

know that some thousands of men here are in receipt of an income less than the basic wage. We have 6,000 men on sustenance.

Mr. Needham: There were more on sustenance a little while ago.

Mr. ABBOTT: Yes, but 6,000 is bad enough. I know the matter is one of extreme difficulty, but I will ask the Government a question. Is it purely selfish party interest that prevents the Government from telling the House why we cannot establish competitive secondary industries? Does the Government lack the courage to tell the House and the people of the State? The people are entitled to know. The information may influence a decision whether or not we should discard the idea of establishing secondary industries and allow our primary industries to support us as long as they can. If they fail, we can decide whether or not we shall go to the Eastern States for a livelihood. If the Government is not in a position to devise a policy, then I suggest that the sooner it obtains the services of someone capable of making investigations and advising the House and the people of the State the better will it be for Western Australia.

On motion by Mr. Cross, debate adjourned.

*House adjourned at 9.45 p.m.*

## Legislative Council.

*Tuesday, 20th August, 1940.*

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

### QUESTIONS (2)—GOVERNMENT MOTOR VEHICLES.

#### *Petrol Consumption.*

Hon. C. F. BAXTER asked the Chief Secretary: Further to my question regarding the cost of petrol used by Government

and subsidised vehicles and the reply thereto on the 14th August: 1, What departments are those referred to as major departments? 2, Is it a practice to destroy the local purchase orders and store requisitions within a period of seven years? If so—(a) By whose authority are they so destroyed; (b) Is this practice approved of by the Auditor General? (c) What vehicles are those referred to as "employees' vehicles"?

The CHIEF SECRETARY replied: 1, Main Roads, Public Works and State Saw Mills. 2, Yes, in the above departments (a) Departmental authority. Action usually taken to provide essential accommodation; (b) The orders and requisitions are purely supporting documents to paid accounts and the Auditor General is not interested in their retention after audit; (c) Vehicles owned by Government employees and used for departmental purposes and subsidised by the departments by way of a prescribed mileage allowance.

#### *Number Used by Public Service.*

Hon. C. F. BAXTER asked the Chief Secretary: 1, What was the total number of Government-owned motor vehicles in use by the State Public Service at the end of June, 1933? 2, How was the number apportioned among the several Government departments?

The CHIEF SECRETARY replied: 1, Two hundred and ninety-one (291) Government-owned road motor vehicles.

	No. of Vehicles.
2, Department:	
Premier's .. .. .	11
Chief Secretary's .. .. .	5
Public Works and Main Roads	132
Mines .. .. .	14
Native Affairs .. .. .	3
Lands .. .. .	20
Factories .. .. .	1
Workers' Homes Board .. .. .	3
Metropolitan Water Supply ..	65
Forests .. .. .	8
State Implement Works .. .. .	4
Agriculture .. .. .	11
State Brick Works .. .. .	2
State Saw Mills .. .. .	14
Wyndham Meatworks .. .. .	7
Fisheries .. .. .	1

**QUESTION—SAMSON BROOK DAM.***Death of Infant Children.*

Hon. W. J. MANN asked the Chief Secretary: 1, Is it a fact that four infant children of workers residing in the bush camp at Samson Brook irrigation dam died recently in the Yarloop Government Hospital? 2, If so, what were the causes of death and is it considered that they were such as could possibly have been prevented by improvements to the camp concerned?

The CHIEF SECRETARY replied: 1, Yes, unfortunately. 2, The cause of death in each case was broncho-pneumonia. The Water Supply Department was naturally perturbed and immediate investigations were made to ascertain whether any exceptional circumstances existed at the camp which may have contributed to the deaths. The Acting Chief Health Inspector inspected the camp and reported that the quarters for married workers are situated on a well-drained gravelly site and consist of duck tents with fly on wooden frames and with jarrah floors and that the sanitation is excellent.

**ADDRESS-IN-REPLY.***Ninth Day.—Conclusion.*

Debate resumed from the 15th August.

**HON. H SEDDON** (North-East) [4.35]: In supporting the motion may I say that I appreciate the kindly welcome I have received on being returned to this House once more. I trust I shall be able satisfactorily to carry out the duties associated with the work of this Chamber during the years to come. I also join in the welcome extended to new members. We cannot have too wide a diversity of opinion, especially at a time like this, and all viewpoints should be given full weight in order that the right decisions may be reached. We enter upon this new session with the shadow of war over us. In a country like Australia, which has never suffered the evils of invasion, the greatest difficulty with which we are faced is to induce people to think in a war-minded manner. They are so accustomed to looking at things from the standpoint of peace that changed conditions due to war are not readily appreciated. I am satisfied that every section of the community is united in

a determination to prosecute the war to a successful issue, and I feel that people are expecting from members of Parliament a lead in that direction, and that they will not be satisfied with anything short of our best effort with regard to aiding the Empire in its time of trouble.

The question of finance is always important and especially so in time of war. Anyone studying the German technique in this connection will realise how thoroughly the war-minded people of Germany have regimented the whole of their financial resources in the direction of utilising them for the furtherance of the war. That is the kind of thing which will make it extremely important for the Government and the people of this State to endeavour to exercise every economy and take every step towards attaining efficiency in the performance of the work in hand. Funds have to be raised to prosecute the war and we must realise that the more money saved for the continuance of the war, the better will be the results obtained. The more we can curtail unnecessary expenditure, the better it will be. Last month's figures show that the deficit is very much lower than that of the corresponding month of the previous year. On the other hand, expenditure for the month was very much larger than it has ever been before. The improvement obtained has been due to the fact that revenue has considerably increased, and this in spite of the fact that the financial emergency tax on salaries and wages was suspended during that month. The national income is higher than it was in the previous year, and this is indicated by the hospital tax, which last year brought in £271,690. The cost of living is rising and this will be all-important as the war progresses because, try as we will to control prices, we shall find that inevitably they must rise in certain directions as war expenditure makes its influence felt. In the matter of efficiency, a good deal can be done by examining the figures at our disposal.

The other day on the Supply Bill I indicated the possibility of considerable improvement being effected with regard to the railways. If the Railway Department will follow the lines indicated, the suggestion that more modern and more rapid passenger transport should be introduced, much could be achieved. A great deal could be

done by adopting a more economic procedure. Much time and money could be saved in the preparation of returns, and round about methods could be cut out. Short cuts could be introduced, and by such means a lot of unnecessary work could be avoided. The conservation of oversea funds is an important point. One cannot be altogether satisfied with the results attained last year. As pointed out the other day, although we have been endeavouring to restrain imports, the figures for last year for Australia were very high. There seems to have been a tremendous lot done in the way of importation. At a time like this, that procedure is a questionable one, particularly when we have to understand that we are facing a serious problem just as we were during the last war. At that time it was impressed upon the people of Australia how important it was in the case of shortages that they should develop their own methods and their own sources of production, and that goods should be produced in Australia that were previously imported. We learnt something from the last war. Today we see the value of the Broken Hill steel industry. We also know how much steel has been exported from Australia in the last 18 months, and the extent to which that has assisted in supplying war materials that were so urgently needed oversea. There is one line we might explore and that is to utilise the services of men who have made science their life work. The general opinion is that the scientist is purely an academic individual. That is a mistake. There are scientists who study the progress and affairs of the country. A great deal could be done throughout Australia, especially in Western Australia, if the knowledge that has been acquired by scientists could be put to practical use as has been done in other parts of the world. By scientific attack we shall supply many of the commodities needed for defence. Members may recall an article that appeared in the "West Australian" last Saturday week dealing with the utilisation of forest products. That article brought forward many significant features. It also referred to figures obtained from European sources. The matter contended in that article might well be applied to our local timbers with advantage to the State. Since the war, Western Australian gold mines have been on the verge of clos-

ing down more than once because they could not get explosives delivered. An enormous quantity of explosives is used in this State. It is ridiculous that we should have to depend on Victoria for our supplies, particularly when the raw materials used in the manufacture of explosives have to be imported. Seeing that this commodity is so extensively used in this State, one would have thought that it could have been manufactured locally. Sufficient supplies would then be available for the requirements of Western Australia, and there might even be enough left over to export. Western Australia is a fortnight closer to Palestine than is Melbourne. The local manufacture of explosives would, therefore, mean the saving of valuable time in shipping that commodity, say, to Palestine. It is a time when the most efficient use should be made of all shipping supplies. That is at all events a line that could well be developed. In time of war it is sometimes necessary to embark upon expenditure that would not be considered in peacetime.

With regard to finance, I should like to draw the attention of the Government to the scheme devised by Mr. J. M. Keynes in Great Britain, who dealt extensively with the problems of war finance. The scheme is well worthy of consideration for Australia. He points out that the experience of the last war showed that the inevitable slump fell heavily upon the workers, and that with the cessation of war activities thousands of people were thrown out of employment and practically exhausted their small savings. Had there been something available to enable them to conserve their earnings during the war period, very much advantage would have accrued to them. His idea is to have a system of compulsory savings of deferred pay graduated according to the man's income. These savings, it was pointed out, could be made the basis of a scheme of superannuation or wealth conservation. Seeing that every community must be severely affected by a change over from war to peace conditions, I suggest that the scheme is well worthy of consideration by our financial authorities.

We have had interesting speeches dealing with the farmers. I wonder whether it is realised that the position of the farmer has been aggravated by the economic war that has been going on for a number of years.

Had the farmer been able to market his produce oversea without interference by tariffs in other countries, he would not have had to face all the privations to which he has to submit.

Hon. C. B. Williams: Where would Australia be without tariffs?

Hon. H. SEDDON: I am talking about the tariffs of European countries. The result has been that people in other countries have been deprived of foodstuffs that we might have supplied had we been free to embark upon a more extensive external trade. The economic war has been going on ever since Germany began to re-arm. There is, however, every indication that the tide will turn, that soon our primary producers will be reaping the benefit of improved conditions, and that wider markets for their produce will be available. Australia's financial position has been the result of two conflicting policies. We have had the policy of the States, which has been to develop primary industries and production for export by means of oversea loans. We have had the policy of the Commonwealth which has been to develop secondary industries by means of a protection that has long since passed its objective. Many things are receiving ever-increasing protection at the expense of efficiency. The trouble has been the rising costs that have been incurred by the policy of protection and this has been at the expense of primary industries. Our primary industries have had to carry on under unfair burdens compared with the conditions under which secondary industries have been developed. The ideal condition is that of balanced economy. That aspect formed the main theme of the very sound and wise report placed before the Australian public some years ago by Sir Otto Niemeyer, who visited the Commonwealth about the time we were entering upon the crisis. He indicated the very serious state that arose through the unbalanced economy of both the Commonwealth and the States. He advocated, very wisely I think, a condition of balanced economy as the best system for a country like Australia.

There are few local matters to which I shall refer briefly in passing. First there is the question of patriotic funds. On the goldfields and in the country districts, many residents have been working exceedingly

generously in the support of various funds of that description. The suggestion has been advanced that those funds shall be unified in one central fund and that legislation shall be introduced to achieve that objective.

Hon. A. Thomson: There is very strong opposition to that in the country districts.

Hon. H. SEDDON: Yes, I was just about to say that I trust the Government will consider the matter very seriously before introducing any such legislation. At the present time there is quite a strong feeling in favour of, and great enthusiasm for, local funds, and this arises from the fact that the people feel they are helping their own boys.

Hon. A. Thomson: That is right.

Hon. H. SEDDON: They feel that they are helping an agency through which assistance will be rendered to the Australian boys generally. Once the idea gains currency that the funds will be centralised and their disposal placed in the hands of a central committee, however impartial that body may be, I am afraid a lot of that enthusiasm will be nullified.

