no time less than 4s. to 5s. below the world price under the International Wheat Agreement. As Mr. Hugh Roberton quoted, this has cost Australia £250,000,000 in that period. But we do find ourselves in the uncomfortable position of either accepting the Bill tonight or of losing some of our very best markets because, as a result of our coming into it, there is the International Wheat Agreement.

So, if we reject the Bill tonight we will, I believe, lose the markets of India, Pakistan, Ceylon and New Zealand, at least, and they represent a big volume of trade to us. It is essential, I think, that the legislation should pass. I have already said it is most distasteful. I have no enthusiasm for it whatever, but it does do some things. It gets rid of Government control, and of that most obnoxious provision whereby the Government guaranteed the farmers with the farmers' own money. What use was a guarantee under those conditions? The arrangement was made so that the conditions could not be varied. It has made no improvement in production.

We have settled the vexed question of freight. Members will recall the unpleasant incident in the House two or three years ago when some of us—renegades—had to oppose our own Government. We had no pleasure in doing that, but there was such a vital principle involved that we were forced to defeat our own Government because it pledged us to find the freight both to Tasmania and Queensland. Provision is made in the Bill whereby all the people of Australia will contribute to the freight charges.

I have no doubt that never again will the wheatgrower of Australia be asked to do something which is not his responsibility in this regard. I would much prefer a State pool, and I hope that the Minister, when he holds the referendum, will put on the paper the three questions in respect of which he was asked to make provision by the Farmers' Union. I can assure the House that the majority decision—whether I like it or not—will be supported by me.

The Bill also has this advantage, although it is a minor one so far as Western Australia is concerned, that it ensures a uniform price for all wheat sold in Australia. It would not matter two hoots to the people of this State what the home consumption price was in Victoria and Queensland, but I think it makes it tidier, if nothing else, to have a uniform price thoughout Australia. Then again it provides that one authority, the Australian Wheat Board, shall make the financial arrangements rather than have a possibility of the arrangements being made by different State organisations. If the Minister had stood out for State accountancy, I believe we would have got it although I was not there and I could be accused of talking out of the back of my neck.

The Minister for Housing: Hear, hear!

Mr. ACKLAND: While Victoria had a glorious moral victory over the rest of the States by forcing them to reduce the price from 15s. to 14s., we had all the aces. If only we had stood out, we could have conducted our own house satisfactorily; no other State could do that and they knew it. As the Minister said, we have the organisation and we have the men who have been trained in this business, while no one else in Australia could do the job. Although I have a great admiration for our present Minister for Agriculture—and I make no secret of it—I think he could have got State accountancy for this State, and if that had been done, there would have been nothing wrong with the Bill as a stop-gap measure.

But there is one matter I want to discuss before I sit down and that is the concluding reference made by the Minister to the cost of living as it would be affected by the increased price of wheat. I have with me a cutting which I took out of the paper two years ago. As I did not know I would be using it tonight, I did not have time to work out the figures to bring them up to date, but this is an article that appeared in "The West Australian" some time in 1951. The headings are, "The High Cost of the Loaf: The Farmers' Share" and it reads —

> How many people, when they rail at the excessively high price of bread, have sufficient knowledge to name the cause?
>
> To give some idea of the influences which are responsible, I suggest a careful scrutiny of these diagrams.

And in my hand I have a diagram which shows that in the year 1921 the price of a loaf of bread was 6½d. and of that sum

3¾d. represented the price of the wheat used, while 2¾d. represented the baker's charge. That meant that the wheatgrower received 56 per cent. of the price of the loaf while the baker received 44 per cent.

The Premier: What about the flour miller?

Mr. ACKLAND: I will come to him in a moment. In 1951 the price of a 2lb. loaf of bread rose to 11d. and at that time the wheat in the loaf of bread cost 4½d. while the baking charge was 6¾d. Whereas when the price of bread was 6½d. a loaf the wheatgrower got 56 per cent., we find that when the loaf cost 11d. he got only 39 per cent. and the baker 61 per cent.! Somebody on the other side asked what the flour miller got and I will continue to read what this article says—

> The miller has not been included, because his costs or charges are more or less covered by sales of bran and pollard, which have increased in parallel with milling costs. From this it will be readily seen that of the 4½d., by which bread prices have risen, the wheat content is only responsible for the ½d., while other increased costs account for the 4d.

It was because I knew I had this cutting somewhere that I interjected when the Minister was telling the House about how terribly the cost of living would be increased because the price of bread was going up.

The Minister for Agriculture: Who said that?

Mr. ACKLAND: You did.

The Minister for Agriculture: I did not.

Mr. ACKLAND: I will read the speech presently and if it is not there I will correct my statement. But the Minister said that the cost of living would go up so much per week.

The Minister for Agriculture: Yes.

Mr. ACKLAND: If we want to adjust the cost of living, let us look to other costs as well as the price of bread and the cost of production of wheat. That has gone up in the last few years from 4s. 8d. to 6s. 3d. and then to 11s. 11d., and I believe this year it will possibly be 12s. 9d.; but that is because of factors outside the control of the wheatgrower. The cost of everything he has to buy is decided on the attitude of some other people. I do not believe for one moment that the trade union movement is by any means responsible for all these added costs. I believe that the whole community must realise the position in which we find ourselves.

This country is fast costing itself out of its export trade; there is practically nothing left with which we can compete with the rest of the world and while the responsibility, to a great extent, lies at the feet of the trade union movement, it lies equally at the feet of the manufacturing and distributing bodies. There is greed on the one side and laziness on the other. Possibly the wheatgrower could do more to solve the problem but his responsibility for the increase in the cost of living is not to be compared with other increases; he is a victim more than a principal in any increase in the cost of living.

Finally, I want to deal with the 3d. which we are told the Western Australian grower is to receive. I know there was some dissension about it and I had heard that Mr. Maisey was very perturbed about it—I had not seen him myself—and believed that he had been sold a pup. I am quite willing to accept the fact that he believes this implicitly and when I knew that this rumour was going around, I tried to find out whether Mr. McEwen and the people in the East had broken faith with us. I have here a minute which is signed by the first Assistant Secretary to the Minister for Agriculture and Commerce and as I have been told that it need not be treated as confidential, I wish to read a few extracts from it. It reads—

> The official records of the conference which you had with the Australian Wheatgrowers' Federation at Melbourne on 18th September last to discuss orderly wheat marketing, discloses that the proposal for a premium on Western Australian wheat on account of the geographical proximity of that State to the main overseas markets was stated as a premium of 3d. per bushel—

The premium should be 4½d. because 10s. a ton sterling represents 12s. 6d. Australian, and, at 37 bushels to the ton, works out at approximately 4½d. and not 3d. To continue—

> —on exports which in fact come from the export pooled returns resulting from overseas sales. It was clear that the over-all premium to Western Australia would be equivalent to the amount represented by 3d. per bushel on Western Australian wheat exported. I have discussed this matter with Mr. Crawford, who strongly supports the recorded version and adds that he himself explained the whole thing to Mr. Maisey who should not have been in any doubt upon it.

I have not the slightest doubt in my mind that Mr. Maisey thought that they had agreed to something else. We are going to contribute .6d. to our own subsidy and if that is not an Irishman's way of coming to a decision—not a Scotsman's —I do not know what is. We are to get 3d. a bushel premium over the other States, but before we get it we are to pay .6d.; I think it ought to be 4½d. straight out and not 2.4d. The more objectionable is this legislation to the farmers of Western Australia, the greater the prospects will be that we will never have another

similar piece of legislation carried by this House and I believe that the farmers will definitely decide that they will not have a bar of it. So with a great deal of reluctance I support the Bill.

MR. BRADY (Guildford-Midland) [8.11]: I want to have a few words to say on this measure but I will be very brief because one is at a great disadvantage in trying, with the few minutes at our disposal, to sum up the position. In the first place, I think the farmers and the Government can be congratulated on having arrived at an agreement in connection with overseas and local wheat sales. At one stage it looked as if that would be in jeopardy and it was causing a good deal of concern both to the wheat farmers of Western Australia and to the State Government. It is good to know that all States have agreed on a basis and the International Wheat Agreement can be accepted.

I know that the overseas position in regard to wheat is getting difficult and it is hard to say where our wheat farmers would finish up, despite the member for Moore's optimism, if we had interstate competition, European competition and so on. It is all very well to say that Western Australia can carry on, but we have to look upon this commodity in a national light rather than from the Western Australian angle only. I followed closely the remarks of the Minister for Agriculture when he introduced the Bill and I think he dealt with the position clearly and concisely.

But there is one fly in the ointment and I am rather alarmed at the member for Moore agreeing to the position. He made the point that in the past Western Australia had been the Cinderella State as regards the export of wheat. While that may or may not be so, I am afraid that Western Australia will be the Cinderella State so far as the export of flour is concerned and I think the Government, and particularly the Minister for Agriculture, should be made aware of the position.

As regards the agreement, there are these possibilities: Firstly, I think we will be faced with an immediate loss of employment in certain flourmills, particularly inland flourmills, in Western Australia. I refer particularly to the mills at York, Northam, Kellerberrin, Wagin, Narrogin and those other places where flour mills have been established. They will be at a decided disadvantage in view of this extra 3d. a bushel which the member for Moore works out at 4½d., taking into account sterling values. They will also suffer other disadvantages and one item I call to mind is in regard to the recent increase in freight charges. Not only will the flourmillers have to pay extra, when compared with people in the Eastern States, but they will also be called upon to pay extra charges with regard to freights.

I do not know what happens in the Eastern States with regard to what they call the "through-the-mill" rate for wheat. At one time there was an arrangement in this State whereby, if flour was exported overseas, an allowance was made for the freight on wheat into the mill. Today, however, I do not think that allowance is continued, but it may still apply in the Eastern States. If that is so, the exporters in those States have a great advantage over those in Western Australia.

The first problem we are faced with is that of unemployment, and secondly—this is a most important matter—there is the question of obtaining the by-products—bran and pollard—from flour. If we are to lose our flour export trade, there will immediately be a shortage of bran and pollard for stock and poultry farmers. As poultry foods embrace about half-a-dozen categories, that is another difficulty we must consider, and we should not lightly give way on this 3d. a bushel which is now to be paid by exporters of flour. The member for Moore is all for Western Australia, so let him show his loyalty by trying to have this extra 3d. on every bushel removed.

Although Western Australian farmers will enjoy the benefit of the extra price momentarily, it will not be to their advantage in the long run because it will mean that flour will cost more and extra taxes will have to be imposed on them to keep the unemployed or to subsidise the stock and poultry producers, and so on. Therefore, I felt that I should point out some of the disadvantages. I understand that the competition for the sale of flour in the markets of the Near East recently was terrific.

Not only are the Americans and Canadians competing with Western Australian growers for the sale of flour in the Near East, but also those in the Eastern States are actively competing. Being keen business men, they point out the disadvantages of the Western Australian product. They say that the flour produced in Western Australia is not of the same high standard as that produced in the Eastern States, because a great deal of the wheat in Western Australia is grown on the coast and it has not the carrying capacity or the proteins compared with their product.

