

Legislative Council

Tuesday, 14th September, 1954.

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The MINISTER replied:

(1) To investigate the effect of breed and husbandry and—where the owners of herds, from which bulk samples of milk show deficient solids-not-fat, are agreeable, —to take samples of the milk of individual cows for examination for fat content and solids-not-fat content, and to advise the farmers of the results.

(2) The advice depends on the circumstances of each particular case, and frequently relates to culling, breeding and feeding.

(3) Not to any measurable extent.

(4) Not in cases where a good standard of farm management is practised.

(5) The Government herd testing scheme measures yields of milk and butterfat, and is not designed to embrace tests for solids-not-fat content. Government herd testers co-operate on occasions in the taking of samples of the milk of individual cows for examination for solids-not-fat content.

(6) 8.5 per cent. in all States.

(b) As to Methods of Testing Solids-not-fat Content.

Hon. C. H. HENNING asked the Minister for the North-West:

Relative to the paper read to the Australian Institute of Agricultural Science, held in February-March, 1953, by Mr. K. Needham, B.Sc. (Agric.) of the Department of Agriculture, entitled: "The interpretation of freezing point depression results and the method of determination of total solids in relation to substandard milk"—

(1) Is it a fact that work performed by Messrs. Hood, Cullity and the author suggest that the test may not be as accurate as claimed and that it was possible to obtain a freezing point depression on unadulterated low solids-not-fat milk which suggested adulteration?

(2) Was it found, as stated in the paper, that samples well above standard gave freezing point depressions which would classify them as being adulterated?

(3) Is it a fact that the osmotic pressure of milk may not be as constant as assumed?

(4) What is the allowable percentage of error in the cyroscope method?

(5) Does the cyroscope method depend entirely on the assumption that the osmotic pressure of milk drawn from the cow is constant?

(6) When was the legal standard of 0.540 degrees Centigrade adopted in Western Australia?

(7) Has any test been carried out to assure the legal standard does not vary?

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

QUESTIONS.

MILK.

(a) As to Solids-not-fat Content.

Hon. C. H. HENNING asked the Minister for the North-West:

In view of the number of herds which on testing show a deficiency of solids-not-fat other than through possible adulteration, will the Minister inform the House—

(1) What is the policy of the Milk Board to improve the S.N.F. content of milk?

(2) What advice is being given to dairymen as to methods of improving the content?

(3) Does it appear that the S.N.F. content has been affected this year, as compared with last year, by adverse seasonal conditions?

(4) Is it considered that shortage of mill offal has any bearing on the matter?

(5) What has been done by the Government herd testing scheme to improve the S.N.F. content?

(6) What is the S.N.F. requirement in Western Australia, South Australia, Victoria, New South Wales and Queensland?

The MINISTER replied:

The subject of milk composition is complex, and the standards include minima for butterfat, solids-not-fat and the freezing point depression. These standards are met by milk from almost all cows. The proportion of bulk herd milks which do not comply is extremely small. The regulations do not provide for an appeal to the cow, it being the obligation of producers to supply milk which meets the standards. Some cows do produce milk with percentages of butterfat and of solids-not-fat below standard, and it is then the farmers' obligation to either cull them, or balance the composition of the herd milk by including in their herds, cows which give milk with a composition well above standard.

In the same way, milk from individual cows can, but on infrequent occasions, fall outside the standard for the freezing point depression. However, it is very rare for bulk milk to fail in this way. Further, it has been shown that milk from cows affected with disease, can fail to meet the freezing point standard. Farmers, of course, should not include milk from such animals.

The questions asked cannot be answered "yes" or "no," without some qualification according to the foregoing. With this proviso, the answers are as follows:—

- (1) The work referred to by Mr. Needham did not in any way cast doubt on the accuracy of the test or the methods used. The actual samples which were examined were from a herd which was known to be producing milk of poor quality, and which was subsequently found to be badly diseased. Some of the samples failed to meet the freezing point requirements. The authors of this paper (Messrs. Cullity, Hood and Needham), emphasised that "the results of this examination are not being taken as being indicative of milk quality throughout Western Australia." They referred simply to data obtained over a period of 12 months, from the examination of 10 cows in one of the herds which was known to be producing substandard milk, which later was found to be heavily infected with tuberculosis.
- (2) Yes; but this reply must also be accepted with the comment made in answer to No. (1).
- (3) The osmotic pressure of milk from healthy cows is constant. Variations from the normal range have frequently been demonstrated in milk from unhealthy cows.
- (4) There is no allowable error in the determination of freezing point by standardised procedures. However, most authorities, as an act of grace, use a tolerance in interpretation equivalent to 3 per cent. of

added water outside the legal standard, before stating that the milk is adulterated.