Members: Hear, hear!

Hon. H. SEDDON: I think the Government should take that phase into consideration before introducing the suggested legislation. On the other hand, if such legislation is to be introduced, I trust the Government will have regard to the feeling that is so prevalent throughout the goldfields areas. The point has been mentioned to me by several people who think that much of the local enthusiasm will be dissipated if a central fund is set up.

Hon. J. J. Holmes: I presume there is proper control over the funds raised in the different centres.

Hon. H. SEDDON: Undoubtedly, and, in addition, the consent of the Chief Secretary has to be obtained before any such funds can be raised.

The Chief Secretary: The consent of the War Funds Council, not my consent.

Hon. H. SEDDON: Yes, that is so; but I think the matter concerns the Minister's Department. I believe the attitude of that council has been such that any reputable person can secure ready assent for conducting a patriotic effort, provided proper supervision is exercised.

Hon. A. Thomson: There is an authority in each centre that gives the local committee power to collect.

Hon. H. SEDDON: That is so. There is another matter that, perhaps, need not have been mentioned in the Lieut.-Governor's Speech, but I should have thought would have been referred to in the course of the Address-in-reply debate. The matter I allude to is the serious revelations regarding defalcations in Government or semi-Government institutions. That is rather serious, particularly when we appreciate that those defalcations have taken place to the extent that has been indicated. In the interests of the Government financial officers, I consider a statement is due to the House regarding that matter so that members may be assured that there will be far less opportunity for a recurrence of such defalcations in the future.

The Honorary Minister: The trouble was not confined to Government institutions.

Hon. H. SEDDON: Perhaps not, but the funds involved in the defalcations were large. I have noticed some references to a proposal to invest sums from the Mine Workers' Relief Fund in home buildings, by means of the purchase of debentures of the Workers' Homes Board. I was pleased to hear of that, because I regard it as a step in the right direction. When he replies to the debate, I hope the Chief Secretary will indicate to members whether the money so invested in debentures will be spent in the metropolitan area, or the expenditure extended to outlying districts as well. There are a number of towns on the goldfields, apart from Kalgoorlie and Boulder, that are entitled to some consideration in that respect.

Hon. J. Cornell: We would like to know whether the money will be spent where it is subscribed.

Hon. H. SEDDON: There is a feeling that, wherever possible, those funds should be spent where subscribed so as to assist workers to obtain their own homes. Another matter that concerns goldfields people is the payment for sands at Government batteries. When a man takes his stone to a State battery for crushing, he is paid for the gold recovered over the plates, but he has to wait for periods up to six months before he can secure payment for the gold recovered from the sands. That period is

altogether too long. If a man takes his stone to a private battery, an arrangement is entered into regarding the value of the sands, and, after the usual deductions have been made, he gets his cheque straight away. It appears to me something is lacking in the system operating at the State batteries, and I trust the Minister will take that matter up with a view to improving the conditions that obtain.

There is another question that I will mention and I trust it will receive the attention of the Minister for Justice. If a man who had resided in Perth should die, his family has a very considerable advantage with regard to probate. Provided his estate is under £500, the beneficiary—usually his widow—or his executor, can go to the Supreme Court and secure probate at little cost. Should that man happen to have been a resident of a country centre, his widow is put to considerable expense in having the necessary papers drawn up by a solicitor. Take the case of a widow whose husband's estate was practically confined to the house in which she was dwelling. Because the property was in the husband's name, she is faced with the necessity to secure the services of a lawyer to transfer the property to her name.

Hon. J. Cornell: The catch is when it is freehold.

Hon. H. SEDDON: And when it is leasehold.

Hon. J. Cornell: If the property is freehold, you must secure letters of administration.

Hon. H. SEDDON: Something should be done by the Minister for Justice in order to secure to people living in the country facilities similar to those available to residents of the metropolitan area. These are some of the local matters that the Government should look into for the benefit of the poorer people. Because they are in that category, those matters are worthy of ventilation in this Chamber. I have much pleasure in supporting the motion for the adoption of the Address-in-reply.

**THE CHIEF SECRETARY** (Hon. W. H. Kitson—West) [4.58]: With other members I would like to extend my congratulations to those who have been elected, or re-elected to this Chamber, for the next six

years. We have knowledge of the old members and the three newcomers have, I think, indicated very clearly by their contributions to the Address-in-reply debate that they will at least add to the interest of our proceedings. I desire particularly to refer to the contribution by Sir Hal Colebatch who gave us what I might describe as a review of some important happenings since he retired from the Parliamentary life of this State some years ago. The hon. member had a wonderful opportunity to observe first hand the many important developments that were taking place, and his experience in the position of Agent-General for Western Australia must necessarily prove of great value to us in this Parliament to-day. Mr. Welsh, representing the North-West, gave us a very interesting contribution in regard to that part of the State, and I feel sure the North-West will not suffer through the change in representation. At the same time I should like to express sympathy for the retiring member, Mr. Angelo, because of the fact that he found himself unable again to contest the seat on account of ill-health. I can only express the hope that his condition of health will improve, and that he will enjoy many years of retirement, in which period, I know, he will continue to do what he can in the interests of the State and particularly the North-West. Mr. Roche's maiden contribution to this House was a very fine effort. He certainly discussed a large number of matters, some of which did not particularly affect State politics, having a closer connection with Federal affairs. Nevertheless, the hon. member's speech indicates that in Mr. Roche the South-West Province has a man who will always be quite capable of presenting the point of view of that part of the State on those subjects in which it is particularly interested. I should like also to add that the two defeated members, Messrs. Franklin and Wittenoom, contributed in their own way to the work of this House, and they will be missed. We hope, however, that while they are not here taking part in our deliberations they will still continue to do what they can in the best interests of the State.

Before dealing with the remarks of members on the Address-in-reply, it is appropriate that I should make reference to the present position, particularly as it affects the British Empire to-day. We all well remember the atmosphere of suspense in which the

last Parliament opened and of course since then much history has been made. I do not think that anyone, at the close of the last Parliament, believed that the impossible would have happened, as it has happened since then. Germany, bringing the whole weight of her very great resources to bear, and adopting the policy that might be right, has succeeded to an extent that none of us thought possible in so short a time. Consequently arising out of other serious developments such as the defection of France, the British Empire has been left alone to fight the cause of democracy. It is a tremendous task and will require wholehearted assistance from every part of the Empire. We in Australia should not be, and will not be, lacking in the support that we will contribute in this cause. No one will deny the gravity of the present position. Developments during the past few weeks have shown that it is quite possible for the British Empire to hold its own and eventually succeed. I think, too, Great Britain has also shown that the task is going to be a very long one and we require the supreme effort that everybody can contribute. What is more, we must be prepared to steel ourselves against possible misfortunes, and so I say that the present is a time for calm judgment, courage and steady nerve, and I believe we can pride ourselves on the fact that the British people have no disposition to underestimate the gravity of the German challenge, nor are they disposed to underestimate the ferocity with which it is being pressed or the immensity of the effort that will be required to meet it. Incalculable factors have entered into the titanic struggle to-day, mechanism having greatly increased the striking power and the speed on both sides; and of course, Germany having got in the first blow, is striving to maintain her advantage in that regard. In the first place, Germany had a numerical preponderance in the air and that enabled her to succeed in gaining the ground that she has been able to secure up to date. That was an advantage which seriously threatened to embarrass Great Britain, but now we find that with a feverish hastening of the manufacture of aeroplanes and their use by personnel whose daring and efficiency is more than a match for the enemy, we are slowly but surely more than holding

our own in an element that it is desperately desirable to command. May I say, too, that some of the highlights of this very big struggle are indicative of the fact that we have nothing to fear regarding the efficiency of our arms at the present time. I can refer to the sinking of the Graf Spee, showing that the British Navy is more than capable of holding its own. The evacuation of Dunkerque where our land forces also took part must also be regarded as a movement that is unparalleled in the history of the world, a movement in which all the British fighting services joined together in accomplishing that magnificent withdrawal. Then in more recent times and in recent weeks or days there has been the splendid defence of Britain, and London in particular. Our Air Force goes to show that as far as efficiency as it exists at the present time is concerned we have little to fear. The only fear, I think, we may have at the present time is that the size of some of those forces may not be large enough to cope with the extraordinarily large resources of our opponents in some directions. It is a fact, as stated by Mr. Seddon a few minutes ago, that because we have never known the horrors of war here in Australia, we are somewhat slow to adopt a common mind on matters affecting war, and as I have said in this House on other occasions, we are perhaps rather inclined to look upon war with a somewhat detached mind, sometimes as though we were not vitally affected as are the people of the Old Land. The sooner we get away from that state of mind, the better it will be for all concerned, because there can be no doubt, in view of the developments of the last six months, that while actual warfare in Australia was at the commencement of the war a remote possibility, as time has progressed the possibilities of its extension to these shores have increased week by week.

The developments that have taken place during the last week, whereby a reciprocal arrangement has been made with Japan, and by which Sir John Latham has been appointed as Australian Minister in Tokio—and a Japanese Minister will be appointed to Canberra—is a step in the right direction and one on which the Commonwealth Government should be congratulated. We in Australia are a peace-loving people; on

the other hand, when the necessity is imposed upon us, we can rise to great heights. We have shown that on more than one occasion and I feel sure that the people of Western Australia, notwithstanding the attitude to which I have referred, are prepared to rise to the greatest possible heights and do their share in seeing that the Empire shall not fall, but proceed to victory. Thus we shall be able to prove once again that the policy of might is right will succeed only for a very limited time.

As this terrific struggle deepens in its intensity, vast quantities of munitions are being expended daily on both sides, and behind it all the battle of "supply workshops" goes on unceasingly. Britain's resources will be taxed to the limit, and it is now more than ever the clear obligation of this State and the Commonwealth to harness all available energies in the direction of increasing the production of armaments. In this field Australia can make a decisive and valuable contribution towards victory. The Prime Minister recently stated that Australia was supplying Britain and New Zealand, as well as our own forces, with modern munitions. Of course there must be greater and greater production as time goes on, and we must draw more and more upon private enterprise for an enlargement of our present output. It is not generally known that the Commonwealth's capacity to do this is considerable. During the last war only a few small arms were produced. Today we have up-to-date equipment of a wide range being manufactured. Therefore I say the policy should be to do all that we can as fast as we can and set no artificial limit to our efforts. In the manufacturing industries of Australia we possess what has been described as a large armament potential which should be made actual, since even the smallest factory or workshop can do its bit by producing some munition component.

During recent months negotiations have been taking place between the Commonwealth and the State Government for the manufacture of munitions in Western Australia. While I am not in a position to tell the House the full extent to which munitions will be manufactured in this State, I am pleased to say an arrangement has been made whereby the quantities to be manu-

factured in Western Australia will be much larger in several directions than we had hoped for in the first place. We propose to utilise the Midland Junction Workshops to the fullest possible extent, and have finalised arrangements to erect an annexe there in which munitions will be manufactured. After the war is over the annexe will be available for the ordinary useful work of the Railway Department. I should not like it to be thought that I consider we are getting or are likely to get as much of this sort of work as we could undertake in this State, but I assure members that the Government is doing its utmost to that end and is receiving very strong support from those people in the State who are in a position to assist.

Hon. A. Thomson: It is essential that we should have our share in order to keep our people employed.