They advance another argument in regard to the preparation of flour in this State. They say that the Western Australian millers do not prepare the flour in the same high-grade manner as in the Eastern States. They say that it is not made attractive to the buyers and does not go through certain bleaching processes, or it carries too much moisture. One could go on pointing out the disadvantages that competitors in the Eastern States are alleging to those in the Near East who are interested in our pro-

duct, and so encouraging them to buy Eastern States flour. To offset all those alleged disadvantages, we have had this slight advantage in regard to freight. It may be that a buyer might be slightly influenced by our so-called disadvantages, but when he realises that he can get our flour 10s. or 12s. 6d. a ton cheaper, that would weigh heavily with him, and consequently we would have a better chance of selling our product to the islands in the north.

I would have liked to quote extensively from the Commonwealth Year Book in regard to these facts but, to do justice to the subject, it would take some hours. However, I will try, in a few minutes, to cover the subject as far as possible. What we must realise is that it is more advantageous to Western Australia to export flour than it is to export wheat because the money we receive for flour is greater in volume than that received for the export of the wheat product. So that members may be more clear on these facts, I point out that for the year 1951-52, 16,088,000 centals of wheat were exported overseas.

For the information of members, I would mention that a cental represents 100 lb. Wheat is spoken of mostly in bushels and quarters but, statistically, it is sometimes referred to in centals. For approximately 16,000,000 centals of wheat we received £22,857,000. However, for approximately one-fifth of the same weight in flour, that is, 3,216,000 centals, we obtained approximately one-third of the value of wheat exported, namely, £6,813,000. To repeat those figures briefly for the benefit of members, we exported 16,088,000 centals of wheat in 1951-52 for a return of £22,857,000 and for 3,216,000 centals of flour we received £6,813,000.

Not only did we obtain extra value in money for our flour exported but also we employed our own workers in its manufacture. As I said before, the possibility is that we will have a certain amount of unemployment, especially in the flour-mills. In addition, railwaymen and waterside workers will also be affected, and so on right down the line. Therefore, I consider that the Minister for Agriculture in this State should try to impress upon the Australian Wheat Board that this extra 3d.—or 4½d., according to the member for Moore—should not be placed on the price of export flour because it is discriminating between the States. I understand the member for Moore and others on that side of the House have complained in years gone by about us having to pay—

Mr. Ackland: On a point of order Mr. Speaker, is reference to this contained in the Bill, or in the Minister's speech? I never referred to it because it was not mentioned in the Bill.

Mr. SPEAKER: That is hardly a point of order.

Mr. BRADY: The member for Moore did make mention of the fact that the wheat farmers of Western Australia were going to get 3d. a bushel and he worked it out in sterling at 4½d. a bushel. He also referred to the disadvantages that the farmers of Western Australia had suffered in the past when selling their wheat and I remember him discussing the matter when on the subject of freights. He is prepared to let the workers, the stock raisers and the poultry men, suffer so that the farmer may gain some advantage.

As I see it, the farmers will have a very unfair advantage at the expense of these other people. As one who has a flour mill in his electorate, employing some 20 or 30 people, I feel it my duty to say that we should not encourage this sort of thing, and the Minister for Agriculture should have regard to the difficulties he is building up.

There is another point which I wish to mention. In the past the Blue Funnel line carrying flour to the East Indies has no doubt helped our export trade. Our coastal boats have also participated in certain trade with the islands and have had an advantage by virtue of the fact that a certain quantity of flour is exported to those islands. I do not think the trade of the State boats to the islands is what it used to be. But it is an advantage to have flour to export to the islands and I think we should try to continue that trade by retaining that slight advantage in freights we have had here over the last 25 to 30 years. I just wanted to make that point.

One could go on indefinitely and compare the cost of flour to local people and so on, but I do not desire to prolong the debate because I understand the Minister wants to get the Bill through both Houses tonight. Under this arrangement I think the farmers instead of gaining something are going to lose it. I support the second reading because I think national agreements in regard to wheat should be encouraged. But I do not think we should encourage discrimination between States such as imposing a charge of an extra 3d. on Western Australia.

HON. A. F. WATTS (Stirling) [8.26]: I am in much the same humour about this measure as is the member for Moore. I find myself compelled to support it while at the same time having some reservations as to what might have been done instead. Obviously the orderly marketing of the Australian wheat production is something which I think we must try to maintain at all costs. When I refer to orderly marketing I mean mainly the acquisition by, and disposal through a central marketing authority upon which the primary producers—those concerned in the wheat industry—are adequately represented.

Of course, that is implicit in this proposal because it maintains the Australian Wheat Board as the principal disposing authority and gives it, or it retains, adequate powers to deal with the disposal of the Australian wheat crop in the most effective manner under the prevailing circumstances. It is a matter of great regret to me, however, that the Minister has been compelled to bring this measure down today and insist that it be passed, if possible, by both Houses tonight.

It has not been adequately explained to me why that is necessary, but realising that the Minister would scarcely take up this attitude unless he had very sound reasons for doing so, I will not question, for the time being, the necessity for the haste this Bill is being dealt with. As far as I can see the reason why the introduction of this measure has been delayed so long that it has become necessary to put it through in so great a hurry is the unwillingness of the Government of the State of Victoria to arrive at an agreement as to the home consumption price for wheat.

That undoubtedly held up any finality as to what legislation could be introduced —if one allows, as appears necessary, that there must be unanimous legislation—for a considerable number of weeks. Had that Government not been the principal offender and not held out as it did for that period of time ultimately, as I think the member for Moore suggested, getting away with something, then we should have had the legislation presented to us in ample time to be able to study it closely, and, what is more important I think, to have time to prepare the observations we desired to make upon it. But we have not been given that opportunity.

I am not blaming the Government or the Minister in this State because I am well aware that at no stage did they hold up the deliberations or agreements to be arrived at by the Agricultural Council in a way that would prevent the States from producing the necessary legislation. Nevertheless, the result today is extremely unfortunate. Here is a measure which in normal times would have been adjourned for at least a week after the moving of the second reading, but it was presented to us only this afternoon to be passed today at some time or other. If the boot were on the other foot and the member for Melville, for example, were in my place, I can imagine how he would have criticised such indecent haste as this, notwithstanding the surrounding circumstances for which I make full allowance.

The arrangement outlined in the Bill has been reached with the approval of representatives of the wheatgrowing industry in Australia, including those in this State. If I did not believe that it had their general approval, I would make no effort whatever to assist the passage of the measure, but believing that it has their approval and realising that, after due consideration, they have come to the conclusion that its proposals are in their best interests, at least for the period contemplated by the measure, I have no right whatever to obstruct its passage.

I should like to make some reference to the remarks of the member for Guildford-Midland. He seemed to assume that the 3d. per bushel that the Western Australian grower is to receive as compensation is going to be an additional charge on the consumers of wheat in this State. He spoke for quite a long time about the extra amount the flourmillers would have to pay for wheat because of that 3d. a bushel. Of course, there is nothing in the Bill to indicate that it will be an extra charge on the consumers in this State.

What is going to happen is that the Australian Wheat Board, in making its distribution, will deduct from the total amount available a sum equal to 3d. a bushel on the wheat exported from Western Australia and that is why, on the wheat grown in this State the benefit will amount to only 2.4d. So the hon. member need have no fear about the flourmilling industry on that account having to pay more for its wheat. I do not know whether he became confused with the proposal to increase the home consumption price by not more than 2d. per bushel as a contribution towards the cost of shipment of wheat to Tasmania, but if he did, that applies not only to Western Australia but also to every State of the Commonwealth, and so there will be no handicap upon the flourmillers to whom he refers.

I was interested in looking through the Bill as presented to the Commonwealth Parliament to note that the figure of 1½d. was stated quite definitely as the amount that would be involved in the payment of freight to Tasmania. I saw no reference to an amount of 2d., such as is embodied in our Bill.

The Minister for Agriculture: That was subsequent to the Agricultural Council's decision to pay 1½d. It was done because it was known to be the cost today, but in order to provide for rise and fall, a maximum of 2d. was included in all the State Bills. That is my information.

Hon. A. F. WATTS: It is included in all the State Bills?

The Minister for Agriculture: Yes.

Hon. A. F. WATTS: That seems satisfactory. I think that the provision next following would give the Commonwealth Minister power to increase the amount above 2d. Such is the phraseology that I suggest this might easily be the effect, because it does not appear to limit the increase or decrease as between 1½d. and 2d. but suggests that it might be more than 2d. Not that this affects the wheat-

grower to any extent; it will be paid by the consumers of wheat throughout Australia, but it would be as well to be perfectly clear what we are legislating for, and that is why I direct attention to the phraseology of that subclause. It is to be found on page 8 of the Bill and doubtless the Minister will give it some attention.

To me it seems to be unfortunate that the wheat industry over such a long period of years has always been the subject of so much bargaining and legislation, which has given excellent opportunities to various political experts to make play with the affairs of the industry. I realise that in existing circumstances it is impossible to get away from that, because combined Federal and State legislation seems to be essential so that any proposal acceptable to the wheatgrowers for the orderly marketing of their production must be put in hand by such means, but it would be a vast improvement if means were found to take the affair out of the political arena and put it on the basis where it could be governed at all times by an authority upon which the producers themselves had a majority. All that would then be necessary would be for Parliament to pass a Bill empowering them to deal with orderly marketing on an Australia-wide basis over a long period of years.

There is no question whatever that the growers themselves, as the owners of the product, are entitled to majority control of its destiny, sale, export and so forth, and that it would not be very difficult to find some way of giving such an authority long-term power to deal with all aspects of the marketing of wheat grown in Australia and thus, except for an enabling Bill, removing it from the political arena. I commend this suggestion to the Minister who, I know, is earnestly concerned with the problems of the industry, and if I can be of any assistance in arriving at such a solution, I shall be only too glad to help.

The position is that these proposals have, after much heckling and argument, been decided upon. They are apparently accepted by the industry. They provide a reasonable return to the industry, and there is nothing else for us to do but support them. But one last word: From time to time one hears much about the large returns being obtained by the wheatgrowing industry. It is perfectly clear to me, as I think it must be to all those who take any real interest in the affairs of this industry, that it has paid handsomely in recent times for the protection or assistance it got from the Australian people by the original home consumption price of, I think 5s. 2d. a bushel when the export parity figure was well below that amount. I should say that every £ the wheat growing industry got out of the Australian people when they paid something more than the market price for wheat has been repaid by the wheatgrowers about 20 times in the last few years.

Mr. Ackland: That is an understatement rather than an overstatement.

Hon. A. F. WATTS: I think it is. The situation is, and still will be under the Bill, that the price the wheatgrower is going to receive from the Australian public is considerably less than he would receive were he selling the wheat in the open market. For the last few years that situation has applied even more than previously because the home consumption price has been steadily rising for the reason that the cost of production has been rising, whereas the overseas prices have remained reasonably stationary.