(5) Answered by No. (3).

(6) The freezing point standard as set out in the Food and Drug Regulations, is not 0.540 degrees Centigrade, but is worded as follows:—

The freezing point shall not lie between zero Centigrade and 0.540 degrees Centigrade below zero. This was gazetted on the 15th October, 1937.

(Previous to that date the lower limit was 0.550 degrees Centigrade).

(7) A considerable quantity of data from other sources throughout the world has demonstrated the validity of the freezing point test, as applied to bulk milk obtained from healthy cows. Such tests as have been performed in Western Australia, have confirmed this conclusion.

TRAINEE NURSES.

As to Examination and Educational Standard.

Hon. J. G. HISLOP asked the Chief Secretary:

(1) What is the purpose of the first year professional examination for nurses? Is it to ascertain the amount which a candidate has learned or is it designed to eliminate unsuitable candidates from proceeding to the second year?

(2) Does the Minister feel that it is justifiable to permit candidates who have not gone beyond the eighth standard of education, to undertake nursing training and then present them with a curriculum beyond this standard of education and ask them to face, after one year, an examination with questions set in pedantic wording and bearing all the trimmings of a university examination?

The CHIEF SECRETARY replied:

(1) Both.

(2) Girls who have passed the eighth standard of education and who have the requisite intelligence have been found to be capable of completing satisfactorily their training as nurses.

STATE HOUSING COMMISSION.

As to Sale of Blocks.

Hon. A. F. GRIFFITH asked the Chief Secretary:

In connection with the auction sale to be held by the State Housing Commission on the 18th September, wherein 67 residential and business blocks are to be sold, will the Minister inform the House—

(1) Through what agency did the State Housing Commission obtain these blocks?

(2) What are the individual lot numbers of the blocks?

(3) What was the price paid to the owners for each individual block?

The CHIEF SECRETARY replied:

(1) All this land was secured either by purchase or taken over for non-payment of rates.

(2) and (3) The particulars required are as follows:—

Lot No.	Street.	Locality.	Actual Price Paid.	
			£	s. d.
101	Wandarrrie	Mt. Yokine	15	0 0
106	"	"	10	0 0
107	"	"	9	0 0
109	"	"	10	0 0
110	"	"	10	0 0
111	"	"	10	0 0
112	"	"	10	0 0
113	Spencer	"	10	0 0
117	"	"	8	0 0
116	"	"	10	0 0
118	"	"	9	0 0
61	Wandarrrie	"	15	0 0
62	"	"	12	0 0
63	"	"	12	0 0
64	"	"	12	0 0
65	"	"	12	0 0
66	"	"	12	0 0
67	"	"	12	0 0
68	"	"	12	0 0
69	"	"	12	0 0
70	"	"	15	0 0
72	Spencer Ave.	"	12	0 0
73	"	"	12	0 0
74	"	"	12	0 0
75	"	"	12	0 0
76	"	"	12	0 0
77	"	"	12	0 0
78	"	"	12	0 0
79	"	"	12	0 0
80	"	"	15	0 0
21	Elgee	Midland Junction	25	0 0
22	"	"	26	8 6
23	"	"	26	8 6
24	"	"	26	8 6
25	"	"	26	8 6
294	Moore	"	35	0 0
295	"	"	35	0 0
296	"	"	35	0 0
297	"	"	35	0 0
298	"	"	35	0 0
299	"	"	35	0 0
140	Frederick	"	15	0 0
141	"	"	20	0 0
142	"	"	40	0 0
143	"	"	45	0 0
144	"	"	55	0 0
19	John	"	65	0 0
24	Federation	Cannington	11	2 3
25	"	"	11	2 3
28	"	"	11	2 3
29	"	"	11	2 3
40	"	"	11	2 3
12	"	"	11	2 3
13	"	"	11	2 3
16	"	"	11	2 3
17	"	"	25	0 0
20	"	"	11	2 3
21	"	"	11	2 3
556	Morrison	Belmont	60	19 8
405	Lyal	"	21	10 0
561	Johnson	"	60	19 8
582	"	"	60	19 8
228	Park	South Perth	90	0 0
Pt. 84	Grand Prom.	Bedford Park	These sites created by Commission resubdivision	
Pt. 85	"	"		
Pt. 88	"	"		
616	Welwyn	Manning Park		

NARROWS BRIDGE.