The CHIEF SECRETARY: That raises another question with which I shall deal later. Although a considerable amount of money will be spent in the manufacture of munitions in Western Australia, the work will be of such a nature that it is problematical whether this activity will have any big effect upon the number of men who rely upon the Government for employment or sustenance. That will be understood if we realise that a large proportion of the men who are unemployed and who are looking to the Government for work or sustenance are men without any particular qualifications save those of labourers.

Hon. A. Thomson: That is the tragedy of it.

The CHIEF SECRETARY: Many will be employed in the activities to which I have referred, but I am afraid that these new activities will not absorb as many of those men as we should have liked to see absorbed.

Several members criticised the form of the Lieut.-Governor's Speech. I was rather surprised to hear the nature of the criticism from one or two members, particularly when I called to mind the circumstances in which Parliament met on this occasion. I think the viewpoint expressed by Sir Hal Colebatch was a more reasonable one, when he pointed out that the Speech of the Lieut.-Governor is obviously and, I think, wisely couched in very general terms. In these days of change no one knows what to-morrow might bring forth,

and the Government could well be diffident of presenting a cut-and-dried programme of proposals for the session. The Speech on this occasion certainly took an unusual form, but I say the times are unusual and the Government considered it was doing the right thing. Members will recall that, since the commencement of the war, the Government has reiterated that it was only too anxious to do its bit to prosecute the war and to assist the Commonwealth in every possible way. Therefore the Speech referred more particularly to the war. The criticism based upon the fact that we did not set out a list of the Bills to be introduced carries no weight. A paragraph in the Speech read—

Precedence will be given to legislation connected with the war situation, to necessary financial measures and to measures relating to industry. At the same time other legislation will be required to enable the State to carry on its normal functions.

Most members of this House have occupied their seats for many years, and surely it was not necessary to mention that we would introduce a Land Tax and Income Tax Bill, or that we should name the Bills that would automatically be brought down! Surely, too, it should not have been necessary to indicate the measures to be introduced arising out of the war! Something might occur this week rendering the introduction of legislation imperative.

Hon. J. Cornell: I have long since come to the conclusion that the Governor's Speech is a formality.

The CHIEF SECRETARY: I am inclined to agree with the hon. member to a large extent. One member said that the Lieut.-Governor's speech on this occasion was one of the weakest and least constructive he had ever perused, and did not give much idea of what was to be placed before members. I think the paragraph I have quoted is sufficiently illuminating to convey that only essential legislation will be brought down, or, shall I say, that as far as possible contentious legislation will be avoided.

As usual, Mr. Baxter was somewhat critical. I do not propose to quote his criticism, except to say that I feel somewhat resentful of his inference that Labour is only half-heartedly in this war. That statement was made by him. The inference was that there is something not quite right about Labour and its leaders; there was a sugges-



tion that they are not as loyal as they should be.

Hon. C. F. Baxter: There was no suggestion of the sort.

The CHIEF SECRETARY: The hon. member suggested that they were half-hearted in the matter. That is the inference.

Hon. C. F. Baxter: If you apply that to your leaders, you can, but I did not.

The CHIEF SECRETARY: Something more than lip service is needed on this occasion. More so than on the previous occasion, this contest is going to be won by the efforts of the workers in this State and in the rest of the Empire. The workers are entitled to have a point of view of their own, and so far no one can cavil at the attitude that has been adopted by the workers throughout the Commonwealth. It matters not whether they are in the fighting forces or in the workshops; they are without exception behind Australia's war effort, and it is through them that we shall emerge successful. Therefore, in criticising Labour as a political entity, the hon. member was criticising the representatives of the great majority of workers throughout this continent. The hon. member's criticism was along general lines and mainly—I wish to be fair to him—I think from the point of view that in his opinion there had not been proper control over the finances of this State. The hon. member stated—

The Premier's mere figure of speech that rigid economy has been enforced is meaningless. The State demands action, not empty words. I have failed to find, even in a small way, that there has been the slightest economy effected during the war period.

Then he proceeded to say—

Another year of Labour administration has passed and the results reflect the complete indifference of the Treasurer and his Government to the vital need for economy in the State's finances. And this despite the Treasurer's now hackneyed assurance that "the results are satisfactory and have been achieved only by the exercise of rigid control over all expenditure." I challenge the Treasurer to show where rigid economy has been practised.

Members may recollect that I asked the hon. member, while he was speaking, to point to some items to which this criticism would apply; and he said he would mention one or two before he sat down, but he sat down without mentioning one.

Hon. C. F. Baxter: You will get them later.

The CHIEF SECRETARY: We may get them later. I wish to tell the hon. member, as I told him on previous occasions, that no Government in Western Australian history has economised legitimately more than this Government has done. I have said, and have proved, on more than one occasion that the field for economy in the finances of Western Australia is remarkably small. I have shown on previous occasions, quoting figures to prove it, that the amount of money which is required in order to meet our fixed charges and obligations which are inescapable is such as to render it impossible to achieve a large reduction of expenditure in any one direction. The hon. member knows that the State railways are frequently the main factor in our financial position. To disclose just where expenditure has been curtailed would perhaps anticipate the Premier's Budget speech, which will be delivered earlier this session than has been the case previously. I believe the Premier hopes to introduce the Budget within the next fortnight. Mr. Baxter will then have an opportunity to substantiate his assertion that the present Government has not exercised that rigid economy which the Premier claims has been applied.

Mr. Baxter waxed somewhat indignant at the Premier's statement that local government taxation in Western Australia is not as heavy as it is in the Eastern States. The hon. member quoted the Commonwealth Grants Commission as his authority for saying that it is not possible to draw a comparison between the taxation of local government bodies in the different States. To answer the hon. member fully would again anticipate arguments which will be advanced when proposed legislation is being submitted to Parliament; but Mr. Baxter has either not read the sixth report of the Grants Commission or, if he has read it, has not understood it. The sixth report shows that the collections of local government taxation in this State average 32s. 5d. per head, as against an Australian average of 41s. 8d. In discussing the problem of local government taxation the report says—

The fact that grants or loans paid to local authorities by the State Government are less in one State than in another is not a true indication of the relative dependence of local authorities on the State Government. If, in

spite of large Government grants to municipalities in the non-claimant States, local government taxation is much higher in those States, it seems likely that there is less dependence in the non-claimant States in relation to their other activities. In other words, though there may be dependence in those States—the non-claimant States—for grants, there is not dependence—on the central Government—for relief of taxation.

In discussing the dependence of local government bodies on the central Government the report says—

In Western Australia the local authorities gain a considerable advantage by comparison with the non-claimant States, since they are permitted to retain a large proportion of the motor taxation collections.

Unfortunately for Mr. Baxter, the Grants Commission has set out its arguments in regard to this problem very fully in the sixth report, the latest issued; and these arguments entirely disprove his contentions.

Hon. C. F. Baxter: If you read the report right through, you will find—

The CHIEF SECRETARY: I never miss reading those reports.

Hon. C. F. Baxter: Then you have forgotten what you read.

The CHIEF SECRETARY: Mr. Baxter's criticism would carry much more weight if it were intelligently directed at ascertaining the truth, instead of being what it obviously is—biased, destructive criticism. I have prepared figures somewhat on the lines of figures I have previously submitted here; and it may be just as well if I give these figures to the House in order that hon. members, and particularly Mr. Roche, may have an accurate knowledge of Western Australia's position from the aspect of money available for the Government to effect economies upon. It is only a brief statement, but I believe it to be highly illuminating:—

CONSOLIDATED REVENUE FUND EXPENDITURE,  
1939-40.

Expenditure from Consolidated Revenue Fund ...	£ 11,266,768
Of this amount the following items of expenditure are outside the control of the Treasurer—	£
Interest and Sinking Fund on the Public Debt .....	4,010,319
Amounts appropriated by Parliament under Special Acts .....	392,544
Exchange on remittances to London (practically all interest) ....	492,000
	<u>4,895,853</u>
	6,370,915
Of this amount necessary expenditure on Public Utilities, such as Railways, Tramways, Electricity, etc., to earn the income expected from them was .....	3,830,916
Leaving a balance from which any economies might possibly be made, of ....	<u>£2,539,999</u>

CONSOLIDATED REVENUE FUND EXPENDITURE,  
1939-40—continued.

Out of which the undermentioned amounts have to be expended on Departments controlling—	£
Education .....	772,636
Police and Justice .....	356,902
Medical, Health, Mental Hospitals, and Homes .....	207,777
Public Works .....	98,416
Agriculture .....	112,640
Mines .....	139,698
	<u>£1,688,089</u>

This would leave a balance of £851,910, out of which numerous Departments, including the Lands, Forests, etc., have to be financed for the year's operations.

That is the point of which special notice must be taken. The statement gives a clear indication of the very small field open to this Government, or any other Western Australian Government, for the effecting of those economies which some members appear to think should be effected.

One of our major problems to-day is the plight of our primary industries, whose outlook is somewhat obscured by the trend of international events. It was stated here to-day by Mr. Seddon that in his opinion the time was not far distant when the primary producers might look for a considerable improvement in their position, due to the fact that markets would again be available and that prices would represent an improvement on what they have been for some years past. I sincerely hope that the hon. member's forecast will be realised. I can assure the House that in that case, if the improvement can be effected quickly, we in Western Australia shall have very little to fear in regard to our finances; for it is the assistance which has been rendered to primary industries in Western Australia during years gone by that is responsible to a large extent for some of the financial difficulties which we are now experiencing.

Hon. V. Hamersley: We have returned that money a dozen times over.

The CHIEF SECRETARY: It has been said by Mr. Roche, for instance, that wool-growers are firmly convinced that when the wool appraisalment was instituted it was done at a figure not sufficient to cover the cost of production. That is a highly debatable statement to make. Woolgrowers, in my opinion, apart from those affected by drought, are in a much better position than other primary producers.

Hon. H. L. Roche: That does not say they are in a good position.

The CHIEF SECRETARY: We would like them to be in a much better position, but they certainly are in the position of knowing

that at least they have the United Kingdom's guarantee to purchase all Australian wool for the duration of the war at an equitable price.

This is not so in our wheat industry, whose plight is well understood by the Government—not misunderstood, as some members would lead the House to believe. I wish to draw attention to the fact that this Government in November of last year did everything it could, in co-operation with other State Governments and the Commonwealth, to formulate a policy for assistance to the wheat-growing industry. It is also interesting to note, however, that the one who was responsible for the inability of the States to agree on an all-States plan was the Country Party Premier of Victoria.

Hon. G. B. Wood: Who keeps him in power? The Labour Party.

The CHIEF SECRETARY: The Country Party Premier of Victoria was the one man who stood out against the proposal, which undoubtedly would have been in the best interests of the Commonwealth.

Hon. A. Thomson: I agree with you entirely.

The CHIEF SECRETARY: The Commonwealth Government at the time submitted a policy whereby payment for the season's harvest would be made on a basis of 3s. 4d. per bushel, free on rail, at ports, subject to two conditions—

Hon. A. Thomson: The Premier of Victoria was afraid that Western Australia might get a slight advantage. That is why he opposed it.

The CHIEF SECRETARY: I think there is something in that suggestion. The conditions were—

(a) that the supplementary finance to be provided by the Governments of the Commonwealth and of the States should not exceed £3,500,000 per annum, and

(b) that the annual advance should not operate so as to bring the total realisation beyond 3s. 4d. per bushel for a marketed crop of 140,000,000 bushels.

To anyone who has studied the wheat position of Australia, that must have appeared as a remarkably good arrangement for the average wheatgrower. The scheme would have involved the State Governments financing up to £3,500,000 with the Commonwealth, the proportion which this State would have had to find being £187,000. Our State Premier agreed to this, if all the other

States would stand by the scheme. Members are well aware, of course, what happened.