Therefore the margin between the home consumption price and what could have been obtained in the open market has decreased. A few years ago our home consumption price was 50 per cent., at most, of what could be obtained on the world's market, yet the wheatgrower, in the interests of the Australian people, apparently gladly assented to the retention of the home consumption price system because he recognised what had been done by the Australian people in a much smaller way for his industry when the overseas prices were in reverse to what they are now. As a result of what has transpired in recent years, for every £ the wheatgrower got 15 to 20 years ago, I venture to say he has paid at least £20 to the Australian economy. So there is no doubt that the Australian wheatgrower deserves well of the Australian community, and the Bill, I think, is about the least we can give him. I support the second reading.

HON. D. BRAND (Greenough) [8.45]: Like the previous speakers on this side of the House, I support the Bill, and speaking for those who sit behind me, I would say it is a gross understatement to suggest that there has been only a degree of chaos and heckling throughout the last few months during the efforts made by the Federal Minister to come to some agreement with the States to enable him to proceed with his legislation and ultimately ratify the International Wheat Agreement. At this stage it is quite human that we should be critical of that agreement because we feel that outside of that agreement it might have been possible for Western Australia, in particular, to have received a greater income for her product.

We may be influenced by our experience of selling on the open market the wool product of this country, which we know has meant so much to its economy. When we look back over the years I feel certain that we can understand and appreciate the attitude of responsible Ministers who expressed a desire for such an agreement, because when we think back to 1930 and the ensuing years we remember that the farming community—in fact, the primary

producers of the world—experienced a depression the like of which we hope we shall never see again, a depression which had an effect throughout the world and was the cause of much unhappiness, discontent, and almost starvation in many countries.

Right up to the present time the world is in need of food, for which there is a growing demand. Perhaps it comes from the gradual uplift of the many millions of the Asian races, and the education of the masses of the people who are seeking a better standard of living. For this reason we may feel more secure in remaining outside of an arrangement or pact which we know so well with respect to wheat—the International Wheat Agreement. As for the present Minister representing the Commonwealth Government, it has been suggested that had he not signed the agreement, or had not indicated his intention to sign the agreement, there might not have been such an arrangement. But who can say that with any real authority?

We have evidence that consuming countries, and Canada and America as exporting countries, were willing to sign the agreement whether or not Australia signed. The previous speakers, who have perhaps studied this question more deeply than I, and have a greater knowledge of the whole industry, have suggested that America, in signing the agreement, is grinding an axe, as it were, in that she at least is looking after her own interests. If that is the position, I wonder just how stable the wheat market would be if such an arrangement did not exist. There are very few people with a knowledge of international wheat marketing who would be able to say just what security would lie ahead if we were to return to the marketing conditions of the days gone by. For what my opinion is worth, I feel that for some time to come there will be security and stability, but how far ahead that security lies, I am not prepared to say.

And so we can understand the Minister for Commerce representing the Federal Government—the National Government of this country—being anxious to ensure that security and stability, so that the wheatgrowers of Australia will be able to market their product at a reasonable and payable price. The present wheat agreement comes under the heading of a reserve plan and covers a period of three years. As a result of that experience, Mr. McEwen indicated, during a speech in the House recently, this country would be more able to decide whether it should enter into further long-range marketing plans. It was quite evident that if the Commonwealth were to enter into such a plan, it must have the full backing of each State and that all should speak with one voice.

That brings me to my point, that at this late hour we are endeavouring to push the Bill through in order that word may be passed to Mr. McEwen that we have agreed today to this legislation and that he can proceed with the ratification of the International Wheat Agreement. As far as I can see, the Government of Victoria—I am not being political—stood out for as long as possible for its own ideas, and it appeared at one stage that the whole agreement would go by the board because of that State's determination to stand out.

I was interested to read a speech made by the then Minister for Agriculture in 1947, when introducing a Wheat Marketing Bill. He quoted the findings of a Royal Commission which was appointed some years previously and which reported—

> Short of a return to open marketing the said Bill provides the only practical way in which wheat marketing can be rescued from the unfortunate position it has reached—that is, a cog in the machinery of internal and external politics.

I think the Leader of the Country Party, when speaking, expressed the hope that considerations of this nature should be carried on outside the sphere and influence of cold hard politics. Perhaps that is easier said than done, but evidently that Royal Commission felt the same as the Leader of the Country Party—that it would be preferable if this agreement could be made outside the atmosphere of politics. I believe it is for that reason that we are discussing this Bill at the present late hour.

It is not my intention to delay the legislation but I would like to comment on the fact that in all public statements made in respect of the acceptance of the last proposal of 14s. to be paid for home consumption and stock food, Western Australia was to receive 3d. per bushel over and above the other States in order to recognise her geographical advantage. I feel that the public have accepted that that 3d. per bushel would be paid on all wheat delivered. From reading statements made by the president of the wheat section of the Farmers Union, I gather that he also understood it in that way and we were therefore rather surprised to hear from the Minister tonight that the 3d. was to be paid only on the export wheat, which was estimated to be about 28,000,000 bushels. If it is said that the 3d. per bushel is to be paid for wheat delivered in Western Australia by Western Australians, then surely it must be 3d. and not 2.64d., or whatever the figure might be!

I feel that that figure might have been made public previously in order that the farmers, who have accepted, through their executive, this latest plan and who have also accepted the cut of 1s. per bushel, might have had a different point of view and might have pressed, through the appropriate authorities—their Fed-

eral representatives—for acceptance of what has been stated, namely, that Western Australia would receive 3d. extra for every bushel of wheat which was produced and delivered here. I have no doubt that the Minister will be able to explain further, when he replies to the debate. I know that for some reason he was not able to attend all the conferences.

The Minister for Agriculture: I was not allowed to, but I did not miss any of the Minister's conferences.

Hon. D. BRAND: I am sorry. I was under the impression that the Minister was not able to attend one of those conferences where I thought this arrangement might have been discussed and that therefore he was not in a position to know the exact decision made at the last conference. I am hopeful that we in Western Australia will be able to take advantage of our geographical position and I think it is time that this State, being the largest grower of wheat and having an industry which is so rapidly expanding—as against what might be considered a stalemate in other States—should enjoy the fruits of that development and that we should no longer be called upon to subsidise, as was said by some previous speakers, the millions living in capital cities in the Eastern States.

I say—I feel that I speak for the party which I represent—that we recognise the need for orderly marketing and appreciate the necessity for the States of Australia to act as one and to speak with one voice—in this case through the Wheat Board—and it is generally recognised by farmers that that is indeed an advantage, which we should hang on to at all costs. We are pleased to know that the Federal Minister has seen fit to give us another representative on the Wheat Board and as a result of that, I feel sure that Western Australia's case will be pressed at every opportunity. At times our present representative may have been fighting a lone battle and not only will he now have moral support, but also, I trust, an able co-partner in pressing the case for Western Australia's wheatgrowers, a section of the people who have produced so much and who I feel should receive a full reward for their services to the country.

Once again I regret that there is no time for a long debate, because this legislation is being rushed through. In order that other members may have something to say, I will conclude by stating that I have much pleasure in supporting the second reading.

MR. PERKINS (Roe) [9.0]: Unfortunately, the position has arisen that I feared might crop up when I asked the Minister for Agriculture certain questions on the opening day of the session. At that time I asked him if he would have inquiries made as to whether it was possible to set up some sort of shadow plan which would enable Western Australia to establish its own marketing organisation for wheat if the emergency arose. The Minister was not particularly enamoured of the idea at that time and, as events have proved, I think we have no other line of action to follow than the one provided for in this Bill.

I am not enamoured to any extent of any particular Commonwealth marketing scheme because I feel that when the produce of all growers of Australia is lumped together, with a diversity of interests and ideas—which there must be when we take into account growers all over the Commonwealth—there is a grave danger that action will be taken by the controlling body which will not be in accordance with the wishes of growers in some particular State. Of course, that can easily happen as regards the operations of the Australian Wheat Board, and for that and other reasons I would prefer to have our own marketing organisation. At one stage I was prepared to take considerable risks in order to set up such an organisation, but when I came to examine the position more closely I became convinced that as Australia was a signatory to the International Wheat Agreement, it would be virtually impossible for any State marketing organisation to operate satisfactorily while Australia had to honour her obligations under such an agreement.

In the early negotiations in connection with the International Wheat Agreement, the Australian delegates at the conference did nothing to indicate that Australia would not sign an international wheat agreement. In those circumstances, it is not surprising that certain traditional customers for Australian wheat—countries which have a freight advantage in buying from Australia—became signatories to the International Wheat Agreement. If Australia does not sign the agreement at this stage, it is obvious that serious complications could arise in attempting to sell wheat to those countries, and it is possible that they would protect themselves by buying from countries which were signatories to the International Wheat Agreement.

So it seems to me that we have no other line of action left to us except what is provided in this measure. For that reason it is only natural that all members representing wheatgrowing constituencies, as well as other members of the House who have given careful consideration to the position, will support this Bill. However, there are one or two interesting sidelights on the position, and I think it would be appropriate to mention them at this stage. It is interesting that at long last all Governments in Australia have come to realise that it is necessary to provide some in-

centive if it is thought desirable to increase the quantity of wheat produced in Australia. I am pleased that the State Government, with at least two of the other States, agreed to provide 15s. as the home consumption price for wheat, but I am sorry that two of the other States stood out and were instrumental in whittling the 15s. down to 14s. Any evil consequences which might result from that action must be on the heads of those two Governments, and I believe they will have plenty to worry about.

I noticed quite recently that the Commonwealth Minister for Commerce and Agriculture stated that Australia had got into the dangerous position where she was 75 per cent. dependent on wool. During a previous debate in this Chamber, I had something to say on that subject, and I can only support the opinion of the Minister for Commerce and Agriculture that it is an extremely dangerous position. Members can realise how serious it is if they stop to think what the economic condition in Australia will be if only a small drop in wool prices takes place within the next year or two. They can imagine what the effect would be on business conditions throughout Australia. Many people in the community seem to think that any stabilisation scheme is designed to support the particular primary industry it affects. Nothing could be further from the truth. With any form of stabilisation, the benefit must spread to other business sections of the community, and even to the working people, and not only to the industry concerned.

As regards wheat, I think a great many wheatgrowers have awakened to the fact that their money is being used not so much to benefit themselves as to stabilise conditions throughout the rest of Australia. What will be the position if there is a fall in the price of wheat, as the member for Guildford-Midland seemed to fear? The position is entirely different to what it was in the 1930's. At that time, a great many wheatgrowers were just establishing their properties and they had heavy interest payments to meet each year. But the greater proportion of primary producers, particularly wheat and woolgrowers—and that is usually a combined occupation—are in a much sounder position today. I know from my close contact with the farming community that if there is a substantial fall in the price of wheat the reaction of the wheatgrower will be to cut down his production so that he will lose as little as possible on the production of that commodity. He will probably change over to other lines of production which are more profitable.

As any commercial man here will realise, in running a business it is often possible to operate more efficiently on a smaller scale, because a man can keep a closer control of the business than he can if his business is conducted on a large basis. That could easily happen with many of the larger properties in this State. After careful consideration, I believe that if there is any substantial fall in the price of wheat it will result in a great contraction in the quantity of grain produced. I think that all members of the community are anxious to maintain the level of primary production in all spheres. I do not think I need to dwell on the serious effect that the contraction of any form of primary industry will have throughout the State. I need only mention the economic depression that hit Australia a little over 12 months ago when there was a fall in the overseas wool price.