As to Effect of Traffic on Mount Hospital.

Hon. J. G. HISLOP asked the Chief Secretary:

In view of the fact that in the approaches to the proposed Narrows bridge a road is to be built joining George-st. to Mounts Bay-rd. west of the brewery, what future is planned for the Mount Hospital which will then be surrounded on all sides by main roads and become impossible thereby for the accommodation of the sick?

The CHIEF SECRETARY replied:

I am not aware of any specific proposals for the construction of a road to link George-st. and Mounts Bay-rd. In any case, the Mount Hospital is a private institution, and plans for its future are the responsibility of the board of management.

Hon. H. Hearn: They take no responsibility.

MEDICAL SCHOOL.

As to Enrolment at W.A. University.

Hon. J. G. HISLOP asked the Chief Secretary:

In view of the repeated statement that Commonwealth finance for the establishment of a medical school is not to be available, are students being permitted to enrol for the first year of the medical course at the University of Western Australia?

The CHIEF SECRETARY replied:

First year medical students have been enrolled for the current academic year at the University of Western Australia. No decision has as yet been reached by the Senate of the university concerning enrolment for 1955 and subsequent years.

BILL—LAND ACT AMENDMENT.

Read a third time and *passed*.

BILL—PRICES CONTROL.

Second Reading.

Debate resumed from the 8th September.

HON. C. H. SIMPSON (Midland) [4.50]: I wish first, Mr. President, to acknowledge the courtesy of the Leader of the House in arranging that this Order of the Day be taken early this afternoon. It was necessary for me to approach him on the matter as I wanted to get away, and he has been kind enough to accede to my request.

When the Chief Secretary introduced this measure, which seeks to impose controls that were rejected by the House last year, he gave the reasons which, in the opinion of the Government, justify the action sought to be taken. The measure dealt with last year was a continuance Bill—one subject to annual review—but that now before us will, if passed, be a

These details will be laid on the Table of the House for the information of members.

permanent measure which could be repealed only by a special Act of Parliament passed by both Houses. It could be amended by legislation from time to time; and the amending legislation would, of course, have to run the gauntlet of debate in both Houses.

Clause 10 of the Bill refers to the Second Schedule, which sets out a specific list of items it is proposed to control. Subclause (2) of that clause reads—

In particular but without limiting the generality of the last preceding subsection, the Commissioner in the exercise of his powers under that subsection may fix and declare with respect to any goods and services that are prescribed in the Second Schedule to this Act or such other goods and services as may be prescribed by regulation.

The commissioner could therefore bring in such other goods and services as might be prescribed, which, in effect, means anything at all. I know the answer to that will be that such a regulation could be challenged and disallowed by either House of Parliament, but in the meantime it would be effective and could put traders and merchants to a considerable amount of trouble.

Hon. H. Hearn: It could be effective for months if Parliament were not sitting.

Hon. C. H. SIMPSON: That is so; it could be effective for many months before action could be taken to disallow it. In view of the fact that this question was debated fully last year, both in this House and in another place, and was rejected, we must satisfy ourselves that the sweeping demand now placed before us is justified. When introducing the Bill the Chief Secretary stated that the cost of living had increased considerably in this State in the last 12 months and, in particular, during the last quarter; and he gave details of the price movements in the capital cities of the Eastern States as compared with those here.

If we took that as an answer, it would seem that the Chief Secretary had made out a reasonably good case. He showed, for instance, that in the last quarter the price movement in each of the capital cities had been downward, with the exception of Perth, where the level had moved upwards by 6.95 per cent. In considering this Bill we must examine those figures closely and satisfy ourselves, by analysis, whether we should accept or reject them.

I have no wish to labour the arguments put forward in this House last year or to traverse unnecessarily the same ground again. I desire, on this occasion, to deal with the measure and the arguments advanced in support of it; and I propose to

introduce new matter of a general character which has not yet been put before this House. In examining the judgment of the Arbitration Court given on the 26th of August last, we find that only two items of any consequence affecting the cost of living were rent and meat. In the course of his judgment His Honour said, *inter alia*—

In the metropolitan area for this quarter there was a small decrease in the price index numbers for clothing and miscellaneous items, but a considerable increase in food and groceries and a very large increase in rent. Broadly speaking it may be said that rent accounted for about 9s. 9d. of the 13s. 8d. and the balance was food and groceries, of which all but about 6d. was due to increased meat prices.