Hon. J. J. Holmes: That is Country Party Government!

The CHIEF SECRETARY: Yes. The Premier of Victoria said he had good grounds for the stand he took on that occasion. Nevertheless, we cannot get away from the fact that he is the one man responsible for the non-securing by the wheat-growers of an agreement which would have been satisfactory all round.

The debt position of our rural industries was referred to by Mr. Roche. In this respect the Government has given generous relief over the past six years. In 1935 legislation was initiated by the State Government under the Rural Relief Fund Act for assistance to farmers to enable their assets to be valued and arrangements made with the settlers' private creditors for adjustment of their debts. In addition, provision was made under the Agricultural Bank Act for the writing-down of settlers' debts to the Bank where the nature of the security warranted it. If settlers desired to take advantage of this relief, the procedure was for them to apply to the Director of Farmers' Debts.

These figures are interesting: Up to the 30th June, 1940, 3,427 cases were finalised under the Act by which financial assistance was granted to the extent of £1,170,630, and debts were written off to the extent of £2,990,917. As at that date, 2,477 properties which were mortgaged to the Agricultural Bank were dealt with under the Act. In 978 cases, the Commissioners wrote off an average amount of £1,049 per settler. That appears to me to be a large sum. The Bank also dealt direct with 702 settlers who had no private creditors; of this number, 307 received a writing-off involving a loss to the Bank of £543 per settler. The total amount of debts written off by the Agricultural Bank over the past six years is £6,247,196. This includes the assistance just referred to.

Hon. H. L. Roche: How much of that was written off abandoned properties?

The CHIEF SECRETARY: I cannot give the exact figure, but I have some interesting information that I will disclose before I conclude.

Hon. J. Cornell: Is group settlement interest included?

The CHIEF SECRETARY: I think so. Arrears of interest owing to the Bank to the 30th June, 1940, total £803,076. The Government has to find this interest. If it is not paid by the Agricultural Bank clients the Government still has to find interest on the loan money involved.

During the period of reconstruction, drought conditions have applied in what are known as the marginal areas, and special assistance has had to be granted under the machinery of the Industries Assistance Board. The total approvals to the 30th June, 1940, involve an amount of £593,346, and to date advances out of this amount total £547,332. Losses so far have actually been incurred to the extent of £101,375. Further to assist settlers in the marginal areas for the 1939-40 season, it was agreed, when Mr. Troy was Minister for Lands, that settlers who had suffered drought for three years prior to the 1939-40 season, should be charged only one year's interest on the principal debt, plus the current I.A.B. advances. This meant that where the crops were satisfactory finance was made easier for these settlers. The 1939-40 season averaged 13.9 bushels per acre, the highest average yield for wheat since 1923-24. However, on account of low prices and previous bad seasons, it has been found necessary to make available this season further assistance through the Industries Assistance Board to the extent of approximately £140,000 for cropping purposes. Further, the Commonwealth Government, after application by the various State Governments, has agreed to assist marginal settlers; and for this year the State has obtained £115,000 free of interest for fencing, dam sinking and purchase of sheep.

Relief to primary producers has also been given by the State Government through the Lands Department. A number of repurchased estates has been revalued during the past few years, the total amount written off amounting to £280,485. In addition, action has been taken in a number of cases to cancel old leases and issue new ones for the purpose of getting rid of heavy arrears of rent. Credit for anything paid under the old lease has been carried forward to the new lease. The result is that the

lessees' annual rentals have been considerably reduced. Last year an amendment was passed enabling lessees on repurchased estates to be granted an extension of the term of their leases up to 40 years, including the unexpired portion of the existing term. This enables arrears to be capitalised without increasing the existing annual rental. In practically all cases that have been dealt with, the rental has been reduced. No interest is charged for any period longer than 40 years, even though in many cases the new extended term might be 60 years; in other words, the lessee would have 20 years free of interest.

In 1934, an amendment of the existing Act was passed to enable conditional purchase leases to be extended for a period up to 5 years, provided the extended term did not exceed 30 years. The purpose of this was to enable arrears of rent to be capitalised. In practice, however, it was found the arrears were so heavy in many cases that they could not be capitalised without increasing the instalment, even after the extension of the lease. An amendment was therefore passed last year to enable leases to be extended for a period up to 10 years, without any maximum term, thus enabling arrears to be capitalised without increasing the existing instalment. The arrears of rent capitalised under these conditions for the six years ended the 30th June, 1940, amounted to £360,460.

Again, legislation was enacted in 1936 to enable remission of rent to be granted to pastoral lessees who had suffered serious loss through drought, cyclone or flood. Up to the 30th June, 1940, the amount remitted was £222,350. It would have been considerably larger but for the fact that some cases have not yet been dealt with this year by the Pastoral Appraisal Board, owing to the fact that the Surveyor General has been appointed as a Royal Commissioner to inquire into the pastoral industry.

Repricing of land is being continually carried on. Individual applications for reclassifications are still being dealt with, and a considerable amount of work has been involved in the repricing of land in the marginal areas in conjunction with Agricultural Bank reconstruction proposals. The total purchase money written off owing to such revaluations for the six years ended the 30th June, 1940, amounts

to £343,718, of which nearly £100,000 has been written off this year. The marginal areas have been and are still being reclassified to enable larger areas to be held. The idea is to enable settlers to transfer from purely wheat farming properties to sheep raising.

The problem of rent collections is dealt with by the Department in a very sympathetic manner. No action is taken against any lessee who supplies financial information to the department showing that he is unable to pay. An amount of £628,020 is owing to the Lands Department for rents as at the 30th June, 1940, even after the considerable amounts to which I have previously referred were written off and the capitalisation, also referred to by me, had been deducted.

In view of the serious position confronting the pastoral industry, the Government this year appointed a Royal Commissioner to inquire generally into and report on the present financial and economic position of the industry. The Commissioner has been engaged on this huge task for some time, and it is hoped that his work will be of benefit to the industry and the State. That comprises a review of what has been done for our primary industries during the past six years.

Hon. J. J. Holmes: It is a solid tale of attempting to nationalise the agricultural industry.

The CHIEF SECRETARY: I would like now to place before members in a more concrete form the figures which I have just quoted. They are particularly illuminating. I feel sure that members who examine the return will be prepared to say that this Government, at all events, has gone a long distance towards providing assistance necessary for our primary industries. It has certainly done much more than has the Gov-

ernment of any other Australian State or any other country.

Hon. J. J. Holmes: Or any other country? The CHIEF SECRETARY: Or any other Government.

Hon. C. F. Baxter: You had better look up the records of other countries.

The CHIEF SECRETARY: I challenge the hon. member to show that any other State or country has done more for its primary industries than has Western Australia during the past six years.

Sir Hal Colebatch: Where does the money to assist them come from?

The CHIEF SECRETARY: If the hon. member will wait for a moment he will discover that the greater proportion of this money has been expended from loan funds. This return shows that the assistance which has been given to the primary industries by the Agricultural Bank alone by means of writing off has resulted in the State having to meet annually a charge of over £250,000. Not only have millions of pounds been written off and the primary producers thereby relieved of a heavy burden, but the State Government has also had to accept and must continue to accept an annual burden of a quarter of a million pounds on that account alone.

Hon. A. Thomson: A good deal of the money had to be written off entirely on account of the maladministration of the group settlements.

The CHIEF SECRETARY: That is a strong statement to make. I do not propose to go into the matter at this moment, but I could say a lot on the subject. I do not think the hon. member is quite fair in charging the Government with maladministration.

Hon. A. Thomson: I am not charging the present Government.

The PRESIDENT: Order!

The CHIEF SECRETARY: The return to which I have referred is as follows—

#### ASSISTANCE GIVEN TO PRIMARY INDUSTRY, SIX YEARS ENDED 30TH JUNE, 1940.

Lands Department—		Debts Written Off.	£
Repurchased Estate Leases—Amounts written off (active leases) ...		...	280,485
C.P. Leases Repriced—Amounts written off ...		...	343,718
Pastoral Leases—Rents remitted from inception to 30th June, 1940		...	222,350
			<hr/>
			£846,553
Agricultural Bank—			
Bank—Amount written off ...		...	1,837,086
Soldiers' Settlement Scheme—Amount written off ...		...	1,091,248
Group—Amount written off ...		...	1,854,392
Wire Netting—Amount written off ...		...	27,822
Industries Assistance Board—Amount written off ...		...	1,436,648
			<hr/>
			£6,247,196
			<hr/>
			£7,093,749

Even though these Agricultural Bank debts of £6,247,196 have been written off, the Government

Hon. J. Nicholson: If the Government hopes to save its credit it will require to pay the principal, too.

The CHIEF SECRETARY: To ponder over these figures is very interesting. I am afraid that when we are critical of the financial position we forget that the general taxpayer is called upon to provide the money which is involved; and when we are

dealing with the position of the primary industries, while we recognise that it is necessary for the State to render all the assistance possible, we must not forget that other sections of the community are also experiencing hard times, and there is a limit beyond which no Government can go in regard to concessions of this kind. Further figures given in the return are as follows:—

#### CONCESSIONS, ASSISTANCE, ETC.

##### Lands Department—

C.P. Leases—Arrears of rent capitalised over balance of terms	£360,460
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##### Agricultural Bank—

To assist settlers in carrying on for the last six years, the following assistance has been granted:—

##### Interest Refunds:

	£
Years 1935-1939	121,490
Year ended 30th June, 1940	37,552
	£159,042

##### Approvals under I.A.B.:

Years 1935-1939	492,121
Year ended 30th June, 1940	101,225
	£593,346
	£752,388
	£1,112,848

#### INDULGENCES.

##### Arrears of Rents and Interest Outstanding.

##### Lands Department—

Land Rents owing to 30th June, 1940	£628,020
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##### Agricultural Bank—

Interest owing to 30th June, 1940, on "active" holdings	£803,076
	£1,431,096
	£9,637,693

Hon. members sometimes complain that primary industries have not had the assistance from the Government to which they are entitled, but I think I can claim that a little consideration of the figures supplied should lead to an alteration of the viewpoint of those hon. members.

Hon. J. Cornell: It makes one wonder how far we have yet to go.

Hon. W. J. Mann: Have you any figures showing how group settlement interest has been paid?

The CHIEF SECRETARY: I am afraid I have not, but the position is fairly satisfactory at present.

Hon. A. Thomson: Generally it is very satisfactory.

The CHIEF SECRETARY: I have not as many details on these matters as I have supplied on previous occasions, but I have

spent a lot of time informing hon. members of the position. I thought it advisable to give the information I have supplied in view of the fact that there is a new member in the House who, while he put his case very well, seemed to think that the Government had not done all it should have done.

Referring to railway matters, Mr. Seddon said that probably by further exploiting the Diesel coach system the railway department could win back much of the traffic it had lost, and that he would like to see the activities of the railways extended in the direction of providing a more modern type of passenger service for people in the outer areas. Also, amongst other things, he suggested that some research be made in connection with the use of producer gas. The Government has not been inactive with regard to producer gas. The Forests De-

partment has been carrying out a number of experiments which should prove of the utmost value to the State generally. Statistics indicate that for years there has been a marked decline in patronage of country and suburban railway passenger services, and it cannot be gainsaid that the steady incursion of road transport has been responsible for the existing position. Diesel-electric rail cars were introduced by the department several years ago in an endeavour to provide the people in the country with a more expeditious mode of transport. Prior to these vehicles being obtained, extensive inquiries were undertaken in regard to the power units to be installed and, as a result, the selection of diesel-electric coaches was made. The present fleet has justified the choice and has given service to its fullest capacity.