The other point I want to mention is the average cost of production. Apparently the opinion of the man in the street is that if any grower has a return which covers the average cost of production, he is doing quite well.

Mr. Johnson: Too right!

Mr. PERKINS: If one stops to consider that contention a little more closely, it will be found that there are many flaws in it. Obviously, when referring to the average cost of production, there must be at least as many producers whose costs are higher than the average as compared with those whose costs are lower than the average. I do not know of any form of business that has more widely fluctuating costs than primary production. When saying that I am not reflecting on any producer, but obviously, those farms that are in more reliable rainfall districts must have an advantage over those in the marginal areas, taking into consideration, of course, the difference in soil fertility in the various districts.

Obviously, any of those producers whose costs of production are higher than the average must be selling portion of their products at less than what it cost them to produce. On a previous occasion in this Chamber I think I asked the question: "What manufacturer is prepared to do that?" Any manufacturing concern in secondary industry must recover its cost of production if it is to survive, and the least efficient business expects to recover its cost of production. However, in regard to primary industries it seems to be the considered opinion that if a grower's returns equal the average cost of production, the position is satisfactory.

I certainly do not accept that proposition. It is an important point at present because following the higher prices we have obtained in recent years for most of our primary products, there has been tremendous development throughout the State. However, it is only natural that those districts with the most fertile soil and best rainfall will be opened up first. The areas now being developed are those that have been least attractive to settlers in past years. Therefore, it is particularly

important at present to have incentive prices to attract settlers and to ensure that the development of the State continues at its present rate.

It is all very well for members to say it is highly desirable that we should extend land settlement, but it is an entirely different matter when it comes to the question of taking the necessary action to encourage development. To provide this necessary incentive it will not require the State to do more than provide the framework and some small measure of assistance to the settlers to enable them to launch out and develop their properties as well as possible in the circumstances.

I do not wish to delay the debate on the Bill because I realise it still has to be considered in another place and I think that all members who represent wheat-growing constituencies are most anxious to have this wheat muddle cleared up as quickly as possible. No one can feel secure while there is any uncertainty about the current harvest. The muddle has continued far too long already and while most growers have faith that Australia will do the right thing eventually, it is extremely disturbing to find that at least two Governments have been prepared to throw this wheat marketing legislation into the melting pot even up to this late stage.

However, it is pleasing to note that there has been a degree of unanimity even at this late hour and if the measure does not provide all that we would like it to do, no doubt it is probably the best we can obtain in the circumstances. I listened attentively to what the member for Guildford-Midland had to say and I can understand the point he is trying to make in regard to the flourmilling industry. Up to the present the industry in this State has enjoyed the freight advantage and obviously it will be placed in a less advantageous position from now on, particularly in those markets where the freight advantage has been the greatest.

However, the flourmillers have not lost all their advantage. As the member for Moore has pointed out, 3d. a bushel on overseas sales from Western Australia represents only part of the freight advantage that Western Australia enjoys. Therefore, there is still a little left. Nevertheless, the Western Australian flour mills will be placed in a position whereby they will have to compete on a more equal footing with those in the Eastern States. I understand that the old established concerns in other States will probably have an advantage which may place some of our millers at a disadvantage. Be that as it may, however, we can hardly expect the wheat industry to carry the burden.

If the burden is to be shouldered it should be carried by the people of the State as a whole, because literally the advantage is enjoyed by the whole of the community. It is particularly beneficial, of course, to all those producers who use the by-products from the flour mills. I can quite realise that they are viewing the present set-up with a great deal of speculation and are wondering what will happen.

There is another point which I think was mentioned by the member for Guildford-Midland which I cannot let pass. He seemed to fear that the wheat market throughout the world is in a rather "dicky" position, but nothing can be further from the truth. The most expert body in the world today in regard to food supplies is the food committee of the United Nations Organisation. Of course, all the publications of that committee for years past have stressed that what the world has to fear is not plenty but famine, and they have been urging that wherever possible throughout the world Governments should do what they can to build up food production. As for any difficulties, or apparent difficulties, which seem to exist in regard to the wheat industry at the present time, they have been rather brought about by the peculiar marketing conditions which have prevailed in recent times.

As members know, the British Government built up considerable security stocks and at present the British flourmilling industry is partly living on those stocks, which naturally means that the amount of buying has been cut down because those security stocks are being used. It is rather significant that the major parts of whatever surplus exists in the world—one perhaps should not call it a surplus but rather stocks of wheat that exist in the world—are almost all in Canada and the United States of America. It is also extremely significant that it is in those areas where growers have been getting a real incentive price for producing wheat.

This is particularly so in the United States. The wheat stocks in that country are, in effect, held in the hands of the American Government because under the financial set-up in that country—under their commodity credit corporation—advances are made to growers without recourse to the wheat that is held by them. I understand that advances have been taken by the growers against all the wheat they hold and that wheat has cost the American Government more than £1 per bushel. I ask you therefore, Mr. Speaker, is it likely that the American Government is going to lose any substantial amount of money on the wheat for which it paid £1 per bushel?

Tht Minister for Railways: It is giving millions of bushels away.

Mr. PERKINS: Why should the Minister worry about that? There are plenty of hungry mouths to feed in some of the less fortunately situated countries of the world where that wheat can be used. Probably it is the cheapest method the United States can use to extend its sphere of

influence throughout the world. More than likely it would be a good deal more effective than all its navies, air forces and armies combined. I have no doubt that the American Government has not embarked without a good deal of consideration, on the particular policy it has been following. Be that as it may, I realise this has no direct application to the Bill. I hope the measure will pass both Houses of Parliament as speedily as possible because then the grower will be relieved of any further anxiety as to whether or not he is going to be paid for his wheat this season.

MR. COURT (Nedlands) [9.25]: I would not rise to add to the support given to the second reading of this Bill if I did not have a reservation to which I would like to invite the Minister's attention. Firstly, however, I would like to congratulate the Minister and his Commonwealth colleague on the patience they have shown in the face of near frustration by the attitude of some other States and the difficulties placed in their path in trying to reach unanimity. I think they have taken a national view on the matter and they are to be congratulated on the preserverance they have shown. They could have sat back and said "We cannot reach agreement," and have allowed the market to reach its own level. I daresay there would have been many people who would have welcomed such a move.

In his approach to the over-all Australian problem I think the Minister has shown a realistic regard for the necessity of a just home consumption price. There has been a degree of unrealism in this particular problem and I am pleased to see that a very worth-while step has been taken to close the gap between the original home consumption price that has been enjoyed for some years and the world parity price which I think should be the ultimate step.

As far as the stabilisation scheme is concerned, I realise it is easy to be wise after the event. I know there are many people who are considered to be wise judges who saw in stabilisation the word "security." They felt it had everything in its favour; that there was everything to gain and nothing to lose, and for that reason they were great advocates of the stabilisation scheme. But the experience has been costly to Western Australian growers because they have found themselves in the position of not only having to subsidise local consumption but also that from the Eastern States. The degree of subsidisation has been materially reduced by the proposed measure but it still remains for them to subsidise the consumer to a certain extent even under the modified price proposed in this Bill.

My reservation concerning this measure is in respect of the local flourmilling industry. When replying, I trust the Minister will touch on this subject and say whether he is happy about the outlook of our Western Australian flourmillers, taken as a group and not as individuals. I would also like to hear his views as to whether he feels happy about the extra 10s. a ton charge that they will have to stand for their wheat as against their Eastern States counterparts, and whether he feels this will be in the long-term interests of the Western Australian flourmilling industry.

As I see it, our flourmillers are to be charged an extra 10s. a ton for the wheat they require for milling as compared with their Eastern States competitors. When one looks at the problem superficially it seems to have a degree of logic about it because it is said that our people will enjoy a freight advantage in the market in which they are most active at the present time. I feel it is unfair to say to our local flourmillers. "You boys have got an advantage over us so we are going to bring you back to the field." I think they need the natural advantage they have geographically in respect of freight.

My fear is that if our export market is interfered with in respect of flour from this State the effects will be far-reaching. It will reduce the quantity of flour to be exported if the principal market is lessened down to the level where the flour prices are for all practical purposes the same as between "West" and "East" flours. And if we reduce the amount of flour exported from this State, it logically follows that our production of flour locally will also be correspondingly reduced. With a reduction of output we naturally get the danger of a reduction in employment, and with a reduction in output we also get an increased unit cost per ton of flour and, of course, a higher unit cost per ton of offal. The local flour will be dearer both for breadmaking and for other purposes.

In addition, if the volume of flour through our local mills is reduced, I cannot see how the price of mill offal in this State will not be increased also because of reduced production. Probably the most real effect of reduced flour production in this State will be a reduction in the amount of mill offal. As we know, there is always a great demand for mill offal, and it is particularly acute at present. Furthermore, I am afraid that if we do lose what might appear to be temporarily our advantage to the north of Western Australia, we could be in the position that we could never recover those markets and retain the flour production that exists in this State.

I would point out to the members of the wheatgrowing section of the community, who have shown a great deal of restraint in their attitude to the Australian economy, to their cost, that it is still important that they should have due regard for the other primary industries in this State. As I see it, if we reduce our flour production, not only will we have a lower

volume of mill offal, but its price will be increased. It could be that other primary industries that require mill offal would have to resort to substitutes.

Without my having any very profound knowledge of wheat marketing, it appears to me they will then have to come back into the market and buy wheat; and, as I see it, under the legislation they will buy it at the local consumption price. If they buy it at the local consumption price they will, in fact, be buying the product of the wheat producer at a cheaper price than would have been obtained had it been channelled through the export market as flour.

Mr. Ackland: Do not you know that all offal, whether milled from overseas wheat or local wheat, is sold at the local price?

Mr. COURT: I know that very well; but I would point out to the hon. member that in producing mill offal it is just as important to take into account the volume of production; because, after all, a mill produces so much flour, and in determining the price per ton, whether it be flour or mill offal, the volume of production through any given mill obviously affects the unit cost of the finished product. That is why there is a degree of feeling in the Eastern States, because millers there, if one reads aright in their publications, feel that our mills are working more hours per week than their mills. The obvious reason is that it materially helps in a reduction of cost.

A further point which would arise from a reduction in our flour exports, particularly to the areas north of Australia, would be the effect on the shipping service. A very fine trade has been built up north of Australia, and quite an efficient service has developed there in respect of shipping freight. That, of course, gives work to our ports, and it does produce a consequential benefit to this State which is not to be overlooked. While that service is intact and operating successfully and efficiently, it allows the export of other primary products that could not be exported satisfactorily if there was not readily available a shipping service. Complementary to flour tonnage, those exports are very valuable to this State and can be successfully accomplished. Without the existing basic tonnage of flour exports to those places, it follows that it will be extremely difficult, and may be impossible, to retain those markets that are coincidental with the flour tonnage freight.