Therefore of the 13s. 8d. increase for the last quarter—that is the increase specifically complained of—the two items that constituted almost the whole of the increase were rent, 9s. 9d., and meat, 3s. 5d. All the rest, put together, amounted only to 6d., and would certainly have justified little or no consideration as far as any variation in the cost of living index was concerned. We must ask ourselves whether this Bill to control prices would have any effect whatever on rents or any influence on the price of meat. We know that rents are controlled under the rents and tenancies legislation. So whether this Bill is passed or not makes not the slightest difference in regard to rents which, as the court said, constitute by far the largest component of the increase in the cost of living index.

The control of meat prices has always been a headache to the various States, as it is almost impossible to price meat on the hoof and in the market. The Government of Queensland did enter upon a comprehensive scheme under which it expected to be able to control the price of meat on the hoof and in the market. However, that scheme was a failure, and there has been no more success in dealing with meat prices in Queensland than in any other State. We can see, therefore, that the measure now before us, which if passed would govern the prices of many items other than the two I have mentioned, would not in fact deal at all with the two major components in the cost of living index.

From that point of view it can be seen that the Bill is not only useless, but also redundant. When the case for a continuation of price control was put before us last December, we were told that if the Bill then before the House was not passed certain things would happen; that there would be a general rise in prices, together with an increase in the cost of petrol, oil, superphosphate, footwear, groceries and so on. But what happened? All those commodities have either remained static or their price movement has been downwards and not upwards.

I think it can truly be said that the traders in this State have behaved extremely well and with commendable restraint. In most countries when price control has been removed, there has been a tendency for an initial small upward movement in prices, followed by a decline. When we understand that many traders have chafed under the incidence of controls, which in a number of instances produced anomalies, we can realise that when price control is removed, and the freedom of the traders is restored, some of them take steps to rectify certain of the anomalies which, in some cases, had the effect of making them trade at a loss, especially country traders.

A downward price movement was immediately noticeable once free play and competition came into effect. People knew exactly where they stood. They could plan for the future, and arrange their concerns so that there was a proper return on the business that they transacted and so that they could cut waste and losses and be free from restrictions— which by the way, cost them some amount of money.

Recently I had a list supplied to me showing the variations in prices of 68 items. Those items included groceries, household utensils, toilet requisites, and the like, taken from one of our big city stores. The comparable dates were the 11th August, 1953, and the 11th August, 1954—a space of exactly one year. In those prices no specials or sales prices were taken into account, and there was no attempt to get prices from what are called self-service stores which, in the main—for reasons I will explain later—can sell certain commodities at a cheaper rate than the orthodox stores.

Of those 68 items, the prices of 36 were unchanged, and those of 24 were up. Of the latter 21 were up less than 6d.; two were up from 6d. to 1s.; and one was up by 1s. 6d. Eight items were down in price; four had dropped by less than 6d.; two from 6d. to 1s.; and one by 1s. 6d. One item was down £7. There are many reasons why sometimes a line may be reduced in price. In any case, that was the effect with that particular line which was reduced by £7. Price changes, either up or down, are not governed by the word of the prices controller. They are governed by economic pressures, and according to the law of supply and demand. The Labour Party appears to be under the curious delusion that the Government possesses some magical powers for planning; and it is also under another delusion—namely, that free enterprise has no plan, and that it is always out to exploit the consumer if it can get the opportunity. If businesses are to be run efficiently, they have to be planned carefully. In competition, which is the only factor that governs prices, a merchant has to be efficient.

The Minister for the North-West: Do not many of them fix their own prices?

Hon. C. H. SIMPSON: There is always competition in prices.

The Minister for the North-West: Where is it in quarter-pound blocks of chocolate, for instance?

Hon. C. H. SIMPSON: I am not exactly sure how chocolate manufacturers operate.

Hon. Sir Charles Latham: The blocks are of different qualities.

Hon. C. H. SIMPSON: There is a certain recognised percentage on various lines in the trade.

The Minister for the North-West: No retailer would dare sell under the price fixed by the combine.

Hon. C. H. SIMPSON: There are different suppliers of quarter-pound blocks of chocolate. I take it that retailers would buy them on the cheapest market. In that case the margin is so fine that no manufacturer can shade the price, because there is no room for it.