Country passenger services it is recognised can be further popularised by the acquisition of additional rail cars, and the question of obtaining further coaches similar to those now in use was a live one last year. It is, however, impossible to procure machinery and other equipment necessary to construct this type of vehicle under existing international conditions.

With regard to the suggestion that some other form of propulsion be devised, expert advice based on results of years of operation, combined with our own actual experience, establishes the merits of the Diesel electric coach, and, assuming that the requisite materials could be obtained for the manufacture of another type of car which might be evolved or decided upon—an assumption which at this juncture can almost certainly be termed an impossibility—it is considered that a substitute, even as an emergency, would not be in the best interests of the Railway Department or the taxpayer. Mr. Seddon's suggestion that details be made available of the savings effected by the regrading and deviations on the Perth-Kalgoorlie line has been noted. The figures are not yet available, but they will be published in due course.

More than one hon. member has referred to the question of phosphate supplies, and as this matter is of interest to the primary industries of the State, I caused inquiries to be made with a view to being able to give the House some information regarding the position. I have been informed

that numerous examinations of phosphate deposits have been made from time to time by officers of the Geological Survey Department. These examinations disclosed that various islands along the Kimberley coast have in the past produced very considerable tonnages of guano. In addition to unrecorded cargoes, about 150,000 tons are officially known to have been raised for fertilisers. These islands are probably almost exhausted but among the innumerable islets of the Kimberley Archipelagoes there must be some where guano deposits occur. The amounts available are not known. The Abrolhos Islands near Geraldton have in the past supplied a large tonnage of guano for local consumption. These islands also are now exhausted. Many small islands in the Recherche Archipelago off the south coast are known to carry phosphatic deposits which have not yet been utilised. An examination of Christmas Island in this group proved the existence of 102,400 cubic yards of phosphatic rock yielding an average value of 20 per cent. tri-calcic phosphate.

Large deposits are reputed to occur on Salisbury Island in the same group. The material carries from 6 to 30 per cent. phosphoric oxide but the quantities available have not been determined. Good quality cave guano occurs in localities between Perth and Dongarra on the west coast, but the supply is very limited. The grade also is notoriously variable. These deposits may be of value locally but, unfortunately, many of them are so far very inaccessible. Coprolite beds, containing phosphate occur at Gingin and Dandaragan. These coprolites carry from 21 to 25 per cent. phosphoric oxide but are not very plentiful. All possible sources of phosphates are being investigated, and the most likely appear to be the iron phosphate deposits in the vicinity of Dandaragan. These are said to be extensive, but the problem is in their conversion to a soluble form suitable for agricultural purposes. I am informed by the Department of Industries that the assistance of the W.A. Branch of the Australian Chemical Institute has been enlisted in this matter.

*Sitting suspended from 6.15 to 7.30 p.m.*

The CHIEF SECRETARY: Mr. Roche contended that certain concessions should be

made to soldiers who, when seeking to obtain separation allowances were required to produce extracts from the records of the Registrar of Births to the Defence Department. The question of the cost of these extracts to members of the Defence Forces is at present the subject of correspondence between the Prime Minister's department and the several States. Meanwhile an arrangement exists in this State whereby the necessary extracts may be obtained by a member of any branch of the Defence services for a nominal fee of 9d.

Hon. H. L. Roche: That is in relation to indigent cases, is it not?

The CHIEF SECRETARY: No.

Hon. H. L. Roche: Many men have been asked to pay 2s. 6d.

The CHIEF SECRETARY: There is no necessity for them to pay 2s. 6d. The arrangement provides for multiple extracts—that is, a man could obtain the necessary extract in respect of his marriage and, say, four children, for the fee of 9d., whereas in the ordinary course of events five separate extracts would be required at a cost of 2s 6d. each. This matter happens to be connected with one of my departments. I took up the subject with the Registrar General, with the result that this arrangement is now in force. Any man who desires such an extract may acquire it for the price I have mentioned.

Hon. H. L. Roche: Will a refund be given to the men who have paid 2s. 6d.?

The CHIEF SECRETARY: No. Many people prefer to obtain and pay for these extracts in the ordinary way, because a concessional extract can only be used for the specific purpose for which it is required by the military authorities, whereas ordinary extracts may be used on a multiplicity of occasions during the lives of the people concerned. There is a difference between the extract provided for the military authorities, and the ordinary extract provided at 2s. 6d.

Mr. Roche referred to the provision of a simplified power of attorney, and stated that many enlisted men desired to leave behind them such powers so that their affairs could be attended to in their absence. My advice is that the suggestion for a simplified power of attorney might easily be prejudicial to all parties concerned in the transaction. Any attempt to prepare a general power of attorney in a simplified form may

result in the intentions of the principal being defeated as the result of third parties being unwilling, through uncertainty, to deal with the agent. I do not know what the legal members of the House have to say on this point.

Hon. J. Nicholson: That is quite correct.

The CHIEF SECRETARY: It is always in the interests of the principal to make sure that the power of attorney will avoid the creation of any doubts and uncertainties, not only in the mind of the agent, but more especially in the minds of those persons who may be likely to have business dealings with the agent.

In the course of his speech Mr. Roche said the Government should re-consider its attitude in regard to land rents, rates and interest owing by those farmers who have enlisted in the A.I.F. There is no necessity to reconsider the attitude taken by the departments concerned in this matter, as the policy has been and will always be not to embarrass any enlisted farmer. Surely the hon. member does not suggest that there is a desire to embarrass anyone in such circumstances. The authorities concerned are the Lands and Surveys Department, the Public Works Department, and the Commissioners of the Agricultural Bank. Respecting land rents and interest payments to the Lands Department, I am informed that where a lessee has enlisted and his property is not being worked, payment is not being insisted on. If arrangements have been made by an enlisted lessee for the continued working of his holding, the case would be considered annually. Rent, however, would not be charged if the department was satisfied that it would be unreasonable to expect payment by the person working the property, whether he be a sub-lessee or otherwise. If any lease is subject to an Agricultural Bank mortgage, the granting of protection by the Lands Department would depend on satisfactory arrangements being made with the Agricultural Bank.

In connection with the payment of water rates, I am advised by the Public Works Department that where an enlisted man owns a farm, and it is vacant and unoccupied during his absence, no action will be taken against the property other than to let the rates accumulate. If a farm is occupied by an enlisted man's wife or dependants, and is being worked, it



is expected that the rates will be paid. This would also apply in the event of a farm being worked by anyone other than the enlisted man's wife or dependants. Instructions have been given that in all cases where a property is occupied by a soldier's wife or dependants, care must be taken to ensure that no hardship is imposed upon them. In regard to the payment of interest on Agricultural Bank holdings, I am informed that where the Commissioners consent to the enlistment of clients in the A.I.F., they require that a responsible person be appointed as attorney with full powers to act during the client's absence.

Hon. J. Cornell: The R.S.L. has recommended that three or four times.

The CHIEF SECRETARY: These requirements are necessary for the protection of the client's interests, and to ensure that the property is maintained and farmed in a satisfactory manner. Where possible, the Commissioners require that interest shall be paid. This arrangement embraces members of the naval, military and air forces. Anyone desiring protection should apply to the departments concerned, at the same time advising what arrangements are being made regarding the working of the property. It would appear that these matters have received consideration at the hands of the department concerned.

Hon. G. B. Wood: When the interest is not paid, I presume it will accumulate against the individual?

The CHIEF SECRETARY: I suppose that would be so, more especially if the property is being worked. Complaints were made by Mr. Wood of the action of the Water Supply Department in issuing notices advising settlers that, unless their water rates were paid, the water would be cut off, and in his general remarks he inferred that the department was adopting unnecessarily harsh methods. When I advise the House that the arrears owing by farmers on account of water rates on country lands total the huge sum of £170,000, members will realise that the department has been anything but unsympathetic. The farmers interested know that the department has extended every consideration to debtors during the last few years. It has, however, become essential, particularly during the past year or two, for the department to take definite

action in view of the large number of settlers who entirely ignore the department's notices and letters. I can definitely state that drastic action has not been taken in any case where a farmer or any other debtor to the Water Supply Department has submitted a reasonable statement or offer. The position during the past two years has become somewhat more critical for the reason that farmers who have been in the habit of paying, if not all at least a substantial portion of their rates, have criticised the department for not using its powers of collection in regard to other settlers. They state that unless such pressure is exercised, they intend to cease paying in the future. That state of affairs cannot be allowed to continue.

Members will be interested to know that on the 30th June, 1939, the capital expenditure on the three agricultural district water schemes—Barbalin, Narembeen and Kondinin—totalled £406,242, and the accrued revenue amounted to only £16,754. In the drought years, shortages of water have occurred, but these shortages did not relieve the Government from meeting the charges on the schemes which were put in for the benefit of the local people. In fact, emergency measures added to the department's expenses. The Government two years ago, at an expenditure of £8,000, roofed the Narembeen reservoir which has a capacity of 15,600,000 gallons. This has had a very marked effect in assuring a reasonable supply to the district even in ordinary drought years.

As a result of the settlers' response to the department's notices during the past financial year, the revenue from country lands water rates has shown a substantial increase. It should also be remembered that due consideration is given by the Grants Commission to the steps taken by the States in their endeavours to collect debts due to the State. Regarding the collection of water rates on country lands, the department has endeavoured to ensure that each farmer will pay according to his ability.

Reference was made by Mr. Wood to a particular settler who had complained of being obliged to pay for water he had never received. The hon. member went so far as to say the department should have taken no action in that case. I interjected that

there would be another side to the question. The facts of the case have now been supplied to me. The man in question recently interviewed the Minister for Works and Mr. Andrew, the Under Secretary, when they were at Narembcen on an inspection tour. He criticised the action of the department in threatening to cut off the water for the non-payment of rates. On my referring this matter to the Under Secretary for Water Supply, he informed me that the settler was well known to the department. On perusing the file, I found that this settler wrote to the department in 1937 stating that whilst he was quite able and willing to pay his annual rating of £29, he was not prepared to pay any such rates unless he was allowed a rebate off the account of an amount of £15, which was paid by him for trucked water during the previous summer. In support of his request, he stated that many of the settlers connected with the water scheme had not paid their rates for years. The Minister refused the concession asked for, and since then the department has had difficulty in collecting any rates whatever despite continued correspondence requesting payment. The departmental file records that in 1938 this man informed the Under Secretary that he could pay but would not do so. When the account stood at £112, representing rates covering four years, he wrote to the department in February of this year asking if consideration would be given to wiping off the account if he paid 10s. in the £. The department would not agree to the suggestion as it considered the account was not a bad debt. Following upon this the settler eventually interviewed the Minister and Mr. Andrew while they were in Narembcen recently. The department persisted in its attitude in endeavouring to get this settler to pay, and in July of this year, when the next year's rate of £29 was struck, the man paid that amount to the department. This is the only payment the department has received from him since 1936. Members will agree that this particular settler has had every consideration extended to him by the department. No notice advising that water would be cut off was sent to him until every endeavour had been made to convince him of his duty to pay something in liquidation of his account.

If that is the type of man Mr. Wood is prepared to support in an endeavour to secure a reduction in the amount of water rates owing, or even to have that amount struck off, I am afraid he will find the department will continue to adopt the attitude I have indicated.

Hon. G. B. Wood: There is more than one instance in Narembcen.

The CHIEF SECRETARY: But I have dealt with the case the hon. member mentioned.

Hon. G. B. Wood: How does the Minister know that is the man I referred to?