I trust that the Minister will be able to find some solution to the problem through administrative channels. I see the difficulties confronting him in this measure, but I cannot see that it will be impossible to achieve a degree of protection for our local flourmillers to the benefit of the primary industries in particular that have to rely on mill offal, even if all he can do is to ensure that the proportion of export freight that has been enjoyed by our millers to date is retained. It may be impracticable to get away from this payment of 10s. per ton as against their Eastern States competitors, but it may be possible to ensure, through the Australian Wheat Board or some other source, that the Western Australian millers retain their proportion of the export flour marketed from this country.

The next few months will test the sincerity of the Federal Council of Flourmillers in its approach to this problem, and I will be very interested to see whether it does not take advantage of the situation that has been created to take away some of the flour export trade that has been so successfully built up by our local flourmillers. If the Minister can, in the course of the administration of the Act in future, do anything to preserve that export quantity, I think a good job will be done both by the milling industry in this State and by the primary industries dependent on the products of the mills.

THE MINISTER FOR AGRICULTURE (Hon. E. K. Hoar—Warren—in reply) [9.36]: First of all I would like to thank members very much for the contributions they have made to the debate. I also appreciate the restraint of a number of them because I know that with their experience of the wheat industry they could have spoken much longer than they did, and therefore held up the passage of the Bill to the Legislative Council. I want to deal briefly with only one or two points raised, because there is general approval of the Bill, and I do not see why I should delay the measure in this House.

The member for Moore wanted to know the details of the negotiations that took place at one of the Agricultural Council meetings in connection with State accounting. That was definitely mooted at the meeting and discussed after the situation had developed where agreement could not be reached on the basis of a home consumption price of 15s., and it was suggested that State accounting might be permitted to Western Australia alone, and not to any other State, on the basis of 14s. per bushel. On that basis Western Australia—

Mr. Ackland: Would have got 1s. 8d. per bushel.

The MINISTER FOR AGRICULTURE: Western Australia would have got 1s. 1d. per bushel more than under any other scheme.

Mr. Ackland: It was 1s. 8d., I think.

The MINISTER FOR AGRICULTURE: I have all the figures here. The actual effect of the proposal would have been that with an average export price of 17s. 6d., the advantage would have been 1s. 1d. per bushel, including the 3d. freight advantage. I think the member for Moore will understand why that never went any further. Certainly the Western Australian

representatives came back rather pleased with the suggestion, knowing that it would return an amount of money to Western Australian growers now being received by the Eastern States. But when New South Wales, Victoria and South Australia woke up the next morning they realised what a disadvantageous scheme that was going to be from the point of view of their States, and promptly refused to have anything to do with it or with any other scheme that would allow that to take place. I do not think that needs any further explanation by me beyond my saying that the matter was discussed at the conference and the proposal was, in fact, supported by me.

The hon. member also referred to three questions being placed on the ballot paper when a referendum is taken. What I think he had in mind was that the question of State marketing should not be overlooked. I think that all members should know that the State Government made the definite declaration some months ago regarding any future ballot affecting wheat marketing that Western Australian growers should have an opportunity to vote for one or the other. As I understand the position, that promise will be kept.

There is a matter that gives me some concern, although I do not see what we can do about it at this stage. It is the question of the premium of 3d. to be paid to Western Australian growers on wheat exported. Judging by the remarks of the member for Moore, I gather that he has information which is not known to me. I understood him to say that the 3d. would be sterling.

Mr. Ackland: I mentioned 10s. sterling, which would represent 4½d. a bushel.

The MINISTER FOR AGRICULTURE: That is completely unknown to me. I have not had the slightest information about it from any source whatever.

Mr. Ackland: I think it is on the same form as that from which you quoted your figures.

The MINISTER FOR AGRICULTURE: Not 4½d. a bushel.

Mr. Ackland: Ten shillings sterling.

The MINISTER FOR AGRICULTURE: I am speaking of what the Bill provides for. The provisions are similar in the measures in all the States, and do not include any matter other than the 3d. provided for in this Bill. Since I introduced the measure this afternoon, I have had a discussion with Mr. Maisey, president of the wheat section of the Farmers' Union, and he is definitely of opinion that the agreement, tentative or otherwise, which was arrived at in Canberra some time ago, was that it would apply to all Western Australian wheat and would not be limited to exports only. I have known Mr. Maisey for a considerable time and I think the matter is of sufficient importance to be taken up at the next meeting of Ministers for Agriculture.

Mr. Ackland: Will you accept an amendment to the Bill to that effect?

The MINISTER FOR AGRICULTURE: I do not see how that can be done. If it is to be complementary legislation, it must be similar in all the States.

Mr. Ackland: This does not appear in the Bill in any other State.

The MINISTER FOR AGRICULTURE: How does the hon. member know? Provision has to be made in all the State legislation, so far as I know. The point is that I am prepared to look into the matter. It is something that could be adjusted later if there is substance in the contention. I do not think there is substance in it. I have had considerable correspondence with the Federal Minister for Agriculture and have had telephone conversations during which I have asked specific questions, and there has been no mention whatever of an amount of 3d. a bushel on exports only.

Hon. D. Brand: They have not always referred to exports.

The MINISTER FOR AGRICULTURE: But the 3d. a bushel on exports is mentioned in this Bill.

Hon. D. Brand: Yes, in this Bill.

The MINISTER FOR AGRICULTURE: That is all I have to go on. I have acted on the authority of the Federal Minister for Agriculture, who has circularised all States with a view to their passing similar legislation.

Hon. A. V. R. Abbott: He drafted the Bill?

The MINISTER FOR AGRICULTURE: Yes, and we have included matters to provide for our domestic arrangements such as the ballot. This is the type of legislation that the Governments of all States will be asked to pass, and we would be very foolish if we did anything to hold up such an important measure when the matter is capable of being adjusted later. However, I think it is important enough to look into.

There is another matter and that is the question raised by the member for Guildford-Midland and the member for Nedlands regarding the difficult situation in which flourmillers in this State now find themselves. Those two members are not alone in desiring an explanation; I too, want an explanation. The matter as I see it is a mass of contradictions. Questions have been asked by the member for Nedlands, and I received a deputation from the Flourmillers' Association which put up a proposition based on the difficulty as a result of the impost of 10s. per ton, and there is a large body of millers who refute

anything that has been done along those lines. In reply to that large body of millers a statement appeared in the newspaper yesterday as follows:—

> The policy of the Australian Wheat Board had not been weighted against the milling industry in this State.
>
> The chairman of the W.A. Flour Millowners' Association (Mr. L. J. Haining) said this yesterday. He was referring to a statement in Saturday's issue of "The West Australian" headed "Millers Protest at Impost on Flour Export."
>
> Mr. Haining said that while the statement might reasonably represent the views of a section of the milling industry, it did not reflect the opinion of all millers in this State. He particularly desired to refute the imputation that the Australian Wheat Board arbitrarily imposed a surcharge of 10s. a ton on flour exports from W.A. to Malaya and Indonesia.
>
> The surcharge was made at the request of the Federal Council of Millowners in conformity with a resolution to this effect. Western Australian delegates had agreed to this, not under duress, but voluntarily in the full knowledge of the circumstances and possible implications.

We cannot interfere with this legislation by way of amendment to the Bill, but the matter is important enough for me to investigate with a view to finding out the truth because I am not at all satisfied. What alarms me is the effect that this 10s. per ton is going to have on the flour-milling industry in this State and also, as the member for Nedlands said, on the stock feed position—the bran and pollard supplies—which is a very serious matter quite irrespective of the effect on the general markets for flour outside the State. This is a matter that definitely concerns the State and must concern the Government. In asking members to pass the Bill, all I can do at this stage is to give an assurance that I shall take the matter up personally and see whether some protection cannot be given to the section of flourmillers in Western Australia that happens to be right, but at present I do not know which is which.

Question put and passed.

Bill read a second time.

In Committee.

Bill passed through Committee without debate, reported without amendment and the report adopted.

Standing Orders Suspension.

On motion by the Premier, resolved:

> That so much of the Standing Orders be suspended as is necessary to enable the Bill to pass through all its remaining stages in one sitting.

Third Reading.

Bill read a third time and transmitted to the Council.

BILL—WORKERS' COMPENSATION ACT AMENDMENT.

In Committee.

Mr. J. Hegney in the Chair; the Minister for Labour in charge of the Bill.

Clause 1—agreed to.

Clause 2—Repeal and re-enactment of Section 4:

The MINISTER FOR LABOUR: I move an amendment—

> That in line 1 of Subclause (3) before the word "Subsection" the words "Except in the case of a recurrence of the injury" be inserted.

The amendment is to ensure that workers, injured prior to the passing of this measure, who obtain an award from the Workers' Compensation Board shall receive the benefits of the new provisions. As the Bill now stands, it would prevent such a worker from coming under the provisions of the new legislation. If the Workers' Compensation Board made an award by way of lump sum payment to a worker, and there were a recurrence of the injury, the clause as it now stands would entitle the worker only to the provisions of the present Act. The amendment proposes to extend to such a worker the benefits of the new measure, both in regard to lump sum amounts and weekly payments.

The same position will obtain with respect to workers who sign an agreement. As the Act now stands, the fact that a worker signed an agreement would prevent his receiving any further compensation. Whilst it may be considered that once a worker signs an agreement the insurer should not be liable for any further payments, yet I consider that if it is found later that there is a deterioration or true recurrence of the injury, he should not be debarred from receiving compensation. The harmless amendment I have moved will remove these disadvantages. I indicated when I introduced the Bill that the position sought here obtains in Victoria, and I understand that it obtains also in New South Wales and, to a certain extent, in Queensland.

Hon. A. V. R. Abbott: Are you assuring us that this amendment applies there?

The MINISTER FOR LABOUR: The last Act passed in Victoria provides that workers are entitled in such cases to weekly payments and to lump sum settlements.

Hon. A. V. R. Abbott: I doubt it. I do not accept that statement.

The MINISTER FOR LABOUR: I impress on the Committee that there must be a true recurrence of the injury before such worker is entitled to come within the provisions of the Act. A worker might

have been injured 2½ years ago and not have received a lump sum payment. The maximum compensation for a married man, with the responsibility of keeping a family, was £6 a week prior to the increase to £8 and £10. In cases taken against the Motor Vehicles Insurance Trust, the Supreme Court judges assess damages on present-day costs and values. That being the case, and to mete out to injured workers a reasonable measure of justice, this amendment is highly desirable.

Hon. Sir Ross McLarty: There is no limit to the amendment.

Mr. Lawrence: Yes, there is.

Hon. A. V. R. ABBOTT: I am rather surprised at this amendment because it is most unreasonable and I propose to object to the whole clause.

The Minister for Labour: I do not doubt that.

Hon. A. V. R. ABBOTT: I do not propose to discuss my reasons for that now because I will have an opportunity after this amendment is dealt with. I wish a little further opportunity had been given by the Minister to verify the position in connection with this amendment relative to the Victorian and other State Acts. I am not questioning the Minister's word, but I think he is misinformed; I do not think he has taken the trouble to compare the two sections and I do not think his officers have investigated the position because I cannot conceive of any provision such as this. The Minister talked about weekly payments, but the amendment has nothing to do with that phase.

Mr. Moir: Of course it has!

Hon. A. V. R. ABBOTT: It has not. It merely deals with lump sum payments. Under the clause there is provision that there shall be retrospective increases under certain circumstances and those circumstances would cover weekly payments where weekly payments are made and the matter is not finally settled. If there is a recurrence of the injury the worker can go back to weekly payments until he has received the maximum amount. But the draftsman has inserted certain exceptions in the Bill and this provision would not apply where a complete settlement had been made.

Once a lump sum payment is made under the existing law, that is the end of it. The matter can be finalised only with the agreement of the board and in this way the worker gets full protection. Even if he receives the best advice possible, he cannot agree to a lump sum settlement without the concurrence of the board and that is why these exceptions were put in the Bill. Under the existing Act a case cannot be opened up if final settlement has been made. But if this amendment is agreed to the whole question will be reopened; in other words, if there is a recurrence, the whole question of a lump sum payment could be reopened and would have to be reconsidered on the basis of the £2,800 mentioned in the Bill.

Mr. Lawrence: That can be done under the present Act.

Hon. A. V. R. ABBOTT: Not where there has been a lump sum settlement; that is final.

Mr. Lawrence: You ought to study the Act.

Mr. Moir: What about Section 29 which confers powers on the board to reconsider?

Mr. Lawrence: Up to six months.

Hon. A. V. R. ABBOTT: Why was this put in?

Mr. Moir: You say that a lump sum payment is final.

Hon. A. V. R. ABBOTT: I say that this opens up the whole question again where lump sum payments have been made. It is not reasonable, and I oppose the amendment.

The MINISTER FOR LABOUR: Earlier in the session I said that I had the greatest admiration for the Parliamentary Draftsman, and I reiterate that statement. The omission in this case is mine and I take the responsibility for it. I have moved this amendment because I wish to rectify the position and carry out the intentions of those who support this measure. It is true that certain workers are now prevented from receiving the benefits of this measure if it becomes law, and it is our intention to extend the benefits of the Bill to such workers. By that I mean those who were injured prior to the passing of the Bill, if it becomes an Act, and who have been on weekly payments, and those who are not receiving weekly payments but there is a recurrence of their injuries. We want to provide also for those workers who have obtained an award from the compensation board—

Hon. A. V. R. Abbott: Of a lump sum?

The MINISTER FOR LABOUR: Yes. We want to provide for those who have obtained an award but have suffered a recurrence of their injuries. They should be entitled to come under the provisions of this Bill and we also want to cover workers who, although they have signed agreements and the agreements have been registered, suffer a recurrence of their injuries and deterioration in their health. They should not be debarred from the protection of this measure.

Hon. A. V. R. Abbott: Will the whole question have to be thrashed out again?

The MINISTER FOR LABOUR: What does the hon. member mean? If the medical evidence demonstrates that a worker's condition has deteriorated and there has been a recurrence of an injury,

why is he not entitled to some further consideration? The member for Mt. Lawley was instrumental a couple of years ago in having the provision taken out of the Act, though we sought to have the retrospective clause retained. That is not so long ago. The hon. member said he did not think any other Parliament would introduce such a measure. For his benefit I will read an amendment to the Victorian Compensation Act. Section 15 reads as follows:—

> Notwithstanding anything to the contrary in any rule of law or construction, the amendments of the principal Act made by this Act, so far as they affect rates or amounts of compensation, shall apply with respect to every payment of compensation after the commencement of this Act notwithstanding that the injury or disease giving rise to the right of compensation may have occurred or originated before such commencement, and every policy of accident insurance or indemnity in force under the Workers' Compensation Acts at the said commencement shall, notwithstanding anything to the contrary therein, be read and construed as fully ensuring or indemnifying the employer against the increased liability accordingly.

Hon. A. V. R. Abbott: It does not say anything about lump sum settlements, does it?

The MINISTER FOR LABOUR: I am indicating that the intention of the Government is to ensure that all workers in the different categories I have mentioned receive benefits under the new Act and I hope the Committee will accept the amendment.

Mr. MOIR: I would like to put the member for Mt. Lawley right on a remark he made. He said that under the present Act once a lump sum is paid, the settlement is final. Such is not the case.

Hon. A. V. R. Abbott: Under what section is that?

Mr. MOIR: Under Section 29, Subsection (2). The Workers' Compensation Board has joint power of reconsideration and thereafter of rescission, alteration or amendment of any decision or order previously made. That means that a worker having gone before the Workers' Compensation Board in the first instance to have a lump sum fixed for a disability and if there is any subsequent deterioration in his condition and he is supported by medical testimony, he can again go before the board and state his case. If the board thinks fit it can make a further award within the provisions laid down in the Act.

Hon. A. V. R. Abbott: When it has been agreed.

Mr. MOIR: If for instance he gets the 30 per cent. laid down in the Act and subsequently there is a deterioration in his condition, and the medical evidence supports this, the board can give him a further 20 per cent.

Hon. A. V. R. Abbott: What if there is a lump sum agreement?

Mr. MOIR: That is entirely different.

Hon. A. V. R. Abbott: Of course it is.

Mr. MOIR: I think it is a reprehensible practice for an insurance company to place before a worker a cheque and then ask him to sign an agreement even though he might have been armed with evidence with which the company's doctor agreed. If he signs the agreement, he terminates all his future claim for that injury if his condition deteriorates, despite the fact that the Act lays down that he can be paid for further deterioration. All of us who are interested in injured workers have tried to impress on them not to sign any memorandum of agreement and have told them to make application to the board, and that if the evidence is available the board will make a further award. They have the right to go before the board but they will be paid only on the old basis. The amendment is designed to give them the benefits contained in the Bill. I think the whole clause is very necessary but I do not propose to discuss it just now because I think I will have an opportunity of doing so later. I want to assure the member for Mt. Lawley that what I have said has been proved before the Workers' Compensation Board and has also been approved by numerous legal opinions which have been sought.

Hon. A. V. R. ABBOTT: The hon. member has made the position clearer than the Minister did. It is apparent that for the first time it is proposed to enable lump sum agreements to be later reconsidered if there is a recurrence. That is something the Minister did not say.

The Minister for Labour: I said that clearly and definitely.

Hon. A. V. R. ABBOTT: I do not think the Minister did. It can only operate in cases of lump sum agreements made prior to this Act, but it could apply to every lump sum payment as I understand it.

The Minister for Labour: If there is a true recurrence.

Hon. A. V. R. ABBOTT: So if there were a lump sum agreement five or six years ago supervised by the court and considered fair and reasonable, that could be reopened.

Mr. Moir: The Act lays that down.

Hon. A. V. R. ABBOTT: Not if there is a lump sum agreement. Here we have an insurance company some years ago receiving premiums on a basis of the Act as it was then. Employers who carried

their own insurance have made settlements on that basis, and now the Minister desires to open up these agreements retrospectively so that they can be reconsidered on a basis higher than that awarded. The Minister is certainly taking it back very far, whatever may be fair as regards the present increases. The Minister keeps quoting the damages that may be awarded for negligence against a man in a motorcar accident, but I do not think that is applicable. If there were settlements by agreement in those cases, they could not be reopened.

Mr. May: There is a huge difference between the payments.

Hon. A. V. R. ABBOTT: Yes, and in the reasons for them. In the one case, there may be no negligence, but in an accident, somebody must have been negligent. This is a social service imposed on the community and the two cases are not at all comparable.

Mr. Johnson: A worker might suffer even greater injury than a man involved in a motor accident.

Hon. A. V. R. ABBOTT: In the one case, there is a default on somebody's part.

Mr. Johnson: What difference does that make?

Hon. A. V. R. ABBOTT: Usually, it is not due to any fault on the part of an employer that a worker is injured. If the employer were at fault, the worker would not proceed under the Workers' Compensation Act and the damages assessed might be much higher. Retrospective liability is something that is not approved under our present system. There would be a great howl if we passed a law to make taxation or other dues retrospective. This is a shocking example of retrospective legislation.

Mr. BRADY: The amendment is very desirable and I think the member for Mt. Lawley would have to agree if he reasoned it out. Judging by his remarks one would imagine that, in 99 cases out of 100, there would be a recurrence and that the insurance companies would suffer as a result. Probably in less than one per cent. of the cases would the injury recur, and would that represent such a impost on industry? Sufferers should not be denied common justice.

A carter in a superphosphate works met with an accident and, after spending many months in hospital, he made an agreement with the insurance company. Both his legs had been injured. Subsequently he returned to work and within a month he was suffering disabilities just as great as in the first instance. Another case was that of a young man in Wiluna who lost a forearm and accepted a lump sum settlement, but later the disability recurred and he lost the whole of the arm. Should not such cases be reopened? Workers in that position should not be permitted to contract out of the Act. The insurance companies are endeavouring to evade this retrospective provision. Where there is a just claim for a recurring injury, the case should be reopened. If there were a large number of such cases, which I am not prepared to believe, it would be a reflection upon the doctors.

Amendment put and passed.

Hon. A. V. R. ABBOTT: I oppose the clause. The Minister has studiously avoided—intentionally, I think—giving any indication of the cost to industry or to the consumers of goods or services. I am amazed that some of the Goldfields people have not considered these provisions, which will impose greater costs on the mining industry, because it cannot pass the burden on. I understand that the goldmining industry pays about £250,000 in insurance premiums per annum at present and that the proposals contained in the measure will double that figure. The Minister has not been game to give us an estimate—which would be available from the State Insurance Office—of the amount of the increase. All he said was that the Premium Rates Committee would do a fair thing. That committee will base its decision on evidence given by the State Insurance Office, among others, so why has the Minister not made the information available? I challenge him to prove that these amendments will not cost the mining industry an extra £250,000 per year.

Mr. Lawrence: That is childish.

Hon. A. V. R. ABBOTT: I do not think it is. The Minister mentioned the Victorian Act, with regard to retrospectivity. I have never denied that there might be some argument in favour of weekly payments but I cannot see why, when a transaction may have been closed for years, we should by indirect means provide for reopening it so that it can be reconsidered. If the Minister wanted that, why did he not make provision that a lump sum payment could at any time be reopened for further consideration. I will vote against the clause.

The MINISTER FOR LABOUR: I do not think anything introduced to improve the position of an injured worker would receive the support of the member for Mt. Lawley. With regard to increased premium rates, I repeat that workers' compensation should be a direct charge on industry and that Parliament should lay down conditions which it considers fair and reasonable. In this case it is for the Premium Rates Committee to determine what charges shall be levied.

Hon. Sir Ross McLarty: Do you think the estimate of £250,000 increase, put forward by the member for Mt. Lawley, is correct?

The MINISTER FOR LABOUR: It might not cost anything more. I will not enter into that argument as it is a matter for the Premium Rates Committee. Whenever an attempt is made in this Chamber to improve the position of the ordinary people, members opposite always raise some bogey as to why the present state of affairs should continue.

Hon. Sir Ross McLarty: Surely we are entitled to know what this will cost industry.