The CHIEF SECRETARY: Because this gentleman waited on the Minister at Narembcen.

Hon. G. B. Wood: A deputation waited on the Minister, not one man.

The CHIEF SECRETARY: I have dealt with the position of the settler the hon. member particularly referred to, and I suggest that if the instance he quoted is on a par with the other cases he has in mind, he will not get very far with his advocacy.

Hon. G. B. Wood: I admit you picked out a rather good instance.

The CHIEF SECRETARY: I merely dealt with the case the hon. member emphasised.

Hon. J. Cornell: Mr. Wood should say that he "picked a loser."

Hon. G. B. Wood: I did not emphasise any particular case.

The CHIEF SECRETARY: I have some further information on this question, but some of it is lengthy and I do not propose to read all the particulars. With regard to the Narembcen water supply, the following particulars regarding the financial position of that scheme are interesting. Here is an extract from a letter sent to the general secretary of the Primary Producers' Association:—

With a view to assisting primary producers, no charge is made for interest and sinking fund on headworks on a number of the undertakings—

That has reference to water supplies generally—

—For example, the capital cost of the Narembcen supply is £74,435, whilst the revenue accrued for the year 1937-38 totalled £2,987 and operating expenses amounted to £2,346. It will be seen that even with a 100 per cent. collection of accrued revenue, very little would be left towards the payment of capital charges.

That is the position regarding the Naremburn scheme and it can be claimed with respect to that undertaking and other such schemes that the Government has, through the Water Supply Department, assisted the settlers in the country districts to a very great extent.

In the course of his speech, Mr. Welsh made statements regarding the State Shipping Service, which, he claimed, was unable adequately to fulfil the requirements of northern ports and he suggested that Singapore boats should be allowed to carry cargo as far north as Derby. I have had inquiries made and find that Mr. Welsh's remarks are similar in strain to numerous expressions of opinion that have been received during the last twelve months from different North-West local authorities. In each instance the request made is that Blue Funnel Line vessels be allowed to carry cargo on the coast, but no assurances appear to satisfy North-West residents that if it is found that State Shipping Service vessels cannot cope with the trade, then arrangements will be made with the agents of the Blue Funnel Line to alleviate the position. One point continually overlooked by North-West people is that on many occasions, Blue Funnel vessels are fully laden with overseas cargo, and have little space available for the coast. Mr. Welsh stated that Darwin cargo occupies space so that very little is available for coastal people, but that is quite contrary to actual facts.

Hon. F. R. Welsh: In one instance 600 tons was picked up for Darwin and in consequence 400 tons of cargo for North-West ports had to be left behind.

The CHIEF SECRETARY: The hon. member had better listen to facts. On several occasions a few packages of coastal cargo had to be refused because of lack of space, but the reason for this was that the required space was not booked until too late. If there appears to be any doubt as to the space required for coastal ports, Darwin bookings are not completed until it is considered that the doubt is removed. However, the requirements of loading a ship for ten ports necessitates that the receiving of cargo be stopped between 24 and 48 hours before sailing time. This enables cargo for ports furthestmost north to be loaded first, and that for the remaining ports in their order. On many

occasions shippers receive orders from their clients on sailing day, or late on the day prior to the sailing date, and the cargo must of necessity be refused. Quite apart from the continual supervision exercised to ensure that coastal people have first preference, the fact is that on the following dates, vessels of the State Shipping Service sailed from Fremantle for ports as far north as Derby, with only half cargoes:—

4th May, 1940	....	"Koolinda"
17th May, 1940	....	do.
1st June, 1940	....	do.
1st July, 1940	....	"Koolama"
17th July, 1940	....	do.
2nd August, 1940	....	do.

These are the busy months in the North-West, but the total empty space on these sailings ex Fremantle, was approximately 4,500 tons, which does not include space available on the M.V. "Kybra" on her northern voyages. It may be anticipated that difficulty will arise during September and October, as it did last year, when on three occasions Blue Funnel Line vessels lifted cargo. North-West ports will receive every consideration from the State Shipping Service, and all available tonnage will be used to ease the position if the difficulty does arise. Mr. Welsh must realise that there are difficulties confronting the State Shipping Service.

Hon. F. R. Welsh: I grant you that.

The CHIEF SECRETARY: If clients cannot notify their requirements 24 hours prior to sailing time, I do not think they can reasonably complain if their cargo is shut out.

Hon. F. R. Welsh: I had plenty of complaints when I went up North.

The CHIEF SECRETARY: That is quite probable, but perhaps the complaints were not wholly warranted. The facts I have outlined have been supplied by the officials of the State Shipping Service, and they indicate that the authorities are doing their best to meet the requirements of the residents of the North.

Next I shall refer to a matter mentioned by a number of members concerning the closing down of the small nut and bolt factory. As to the criticism offered, I think it would have been preferable, in the interests of the State and its future progress, if attention had been drawn to our industrial expansion instead of dwelling upon an incident of this description. That there has been expansion of our industries is shown

by figures furnished by the Chief Inspector of Factories. In 1935 there were 2,660 factories employing 23,713 persons. In 1939 the factories had increased to 2,912 and the employees advanced to 29,134—increases of 252 factories and 5,421 employees. While it is recognised that we have not unrestricted juvenile labour as in some of the other States of the Commonwealth, I did not think I would ever hear members of this Chamber advocate conditions where up to over 50 juveniles are employed to one adult operative, or where the majority of employees in some foundries are girls and boys. Members should realise that this is a very vexed problem, which has been receiving attention not only by the Government in this State but by Governments in the Eastern States. Perhaps when I furnish further information those who have been critical of the conditions that apply in Western Australia will realise that there is some other reason for the closing down of the nut and bolt factory than has been so far advanced in explanation.

Hon. A. Thomson: We have gone on the statements that have appeared in the Press.

The CHIEF SECRETARY: The question of the employment of juvenile labour is more acute in the other States of Australia. This arises from the fact that, while our Arbitration Act contains provisions that have required the Arbitration Court to prescribe certain conditions or restrictions, the Arbitration Courts or wages tribunals in the Eastern States have not prescribed those restrictions, particularly in some industries, with the result that in some instances the proportion of juveniles to adult employees is out of all reason. The position in this respect had become so acute that a conference at the request of New South Wales employers was convened during the latter part of last year to discuss the unrestricted use of juvenile labour, with a view to bringing about a levelling-up making for uniformity throughout the Commonwealth.

Hon. C. F. Baxter: Do you mean uniformity under the Federal Arbitration Act?

The CHIEF SECRETARY: The other States even went so far as to recommend their Governments that they should give instructions to the wage fixing tribunals to deal with this question as to who should be employed.

Hon. C. F. Baxter: Are juveniles employed on skilled work in the Eastern States?

The CHIEF SECRETARY: It all depends on what the hon. member calls skilled work, but if the hon. member will be patient, I will give him a good deal of information on the subject. The question was a very vexed one and one of the reasons why we had so many young people unemployed was that they should have been employed in those industries where there is a larger proportion of juvenile labour than adult labour, the result being that when they reach the age of 21, they have to give way to other junior workers. So those youths have no trade. Consequently unless this matter is tackled in a proper way and unless restrictions are placed on this particular form of employment, we shall simply be accentuating further the unemployment problem. Dealing with the particular industry referred to by hon. members, the former owner of the business commenced in a small way, making agricultural parts. His progress was such that the business was extended to the production of Ew-bank nails. Further progress was made, resulting in the installation of a plant for the production of bolts and nuts. This was the only private factory in the State carrying out work of this description.

Hon. C. F. Baxter: Are you referring to MacPhersons or Altona Heel Tip factory?

The CHIEF SECRETARY: I have not referred to Heel Tip at all. I suggest that the continued and steady progress that was made—all under the State's existing industrial conditions—confirms that the stated reason of the company for closing down was not the only factor. It would be interesting to know what prompted the Eastern States firm to desire control of this local concern. They knew the labour conditions prevailing here; they knew, also, the prices at which the local firm was selling. Is it a fact that it was only after the local concern refused to increase its prices that eventually an offer to purchase it was made at a price which proved irresistible? We firmly believe that the progress made by the previous occupant was due, to an extent, to the Government policy of giving preference to goods manufactured in Western Australia. Equally it is believed that the business so secured was such as to

be one of the factors which led to the Eastern States firm coming to this State to acquire his interests. Now we have the sorry spectacle of the plant for the manufacture of bolts and nuts being removed to the Eastern States to be set up in a factory there and our requirements of this particular commodity being supplied from outside the State. I considered it was highly desirable that I should have a little more information on this question than that supplied to me. In the course of my inquiries I found that the question of juvenile labour is a burning one in the Eastern States, and for the information of the House I propose to give an outline of what has taken place there because it all has a bearing on this question. I may be permitted to read this statement regarding the employment of junior labour in the bolt and nut manufacturing industry. The statement is by the Youth Employment Research Committee:—

1. In a report dated 24th October, 1938, the Employment Council of New South Wales submitted the result of its examination into the effect of blind alley occupations.

2. The Employment Council reported that a major contributory cause of unemployment amongst males was—

That many industries employ an excessive proportion of youth labour to adult labour. In such cases a great majority of the juveniles are discharged (to be replaced by younger boys) at age 18, 19, 20 or 21. The youths in question, while in such employment, do not acquire any skill or experience which will help them to obtain fresh employment as adults. They are thus fitted in adult life only for the already saturated market for unskilled general labour.

After traversing the evidence which had been collected the following remedial measures were recommended:—

- (a) While technological advance must continue, steps should be taken to check its being accompanied by the substitution of youth or female labour for adult male labour.
- (b) A deliberate attempt should be made to reduce the employment of youth in blind alley occupations.
- (c) As a means of providing more employment in industry for adult males, diminishing the number of youths in blind alley occupations, and reducing the present surplus production of unskilled males dependent upon general labouring, or, failing that, on relief work, the the Employment Council recommends the N.S.W. Government to

adopt in principle a proposal to introduce:—

(1) An amendment to the Industrial Arbitration Act, 1912-1935, giving a general direction to award-making tribunals that, in making future awards covering unskilled and semi-skilled workers, the tribunals shall give consideration to specifying the maximum proportions of juniors to adults and/or of females to males employed; and that the tribunals shall take into account the desirability of securing employment for the maximum number of adult males.

(2) A provision that notwithstanding anything contained in an existing award, application may be made to the appropriate tribunal to give effect to the foregoing principle as regards any award already in operation.

The Council further recommends that when the Government has conditionally adopted this principle the Government of N.S.W. should approach the Government of Victoria, Queensland, South Australia and Tasmania and the Commonwealth Government, with a view to having similar amendments introduced simultaneously in the Acts governing the Federal and State award-making tribunals.

(3) It is noted that the Employment Council in its last recommendation did not mention Western Australia. Whether or not this omission is because the Western Australian Court of Arbitration does upon the application of one of the parties to an industrial dispute, and as a general rule consider and fix a ratio of juniors to adults, is not known.

(4) The Employment Council in its report submitted as an appendix a list of firms, whose names were not disclosed, apparently employing an excessive proportion of juvenile (male) labour.

In this list the following four items appear:—

	Male Employees.	
	Juniors.	Adults.
Bolts and nuts ..	22	11
Screws and nuts	9	2
Bolts and rivets	37	17
Bolts and nuts ..	73	5

(5) As a result of the report referred to above, the Government of New South Wales was responsible for convening a conference of representatives of all the State Governments.