The MINISTER FOR LABOUR: For many years I have heard, in the Arbitration Court and elsewhere, the story that industry cannot stand a further 1d. impost without closing down.

Hon. A. V. R. Abbott: Industries do close down sometimes.

The MINISTER FOR LABOUR: This clause is simply an attempt to give the injured worker a reasonable measure of justice.

Mr. JOHNSON: I refer the Committee to Subsection (2) of Section 29 to show that the principle of reopening is not new, as the member for Mt. Lawley believes.

Hon. A. V. R. Abbott: I never said so.

Mr. JOHNSON: Then the hon. member said something remarkably like it. The provision in this clause has been in the legislation at least since 1948. As to the capacity of insurance companies to pay, I refer members to the manner in which premiums for workers' compensation are assessed. A rate is agreed on and at the end of the year the employer sends in a wages return showing the amount he has paid in the various classes to which his policy is applicable. The assessment is made on the amounts of those wages and not on the number of persons insured.

The number of persons insured enters into it because that is where the amount derives from but the premium is a rate on the wage. Wages have risen although premium rates have not. There is no doubt that premium incomes have risen but the rate of compensation has not increased in accordance with the rise in wages. I think members will agree that matters of social justice, such as pensions and compensation, should be closely tied to the cost of living—either the "C" series index or some other base that measures the cost of living.

No insurance company operating in workers' compensation business has gone bankrupt in this State. There has been some window-dressing to the effect that some companies might withdraw from that field of insurance, but I do not think that will be substantiated by their balance sheets. The amount of premiums received has increased because wages have increased, and so there is complete justice in a claim for retrospectivity. The amendment deals only with cases of recurrences which are exceptional and which require absolute proof on responsible medical evidence before being accepted by the board. If there is one such case reopened in the next six months, after having been settled for more than 18 months, both I and the insurance companies will be surprised. I trust the member for Mt. Lawley will see the justice of the claim for retrospectivity, because the money has been paid and it is the money that he and the insurance companies are interested in.

Mr. MOIR: The member for Mt. Lawley has raised the old bogey of the ability of industry to pay. Like the Minister, I have had many experiences with regard to this bogey being advanced when workers have asked for more pay or better conditions.

Hon. A. V. R. Abbott: Have you taken the trouble to consider what it will cost the mining industry, or are you prepared to accept my statement that it will cost £250,000?

Mr. MOIR: I am not prepared to accept it. I can only draw the hon. member's attention to insurance figures issued for this State during 1950-51 and 1951-52, which show that there was a great increase in premiums paid under the Workers' Compensation Act. In 1950-51, the total amount of premiums received for workers' compensation by all insurance companies, including private companies, was £682,390. Strange to relate, in 1951-52, after payments for compensation had been increased, some thousands of pounds less were paid for claims.

Hon. A. V. R. Abbott: But they do not make any allowance for claims that had to be carried forward.

Mr. MOIR: The total amount paid out in that year was £549,681, which is a decrease of £40,000 on the total paid in the previous year, so the bogey mentioned by the member for Mt. Lawley has been exploded. In my opinion, it is just a wild guess on his part when he states that it will cost industry another £250,000.

Hon. A. V. R. Abbott: The mining industry.

Mr. MOIR: If that is what it will cost the mining industry, I point out that it employs only a small number of men compared with other industries, and that shows how wild his guess is. On that basis, the added cost to industry as a whole would run into millions of pounds, and that is not correct according to the figures disclosed in the Pocket Year Book for 1953, which are extremely illuminating. On page 64 of that publication, the expenditure on claims for employers' liability and workers' compensation for all insurance companies in 1950-51 amounted to £356,023. After Parliament had agreed to considerable increases in workers' compensation payments, the expenditure on claims during 1951-52 amounted to £350,284, a decrease of over £5,000.

Hon. A. V. R. Abbott: That did not cover the claims for that year.

Mr. MOIR: It did not?

Hon. A. V. R. Abbott: No.

Mr. MOIR: In 1950-51, the expenditure on claims paid by the State Insurance Office was £229,276, and in 1951-52 it was £199,397, although increases had been made in the compensation payments. In 1950-51, the loss ratio was 48.55, and in 1951-52 it was 34.02, which is a considerable drop. The member for Mt. Lawley should consider these figures carefully and endeavour to inform himself on these matters—

Hon. A. V. R. Abbott: That is just what he has done.

Mr. MOIR: —and not make extravagant statements. Although the hon. member has referred to the burden that will be placed on the mining industry if these extra payments are agreed to, I would point out that that industry, even with the possible exception of the timber industry, would have a larger number of serious accidents among its workers than any other in Western Australia. Nevertheless, the mining companies are bearing up very well, despite the increase in workers' compensation payments that have been made over the years. Although the member for Mt. Lawley has suggested that many mining companies will go out of business if they have to carry this extra burden, I would point out that if compensation payments were doubled or even trebled, there would still be mines that would be able to get by. To say that some concerns would go out of production because of this added burden is too ridiculous for words!

Hon. A. V. R. Abbott: No one is suggesting that.

Mr. MOIR: There is no doubt that, despite the hardships confronted by many mining companies, they are still able to overcome them. The report for the Boulder Perseverance for the year ended the 31st March, 1953, shows that it made a working profit of £44,738 as against £38,117 in the previous year. Therefore it is certainly increasing its profits.

Hon. A. V. R. Abbott: It would not take much to wipe out £40,000 a year.

Mr. MOIR: No, but I am showing the profit made compared with that for the previous year.

Mr. Yates: It is not a great profit on the amount of capital invested in that mine.

Mr. MOIR: The capital invested in that mine is not great. The Great Boulder in 1952, made a profit of £195,145 as compared with £128,661 in the previous year; an increase of £66,484. I am sure members will agree that that is a splendid increase of profit. Again, the Lake View and Star, had a gross revenue of £345,084, and after administration expenses and interest on debentures had been deducted, £287,532 was left for distribution among shareholders. In 1953, it paid a dividend of 20 per cent. and a bonus of 2½ per cent., or a total dividend of 22½ per cent., whereas in 1952 it paid a dividend or 17½ per cent., with a bonus of 2½ per cent., or a total of 20 per cent., being 2½ per cent. less than the following year.

So apparently it has been able to overcome its difficulties, and if there is any further slight increase in premiums, I am sure that they can be absorbed by the companies concerned. The workers are the principal factor in their production, so why should they not be looked after? With regard to the agreement mentioned by the member for Mt. Lawley, why should an injured worker be required to sign such an agreement when an Act of Parliament provides that he is entitled to a certain rate of compensation?

Hon. A. V. R. Abbott: There is no reason why he should.

Mr. MOIR: I am pleased to hear the hon. member say that. Such agreements are iniquitous and it should be an offence for any insurance company to request any worker to sign away his future rights when they are already provided for in the Act. A worker is often influenced by the fact that he can obtain £200 immediately as compensation for an injury, and so he signs the agreement, hoping that his injury will not become worse, but he should not be asked to sign. All he is required to do is to wait a few weeks longer and he will be awarded that amount, with his future rights protected. I hope the clause will be agreed to by the Committee.

Mr. COURT: I am sorry the Minister has adopted the attitude he has towards the observations made by the member for Mt. Lawley, because I do not think that anything he has said, or anybody else has said on this side of the Chamber, has indicated that there is not sympathy towards progressive amendments to the Workers' Compensation Act. I for one agree that there must be constant review of workers' compensation legislation, having regard to the changing economic conditions and living standards from time to time.

With the member for Mt. Lawley, I deplore the fact that no estimation, no matter how approximate it might be, with regard to what costs will be involved by the amendment proposed by this legislation, particularly by this retrospective clause, has been made. Members on this side of the Chamber have been accused of chanting a theme song that industry cannot pay, but I can say with equal emphasis that members on the other side have a habit of chanting that industry can

pay almost anything. This is a responsible Assembly and we have to weigh dispassionately whether industry has the ability to pay.

The effects of this retrospective clause are much more serious than, say, those of the similar clause in the 1948 legislation. The magnitude of the increases proposed are infinitely greater than were proposed at that time. I tried to inform myself on this subject, and approached one or two insurance companies that I thought would be of average size to find how many claims were involved as at the 30th September.

I was staggered at those of the first one—of average size, and not the largest operating by any means. It had 385 claims current. The claims under consideration for those people at that date, under the provisions of the Act as it stands, without the proposed amendments, totalled 11,400. If there are 80 companies, excluding the State Insurance Office, practically all carrying workers' compensation, we can easily see that the number of claims outstanding would be very considerable. The amount involved under this clause could I, suggest, be much more than the Minister contemplates. He has been reluctant to make an estimation of how much is involved in the retroactive provisions. Mention has been made that the insurance companies can pay. I am not here to defend their financial status but there are some matters that must be viewed in the light of reality.

In my second reading speech I mentioned that the method of assessing premiums, as far as I could gather from the published statements, is based on actual payments. That, to my mind, is a very dangerous procedure to be followed by the Premium Rates Committtee. In the interests of the workers, of industry and of economy generally, it would have been better to take premiums along steadily year by year on a true accounting basis. We are in the position of having a rapidly expanding industry. Therefore it follows that there must be an increasing number of workers who are potential claimants. If we settle claims on a payment basis only, it follows that at the end of every year the premium is based on an improper figure.

Had a proper accounting basis been employed, the burden of premiums would have been greater in the last two or three years but it might have been better, because with this heavy impost that will be created if the amendments are carried, the effect will be too severe when it is actually felt. That is the main reason I oppose the retroactive provisions in their present form. If the Minister could say that there were 10,000 claims outstanding, including those of the State Insurance Office, and that they approximated £4,000,000 or £2,000,000, we could then appraise in our own minds just how much the amendment would affect the outstanding claims, and approach the retroactive provisions with much more confidence. In the absence of that information I have to oppose the clause as it stands.

There was an unfortunate public utterance by the secretary of a union, who told his members not to settle workers' compensation claims at the moment in view of the fact that this Bill was before Parliament. I do not suppose we can blame him for sticking up for the rights of his members. That is his duty and it is expected of him. But it demonstrates to me how this clause would apply. In fact, it was that announcement in the "Daily News" that made me examine the clause more closely, and try to obtain information regarding its effect.

Mr. O'BRIEN: The mining companies realise their responsibility, and they are not trying to dodge it in any way. They have advocated prevention of accidents, believing that prevention is better than cure. They are not afraid to pay compensation, because they are doing their utmost to prevent accidents. The number of claims today is few in comparison with that of some years ago. The companies do not fear paying compensation, because they know that in spite of the best rules and regulations, accidents will happen. The Chamber of Mines even presented a cup in connection with the first-aid class for training men in safe-working.

Hon. A. V. R. Abbott: Did you take the trouble to inquire what they thought of this Bill?

Mr. O'BRIEN: The idea is to give proper treatment and adequate compensation payments to those injured in accidents, and the companies are not afraid of paying for the few accidents that occur. They paid for hundreds of accidents when I first went to the Murchison, but today there are very few. They have supplied the latest equipment for use in connection with every accident that might happen. It was said that £250,000 had been paid in claims. That might have been so many years ago but today it is a different proposition.

Mr. YATES: I am amazed at the statement of the member for Murchison. He said that the Chamber of Mines is quite happy with the accident rate. It is not. Neither is the accident rate diminishing in the mines, not only on the goldfields but throughout the State. It has been the cause of great concern to the Chamber of Mines. It is well known to members that the accident rate and the death rate in the mining industry have been high for many years, and an attempt has been made to lessen them by the adoption of safety measures.

The goldmining industry especially is a dangerous one, and naturally the accident rate would be higher there than in most other directions. In industries with em-

ployment underground there is a greater risk of danger than with those operating on the surface, and the accident rate in the goldmining industry underground has caused concern not only to the Chamber of Mines but to the various companies.

Mr. Moir: Do not you think it has caused concern to the workers, too?

Mr. YATES: I agree that it has. So much concern has it caused that the Chamber of Mines has encouraged ambulance classes and the learning of safety precautions by the men. There are safety officers who make absolutely certain that all equipment is of the best, and there are frequent inspections of winding gear and machinery. Nevertheless the unavoidable always happens. There are such occurrences as falls of earth that cause accidents. There is also the risk of a miner being careless and boring into a charge left from a previous boring. Quite often we hear of deaths in the mines caused through negligence on the part of the men themselves, and in other cases through accidents in the handling of explosives.

Mr. Moir: And negligence on the part of the employers as well.

Mr. YATES: I agree there would be negligence all round, but an attempt is being made to overcome that. The hon. member will realise that at Boulder, where he has taken a keen interest in the activities of the workers, there are faults on both sides; but an effort is being made to bring about a closer relationship between the two, even in respect of workers' compensation. The hon. member said that we on this side were always preaching for the benefit of industry, and not for that of the workers, and that we always opposed anything that might advantageously affect the workers. That is not so.

For instance, there was the matter of pensions for railway workers who were denied them under the 1871 Superannuation Act. An approach was made to the Labour Government that was in office for 14 years prior to the advent of the McLarty-Watts Government. The Labour Government absolutely refused to grant the pension rights to which I have referred. If that is not doing the worker in the eye, tell me what is! It was not until the previous Government came into power in 1947 that that matter was fixed up and the men were promptly given the pension they are receiving today.

Mr. Moir: This is an election speech, is it?

Mr. YATES: Not at all. I am trying to refute the statement of the hon. member that we over here are always on the side of industry and not of the workers. I am quoting one instance where we did assist the worker. We of the Opposition also have our duty to perform when we think any legislation that the Government introduces will be a drain on industry. We should protest and bring home to the Minister in charge of the Bill, that he should not overburden industry so that the position of the men employed in it will be jeopardised.

Industry can be overloaded to such an extent that eventually it goes out of production. The member for Boulder said that a lot of the marginal mines were going out of production because of increased costs. I grant him that a lot of mines will not make much money—especially goldmines—because the quantity of gold returned from the amount of ore won is not sufficient to pay running costs. There are other mines that are managing to make small profits today, but any added burden on them—particularly with regard to workers' compensation—might be the means of the management deciding to wind up their affairs.

This is one means by which that position can be brought about. The member for Mt. Lawley mentioned the higher cost to the mining industry, and I do not think he meant only goldmining, but the mining industry generally throughout the State. This added burden would be something like £200,000 a year. This is only supposition because the Minister has not told us what the estimated cost is. The hon. member has reasonable grounds to have cause for alarm at the added cost to the mining industry throughout Western Australia. I do not support the clause in its present form.

Mr. MOIR: The member for Nedlands put forward some arguments. I refer him to the 1948 amendment when a similar clause passed both Houses.

Hon. A. V. R. Abbott: It did not deal with lump sum payments.

Mr. MOIR: It did not go as far as this, but the member for Nedlands was referring to the liabilities of insurance companies owing to retrospective legislation. The 1948 amendment was not introduced by a Labour Government, but by the present member for Stirling who was then the Minister in charge of the State Insurance Office. I do not remember the question being raised then of the cost to industry of having to pay for that retrospective legislation. The member for Mt. Lawley wanted to know what steps the member for Murchison had taken to learn the attitude of the Chamber of Mines to the legislation before us. I have had numerous letters of protest from various public bodies in Kalgoorlie and Boulder about other actions of the Government which would result in added cost to the people on the Goldfields, but I have not received an indication from any employer that he is not in favour of this legislation. If they had thought this measure would have the serious effect on them that the member for Mt. Lawley suggested, I feel sure they would have approached their member.

Hon. A. V. R. Abbott : Would you have taken any notice of their representations?

Mr. MOIR: I am not elected by just one section of the community on the Goldfields; I represent all sections there. I have to take notice of any representations' made to me, and I do take notice of them. I hope the clause will not be thrown out.

Mr. WILD: Like the member for Boulder, members on this side represent every one in their constituencies. When speaking on the second reading I said I wanted to know from the Minister what industry would have to pay. So far we have had no indication from him except that he said he thought the amendment he moved earlier would not mean very much. That is not good enough for me. I shall oppose the clause. Furthermore I am amazed that the Goldfields members should support it because if there is any industry in this State which is being run into the ground as a result of rising costs and a fixed selling price, it is the goldmining industry.

When I was Minister for Mines and the Big Bell mine was about to close through increased costs, there were appeals from all over the State—particularly from Goldfields members—for the Government to keep the mine open. If it had not been for the pyrites proposition that was put up, that mine would be closed today, and the member for Murchison would not have got the 200 or 300 votes from there that he received at the recent by-election. The Goldfields representatives should be the last to support these rises.

Mr. Moir: This is one amendment.

Mr. WILD: In the past two months the rail freights have been increased anything from 20 to 30 per cent., and this is another burden. It will not be long before more of the small goldmines close down, and this means that more men will be out of work. When Goldfields members blindly support legislation without knowing what it will cost their industry, they are not speaking in the interests of the people they represent. I oppose the clause.

Mr. LAPHAM: Industry is expected to stand up to certain commitments. The Arbitration Court lays down the wages to be paid to workers and the payment of a smaller amount is an infringement of our laws. It is rather peculiar then that we should quibble about a reasonable amount to be paid to a person who is injured in earning that wage. If Parliament were suddenly to be dissolved, and the members with it, industry would still carry on as long as it had workers. The workers in industry are the crux of it, and they should be treated, with respect to compensation, as being the crux of industry. Is it reasonable that some insurance companies should induce, by a trick, an injured worker to sign away a right to a further claim for compensation?

Hon. A. V. R. Abbott: Are you suggesting the court is tricked, too?

Mr. LAPHAM: No, but many a time a worker is tricked into signing an agreement by an insurance company; and I have had personal experience of it.

Hon. A. V. R. Abbott: It has to be confirmed by the court.

Mr. LAPHAM: Not always. As long as the worker signs it, it goes through in an automatic manner.

Hon. A. V. R. Abbott: No, it does not.

Mr. LAPHAM: Only a few insurance companies stoop to that practice. In the main, they play the game. If the measure is agreed to, its provisions as to retrospectivity need be feared only by those insurance companies that have not played the game and do not intend to do so in future. I do not think the added cost to industry will be great. The income derived from premiums has been increasing, due to rises in wages, since the last amendment to the Act, yet the compensation paid has remained static, with the result that the companies have reaped a steadily increasing profit. We owe much to the workers on whom we rely for production.

Hon. D. Brand: We owe much to industry also.

Mr. LAPHAM: If we were suddenly without money, it would not matter so long as we had workers to produce.

Hon. A. V. R. Abbott: But the workers must pay for this.

Mr. LAPHAM: They have paid all along. The insurance companies have made a profit on this business for a long time. It is only reasonable for the worker to be given fair compensation when injured.

Mr. NORTON: I would draw the attention of the Committee to the Year Book for 1953.

Hon. A. V. R. Abbott: It does not give a true picture.

Mr. NORTON: It does, if read intelligently. At page 64, under the heading of "Western Australian Business and General Insurance Companies", it is shown that in 1950-51 the premiums paid totalled £682,390, and the expenditure on claims was £356,023. In 1951-52, the premiums rose to £740,928, and the claims decreased to £350,284. While the premiums increased, the amounts paid out decreased. At page 67 we see that the percentages paid out under various types of insurance were as follows:—Under workers' compensation and employers' liability, in 1948, 52.54 per cent. was paid out. In 1949, it dropped to 45.83 per cent. In 1950 it advanced to 51.34 per cent. and after that there was the extra insurance amount put in and it rose to 52.17 per cent., but has since dropped to 47.28 per cent. It

will be seen that although wages and insurance allowances have increased, the percentage paid out has decreased by at least 5 per cent.

Hon. A. V. R. ABBOTT: Those figures do not include outstanding claims and the loss ratio for many companies is at present well over 100 per cent. I suggest that the loss ratio of the State Insurance Office is at least 100 per cent. for this year, and that without any increase premiums would have to go up next year. I remind members that each amendment I have on the notice paper would give the worker an increase on existing rates of at least 20 per cent.

Mr. Moir: Do you think we should lag behind the other States?

Hon. A. V. R. ABBOTT: We are lagging behind Victoria only, and that State has not yet had experience of its new Act.

Mr. JOHNSON: At page 4 of the Auditor General's report, dealing with the State Insurance Office for the year 1952, under the heading of "Surplus on Workers' Compensation General Accident", there is shown an increase of £49,285 compared with the figures for the previous year. The surplus on the workers' compensation industrial diseases section shows an increase of £42,533 over the previous year, due to an increase in premium income. I suggest that that document does not agree with the gloomy forecasts of the member for Mt. Lawley.

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

Ayes	19
Noes	15
Majority for	4

Ayes.	
Mr. Brady	Mr. McCulloch
Mr. Graham	Mr. Moir
Mr. Hawke	Mr. Norton
Mr. W. Hegney	Mr. Nulsen
Mr. Hoar	Mr. O'Brien
Mr. Jamieson	Mr. Rhatigan
Mr. Johnson	Mr. Sleeman
Mr. Kelly	Mr. Styants
Mr. Lapham	Mr. May
Mr. Lawrence	*(Teller.)*

Noes.	
Mr. Abbott	Sir Ross McLarty
Mr. Ackland	Mr. North
Mr. Brand	Mr. Oldfield
Mr. Cornell	Mr. Watts
Mr. Court	Mr. Wild
Mr. Doney	Mr. Yates
Mr. Hearman	Mr. Hutchinson
Mr. Manning	*(Teller.)*

Pairs.	
Ayes.	Noes.
Mr. Guthrie	Mr. Bovell
Mr. Tonkin	Mr. Owen
Mr. Heal	Mr. Nalder
Mr. Sewell	Dame F. Cardell-Oliver
Mr. Andrew	Mr. Thorn
Mr. J. Hegney	Mr. Mann

Clause, as amended, thus passed.

Progress reported.

BILL—WHEAT MARKETING.

Returned from the Council without amendment.

House adjourned at 11.42 p.m.

Legislative Council

Wednesday, 21st October, 1953.

CONTENTS.

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