(6) At this conference seven resolutions were adopted, and among which were three as follows:—

(a) With a view to contributing to the continued employment as adults of male persons who enter employment as juniors, the conference affirms the desirability of all competent industrial tribunals considering (and where necessary for this purpose being given power to consider) the fixation of interim maximum ratios of juniors to adults, and of females to males, who may be employed; and that the Governments concerned, including the Commonwealth, should take the necessary steps—legislative or otherwise—to implement this resolution.

(b) That it be a recommendation from the conference to the Commonwealth, New South Wales and Victorian Governments that the employment in factories of boys and girls under the age of fifteen should be prohibited, and that the definition of factory in all legislation be made uniform, and that such Governments should take the necessary steps—legislative or otherwise—to implement this resolution.

(c) The conference recommends that steps be taken to bring about uniformity of factory legislation affecting employment in all States.

(7) On the 6th June, 1939, the Legislative Assembly of New South Wales appointed a Select Committee to inquire into and report upon the employment of youth in industry. A copy of the first progress report has been received, and in evidence before this Select Committee the secretary of the Federated Ironworkers' Association of New South Wales referred to a judgment of the Commonwealth Court of Arbitration regarding an application for an alteration of the Metal Trades Award with respect to the proportion of juniors to be employed in nut, bolt, and spike making factories.

(8) At this hearing, His Honour Judge Beeby said (35 C.A.R. 689):

The Federated Ironworkers' Association of Australia applies for variation of the Metal Trades Award of 15th May, 1935, to fix the proportion of juniors in nut, bolt, and spike making to two juniors to one adult.

Claims and counter-claims relating to junior labour furnish the most difficult problems of an industry in which the use of automatic machinery and specialisation of processes opens up avenues of employ-

ment for juniors. The problem, however, as I have frequently stated, is one for legislative consideration.

The evidence called on this application did not disclose any change of circumstances since the award was made. The conditions of junior labour and the fixation of proportions of adults and juniors were thoroughly investigated on the main hearing and the award was made with full appreciation of a problem that demands attention. Raising the age at which boys leave school and at which they can enter factories seems to call for serious consideration. But these are questions for uniform legislative action.

On the 16th June, 1939, the Legislative Assembly of New South Wales appointed a select committee to inquire into the question of the employment of youth in industry. I have a copy of the first interim report and the evidence taken by that committee. The evidence is very illuminating on this particular phase of juvenile employment. I do not propose to read any of it, but I want to point out, especially to those members who have always said that we should not interfere with the Arbitration Court, that the Arbitration Court has prescribed the conditions which shall apply to the particular industry under discussion. In the Eastern States as a result of the conference, the Legislatures are being requested to interfere and give a direction to the wages tribunals to take this question into consideration.

Hon. L. Craig: To give a direction is very different from interfering with the Arbitration Court; one is usurping power and the other is an indication of the Government's desire.

The CHIEF SECRETARY: It amounts to the same thing.

Hon. L. Craig: It would be rather serious if the Government did that.

The CHIEF SECRETARY: Here we have representative bodies carrying resolutions requesting the Governments to take action. Even Judge Beeby in the application referred to in this House, pointed out that the matter was one for Legislative action, and he refused to interfere with the question of the proportion of juveniles to adults.

Hon. L. Craig: I think it should be controlled.

The CHIEF SECRETARY: He went further and said that there should be Legislative action and emphasised the seriousness of the position. I have no wish to read all the information I have here but I desire to point out that even under our own Arbitration Act the court has a right to fix the proportion of juveniles to adults, and there are industries in this State where the proportion of juvenile labour is higher than it is in any other State in the Commonwealth.

Hon. W. J. Mann: What do you mean by that?

The CHIEF SECRETARY: The average.

Hon. A. Thomson: The Commonwealth awards or State awards?

The CHIEF SECRETARY: All awards. The following figures show the percentages of adults employed in the respective industries:—Cement and cement goods, Commonwealth 83, Western Australia 75 (23 per cent. between 16 and 21 years and two per cent. under 16 years); chemicals, drugs, etc., Commonwealth 66, Western Australia 62; soap and candles, Commonwealth 64, Western Australia 57; wireless apparatus, Commonwealth 44, Western Australia 22.

Hon. A. Thomson: The Eastern States have much larger factories.

The CHIEF SECRETARY: Yes, but I wish to show that the Arbitration Court in this State has given consideration to the matter.

Hon. A. Thomson: But percentages on that basis are rather deceptive.

The CHIEF SECRETARY: They are not deceptive; they are remarkable. They show conclusively that even in such a case as the factory that closed down, they are not allowed to have a larger percentage of juvenile labour as the result of an Arbitration Court decision. I am also pointing out that in some industries the court in this State has provided for a larger proportion of juvenile hands to be employed in this State than is permitted in other parts of the Commonwealth. Let me now give the percentages for hosiery and knitted goods.

Hon. W. J. Mann: How many factories have we making hosiery? We have one here, and many in the Eastern States.

The CHIEF SECRETARY: It is a very good comparison. I think it is proof positive that, provided these conditions can be

determined by the Arbitration Court after proper inquiry, there is no question of the court in this State prescribing conditions that will permit of fair competition. In the Eastern States, when no restrictions are placed on the employment of juvenile labour by wage-fixing tribunals, naturally they have an advantage. I do not propose to read the whole of this list, but many of the items are illuminating. Take hosiery and knitted goods: In this State the percentage of adults is 30 whereas in the Eastern States it is 54. Boots and shoes show a percentage of 58 for Western Australia compared with 70 for the Eastern States. Other industries are: Jam, fruit and vegetable canning, Western Australia 33 per cent., Eastern States 79 per cent.; biscuits, Western Australia 30 per cent., Eastern States 42 per cent. Therefore what applies to one particular trade might not apply to another. Yet some members are so keen on this matter that they advocate reducing our standards in this respect to that of the worst State in the Commonwealth.

Hon. J. Nicholson: I thought that some of the members who directed remarks to that particular question were actuated by one motive, and that was the qualification of youth in industry and the absorption of youth in industry.

Hon. W. J. Mann: If the conditions are so good here, is it not a wonder that we do not get more factories? Why do not more factories start here?

The CHIEF SECRETARY: That is a question which the hon. member might be able to answer better than I can.

Hon. W. J. Mann: I am asking for information.

The CHIEF SECRETARY: The hon. member knows that private enterprise wants to make a profit. We have had experience on numerous occasions of Eastern States' competition being such that the local factories could not possibly exist. In some cases there have been deliberate attempts to close our industries.

Hon. G. W. Miles: Have you any comparisons of workers' compensation?

The CHIEF SECRETARY: No, but even in that respect, the position is not quite so bad as some members would lead us to believe.

When referring to the goldmining industry Sir Hal Colebatch said he would like to express regret that a more emphatic protest was not entered against the monstrously unjust system of taxing gold production. The hon. member must surely be aware that the Government did everything it could to that end. A strong motion of protest, introduced by a member of the Government party and passed by Parliament, was forwarded to the Prime Minister relative to the imposition of the gold tax. The Government, apart from that motion, protested strongly and unremittingly by personal representations and by communications to the Commonwealth Government, and also through the Press. It was largely as a result of such action by the State Government that the Commonwealth recently passed the Gold Mining Encouragement Act, whereby tax is being partly remitted to prospectors and low-grade producers. In fact, it can be claimed that the representations of our Government were responsible for that measure which gave a certain amount of relief from the tax.

There is one other subject which has caused representatives of agricultural constituencies a good deal of worry and on which they made some very strong statements. I refer to the Prices Commissioner's interfering with the price of meat. The statement has been made that the Commissioner did not fix the price of meat, and that statement stands. The position was simply this: The price of meat from the wholesalers to the retailers was so high that something had to be done in the interests of the consumers. The Commissioner decided that it was necessary for him to take action. Consequently he discussed the matter with the wholesalers. His action had no reference whatever to the fixing of a price or with the making of arrangements with regard to the price of stock. I have been advised by him that the position was such that butchers could not quit their stocks at the prices they had to charge, and the consuming public were buying down both in quantity and quality.

Hon. L. Craig: That in itself would have reduced the price. The Commissioner need not have taken any action at all.

The CHIEF SECRETARY: I do not agree with the hon. member. That was the position at the time. The Commissioner has been empowered to deal with matters of this kind in order to protect the consuming public

in regard to the prices of essential commodities.

Hon. A. Thomson: You did not give the producer a chance to say what the stock was costing him.

The CHIEF SECRETARY: There was no need to do so. That is what the Commissioner is for. If members bear with me for a little while, perhaps they will agree, though I think it would be hard to get Mr. Wood to accept this point of view. There has been no interference whatever with the stock market.

Hon. L. Craig: Ask the agents and everybody concerned.

The CHIEF SECRETARY: Well, ask them.

Hon. L. Craig: I have done so.

Hon. C. F. Baxter: They are all of one mind.

The CHIEF SECRETARY: Regardless of what instance I put forward, it would not influence the hon. member. I believe my statement is perfectly true. Consumers could not afford to pay the prices they were being asked to pay. After the conference between the Commissioner and the wholesalers, he asked the association to regard 5½d. per lb. for beef and 6d. to 6½d. per lb. for mutton, as the maximum prices from wholesalers to retailers. That has nothing to do with the price of stock.

Hon. A. Thomson: I cannot follow your reasoning. That is the case put up by Mr. White, but you cannot convince us that there was not a loss to the producers.

The CHIEF SECRETARY: Of course it is the case put up by Mr. White; I could not give the facts if I did not know them from his point of view. Those prices were agreed to. There was a further understanding that if the wholesalers' costs in any week exceeded those prices, an adjustment could be made in a period when their costs were less than the prices mentioned.

Hon. G. B. Wood: He did not follow that, did he?

The CHIEF SECRETARY: Of course, that is the arrangement operating today, and it is operating satisfactorily, too.

Hon. L. Craig: How was he going to raise the price in the times when the price was low?

The CHIEF SECRETARY: The arrangement was that if, over a period of three weeks, the costs were 6½d., 7d. and 6d.,



they would not in any week charge the retailers more than 6½d. Is not that right?

Hon. L. Craig: That was the arrangement.

The CHIEF SECRETARY: And it is operating at present.

Hon. J. M. Macfarlane: Under the Commissioner's ruling.

The CHIEF SECRETARY: They would be allowed to adjust the second and highest week against the third and lowest week or any suitable period. This understanding meant that the retail price of meat to the consumer would not be absolutely prohibitive at any time. The stock producers claim that they should have been consulted before this arrangement was made, but the Prices Commissioner is of the opinion that they had not any right to such a claim as no restriction was applied to the market price of stock.

Hon. L. Craig: Of course it was.

The CHIEF SECRETARY: Following on the conference with the wholesale butchers, the Commissioner dealt with the Master (Retail) Butchers' Association and found that varying percentages of profit were being applied, sometimes up to 45 per cent. After discussion with this association, it was agreed that a maximum of 33 1-3 per cent. should be applied before any cutting up was done. The price of joints was then to be set out. I do not want to deal with the price of joints.

Hon. A. Thomson: I wish the producers could get 33 1-3 per cent. on the production of their stock. If they could, they would be very much happier.

Hon. L. Craig: The Commissioner did not take any notice of quality. That is where he was so stupid.

The CHIEF SECRETARY: He would have to take notice of prices.

Hon. L. Craig: A certain quality of meat will bring 6d. per lb. all the year round; that is, if it is of a certain standard.

The CHIEF SECRETARY: As an example I quote—

Sheep:	£	s.	d.
45 lbs. at 6d. per lb. . .	..	1	2 6
Add 33-1/3rd per cent. . .	..	0	7 6
	£1	10	0

This enabled retail sales to be effected at—legs, 10d. per lb.; loin chops, 11d.; and forequarter, 7d. It was further laid down

that these prices should stand on a wholesale price range of from 5½d. to 6½d. per lb., but that if the wholesale price came down to 5d. per lb., the retail prices would be reduced by 1d. per lb.

Hon. C. F. Baxter: The Price Fixing Commissioner told the deputation that he would increase prices of mutton by ½d. per lb.

Several members interjected.

The PRESIDENT: Order!

The CHIEF SECRETARY: Similar arrangements were made regarding beef. The Commissioner claims that these arrangements benefited the consumer without detriment to the producer, although of course, as the following market went back, the producers blamed his action.

Hon. L. Craig: They did.

The CHIEF SECRETARY: It is interesting to note that the "Sunday Times" on the Sunday following the first fall wrote—

A heavy yarding of indifferent quality saw prices slump;

and again—

further high numbers of mediocre quality saw decreases.

On the 16th July a deputation of primary producers was informed by the Commissioner that he did not admit their claim to be consulted on what was solely a meat matter, or that his action had been detrimental to the stock market. The producers claim, illogically enough, that if the Commissioner had not intervened, the market would have righted itself. This in itself may be interpreted as an acknowledgment that heavy yardings of indifferent quality caused the slump. The Commissioner knows that stock growers have had a bad time; but apart from the fact that the meat maximum was not necessarily a stock market maximum, the market value of an unshorn wether of 48 lbs. at that figure would be—

	£	s.	d.
48 lbs. at 6½d. per lb. . .	..	1	6 0
Less butcher's costs . .	..	0	2 0
	£1	4	0
Plus: Skin value at, say . .	..	0	7 0
	£1	11	0

If that is not a good price, I do not know what is.

Hon. L. Craig: There is a 10s. skin on the wether.

**The CHIEF SECRETARY:** The Prices Commissioner has been assured by disinterested observers that, generally speaking, stock which have been marketed have been of low quality compared with stock in normal seasons—which is perfectly correct, according to my own knowledge—and it is stated that wholesalers make not more than 10s. out of each carcase sold to retail butchers, the value of the hide about covering expenses, and 6d. per head out of sheep. Hon. members may laugh, but that statement cannot be disproved.

Hon. G. B. Wood: It is an absurd statement. I will show that later.

**The CHIEF SECRETARY:** Producers' representatives still claim that the Commissioner has broken the stock market, but he contends that numbers and low quality were the causes. Last Wednesday week's market was fairly full, and the quality generally poor; yet prices were slightly firmer than those of the previous week. Then, and a fortnight ago, wethers of a weight of from 50 to 52 lbs. were sold up to nearly 8d. per lb., live weight. At the same time, the two cattle markets were in excess of 5½d. per lb. for beef; and yet the wholesale meat price remained at 5½d. per lb. to the retailer.

Hon. L. Craig: The agents inform me that owing to the action of the Price Fixing Commissioner the choicest meat goes to the country, where the price of meat is not fixed.

**The CHIEF SECRETARY:** I cannot speak as to that. These figures therefore disprove the statement that the maximum for meat became the stock market maximum. The Commissioner contends that if any attempt to restrict the stock market prices had been contemplated, producers would have been consulted; but that as only dead meat was considered, and an arrangement was made that the wholesalers should carry any excess in a high week to a lower week, the Commissioner cannot see how they are concerned. The last two stock market reports up to Wednesday last, showed best mutton at 5½d. to 6d. per lb., plus skin value. On these figures, therefore, there is another ½d. to 1d. rise to go before the Commissioner's maximum of 6½d. is reached. I think that absolutely proves that he has not pinched the stock market, as claimed by hon members.

Hon C. F. Baxter: That is the weakest case I have ever heard put up.

**The CHIEF SECRETARY:** That may be the hon. member's opinion. The facts, however, show that the Commissioner's action has not yet pinched the stock market. During the debate on this subject Mr. Piesse said that the Commissioner fixed the price of potatoes for wholesalers and retailers in Perth without calling on any other growers for their views before he fixed the wholesale price. It is rather interesting to note that a deputation of growers' representatives, nine in all, called on Mr. White on the 5th June last, and without much discussion undertook to regard £9 10s. per ton at siding on a £1 freight basis to be a satisfactory maximum. The arrangement so made was such that the growers' representatives wrote to the Price Fixing Commissioner thanking him for the fair hearing and treatment he had given them at all times. This somewhat disposes of Mr. Piesse's argument that growers had not been consulted and were not satisfied in regard to potatoes. On the subject of meat Mr. Piesse tried to show that the Commissioner's action had caused Mr. Piesse a loss in the sale of lambs to a butcher. Mr. Piesse should have been well aware that lamb meat was regarded as luxury meat and that as such it did not come into the same essentials category as beef and mutton. No limit was therefore placed on new season's lamb. In view of this, Mr. Piesse can hardly blame the Commissioner for his failure to obtain the highest possible price for his lambs.

Hon. G. B. Wood: I would keep off that subject if I were you.

Hon. L. Craig: One affects the other. There is always a relation.

**The CHIEF SECRETARY:** I consider that the Commissioner was absolutely right in the action he took.

Regarding the erection of the new Perth Hospital Mr. Thomson said he was amazed to read a statement by the Minister for Health to the effect that the services of a Victorian specialist in hospital planning and designing had been obtained to assist in the work of establishing the hospital; and Mr. Thomson generally criticised the Government for not finalising its specifications prior to the commencement of the building. The hon. member went on to say that the action taken was unbusinesslike, and not

conducive to obtaining the best results. I asked the Principal Architect to furnish me with his views on Mr. Thomson's criticisms, and he has supplied the following statement:—

I have perused the transcript from "Hansard" of . . . the debate in the Legislative Council, and for your information I offer the following comments:—

Plans have been prepared for the lay-out of the whole building itself, and also for the detailed lay-out of each of the various sections; but before the internal construction stage is reached, the Hospital Board desire to have the opinion of Mr. McVilly—not so much upon the internal arrangement, as on the questions of equipment and administration.

As the building is a framed structure, the internal lay-out does not affect the carcass of the building. Because of this, the construction of the building itself was proceeded with in order to provide work for the building industry.

Should the board decide to re-arrange any portion of the building as the result of Mr. McVilly's visit, the plans of the lay-out of that portion could be varied before the construction reaches that stage, without trouble or loss. I hope the hon. member will be satisfied with that explanation.

Hon. A. Thomson: I could offer a fair amount of counter-criticism.

The CHIEF SECRETARY: Very well. Various points were raised by members, and I think I have dealt with the most important of those points. There is only one other matter I desire to refer to before concluding—the matter raised by Mr. Seddon in relation to patriotic funds. As members are aware, last session we passed legislation giving a certain measure of control over patriotic funds to the War Funds Council, of which I am chairman. We have had a good deal of experience during the time we have been functioning as members of that council. Numerous organisations have received from the council authority for the collection of funds. We receive quarterly returns of the position of those funds. I have also been associated with some of the distributing organisations, and I know very well the position in which those organisations are placed. However, it has become apparent week by week that there is need for the co-ordination of efforts in this direction. Hon. members know just as well as I do that in various districts the local people have come to the same conclusion as regards collection of funds. Consequently they

have formed combined patriotic committees, who will be responsible for the raising of funds on behalf of the various distributing bodies operating at the present time—such distributing bodies as the Camp Comforts Fund, the Y.M.C.A., the Air Comforts Fund, the Naval Comforts Fund, the Soldiers' Reception Committees, the Fund for Soldiers' Dependents, and one or two others now operating. A stage has been reached where I can say on behalf of the War Funds Council we are convinced that for the most efficient administration of these funds there is need for a co-ordinating body. Only thus can the work be done properly. A great deal of misapprehension exists in the country as to what is meant by this central fund. I feel, however, that when country organisations receive and give consideration to the proposal which is now being finalised they will probably have an entirely different idea from that which they now have, if we are to take notice of the letters which are appearing in the Press and are being received by my department week by week. Very briefly, the position is this: The committees operating in country districts are possessed of funds which are not being used; in other words, the money is frozen. In the aggregate, those funds amount to a substantial sum. That applies to the collecting organisations. The distributing organisations are finding themselves in difficulties occasionally because of lack of money. Some have ample funds for their purposes; others have not enough. It is the desire of the organisations that some scheme should be evolved whereby all their efforts may be co-ordinated and the requirements of each satisfied.

Hon. L. Craig: The country districts, I am afraid, will not agree to it.

The CHIEF SECRETARY: I think they will. I make these few remarks in response to what Mr. Seddon said. The organisations will not be interfered with so far as regards their collections of money.

Hon. L. Craig: They want the right to say where it is to go.

Hon. J. M. Macfarlane: They have every right to say so.

The CHIEF SECRETARY: That is all right as far as it goes.

Hon. L. Craig: I agree with you.

The CHIEF SECRETARY: There will be nothing to prevent those bodies from determining how the money is to be disposed of. If they wish it to be sent to the Camp Comforts Fund, there will be nothing to prevent such a course, even under the proposal that will be sent out very shortly. I do not wish to go into the matter in detail here at the moment. I have no wish to anticipate, but I ask that the matter be considered apart from parochial ideas. In many instances such ideas are impracticable. We are putting forth a national effort, an Australia-wide effort. When the comforts are distributed oversea, no question will arise as to whether the soldier comes from Western Australia, South Australia or New South Wales. The comforts will be distributed irrespective of the State the soldiers come from. That applies to Perth also. Soldiers coming to Perth are not asked whether they come from New South Wales or from Northam; they are all entitled to the advantage of the facilities provided for them in Perth. The same story can be told of all these organisations. The distributing organisations have been considering this point for some time. They have evolved a scheme, which is commonly called the central fund. A constitution has been drafted and will be sent to every organisation that has received authority from the War Funds Council. In addition, it will be sent to every local authority in the State, together with a letter explaining the proposal. A meeting will then be convened, at which all these bodies can be represented, to determine what shall be done in view of the circumstances I have outlined. That is the position at the moment. I should say that the constitution will be distributed within a week. I assure hon. members, however, that if we are to have the most efficient method of dealing with these moneys then there is necessity for a co-ordination scheme so far as the distributing bodies are concerned, in just the same way as there is necessity in country districts for collecting organisations. All who have had experience of patriotic funds must agree that the principle behind the scheme is perfectly sound. It is something which should be supported by all those interested.

I appreciate very much the attentive hearing which members have given me on this occasion. I am aware I have not touched

upon numerous matters which have been raised, but have no doubt I shall have the opportunity of doing so later when I have been able to secure the information required by hon. members.

Question put and passed; the Address adopted.

On motion by the Chief Secretary resolved: That the Address be presented to His Excellency the Lieut.-Governor by the President and such members as may desire to accompany him.

### ADJOURNMENT—SPECIAL.

**THE CHIEF SECRETARY** (Hon. W. H. Kitson—West) [8.52]: I move—

That the House at its rising adjourn till Tuesday, the 27th August.

Question put and passed.

*House adjourned at 8.52 p.m.*

## Legislative Assembly.

*Tuesday, 20th August, 1940.*

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

### QUESTION—FREMANTLE MUNICIPAL TRAMWAYS AND ELECTRIC LIGHTING BOARD.

Mr. TONKIN asked the Minister for Railways: 1, Did the Fremantle Municipal Tramways and Electric Lighting Board request any variation of the terms of the agreement made with the Government on the 28th January, 1916, in informing the Government that it wished to exercise its right to a renewal of the agreement in accordance with the provisions of clause 23?