I will now give the views of an expert on the general question of prices and the futility of price control. Sir Douglas Copland is an acknowledged economist, who is well respected for his knowledge and the views that he expresses. He says that price control is no help to our economy and gives the following reasons:—

- (1) Price control prevents flexibility of merchandising.
- (2) Price control helps to create black-markets.
- (3) Free trading clears back lags of merchandise, which might block free flow of goods.
- (4) Free trading stabilises the supply and demand for goods.
- (5) It creates stronger, healthier competition, as a result of which the consumer is the price controller.
- (6) It establishes confidence in the business world.

During the war we accepted price control because we were geared to a national effort. The manpower of the country was either directed into the forces or used for wartime needs. We accepted that of necessity. In line with price control, there were four other controls, all of which are recognised as being necessary in a controlled set-up. Those controls were—

1. The direction of labour.
2. The pegging of wages.

Hon. E. M. Davies: They are still pegged.

Hon. C. H. SIMPSON: Continuing—

3. Materials control.
4. Rationing.
5. Price Control.

All planners agree that, to be effective, all those controls must operate, and any one of them is not fully effective without the other. Now—nine years after the war has ended, the soldiers have been demobilised, and the other controls have gone—there is an attempt to ask us to agree to a continued system of price control, not temporarily, but permanently.

The experience of other States in regard to price freedom is worth noting. I would point out that, in the countries where price freedom has been restored, there have been marked beneficial results. This has been so in Canada, Britain, America, Belgium, and West Germany. Taking the 1937 figures as a base, in 1949, 12 years later—most of which period was under control—the upward price movements in Canada and Australia coincided exactly. The base figures of 100 in 1937 had, by 1945, reached 160 in both countries.

Canada decontrolled early in 1950, at which time her figure reached 168. In two years, her upward price movement from then on was only from 168 to 184. However, in the same time, under continued controls, the Australian figure advanced from 160 to 249. In Canada it went up 16 points; and in Australia, 89 points. I will now quote an extract from another authority which members will find interesting. This is what Mr. Coleman, a Sydney businessman, said—

The law on price control is as inexorable as the law of gravity.

According to this Law, if prices are set too low, goods will disappear from the legal market. If prices are set too high they will cause profiteering under the guarantee of the government. If the prices are set to yield a fair profit, a vast government department will have been mobilised to do at high cost and slowly what the market-place does at no cost and quickly.

In brief, any goods which are in a competitive market can suffer nothing but harm from the intervention of the prices commissioner.

I said just now that when prices are set too low, goods disappear from the legal market. That is true, but there are several disagreeable consequences before their reappearance at higher prices in the free or black market. Under controls the black market is the only place where the law of demand and supply continues to operate.

An early bad effect of low prices is on quality. Supposing you are a maker of bread. You are given a price too low to enable you to make a normal living from your business and to have something left over with which to develop it. So you start buying a lower grade of flour and

yeast. They are very low grade, of course, because the makers have also met the problem of price control and have reduced their quality after their price was set.

Then you look into your other costs. You sift the flour once instead of three times. You knead it half an hour instead of 45 minutes. You fire three of your four inspectors. And so you make your bread which may be the right weight but which is still not fit to eat. Housewives' leagues clamour for better bread. They start making their own. They blame everybody except those sacrosanct persons, the guilty men of price controls.

If price control could find employment for twenty thousand inspectors of quality (with a special school to train them) it might be possible to check every batch of bread in a public laboratory. By the time that was instituted there would be no bread to test, because all of the bakers would be bankrupts and would be out of the business. They would be working as technical advisers in the laboratories on the public payroll. But there wouldn't be any bread.

Hon. F. R. H. Lavery: What is that you are reading from?

Hon. C. H. SIMPSON: It is a pamphlet called "Guilty Men of Price Control," by Lloyd Ring Coleman.

Hon. H. Hearn: It was an address to Rotary.

Hon. C. H. SIMPSON: That is so.

Hon. F. R. H. Lavery: He is an American, is he not?

Hon. H. Hearn: He is a Sydney businessman.

Hon. H. K. Watson: He talks a lot of commonsense.

Hon. C. H. SIMPSON: One of Sir Douglas Copland's axioms was that price control prevents flexibility of merchandising. Of necessity, price control authorities must have a standard to work to. As an example we will take some household commodities. The formula sets out that, in the manufacturing process, the components to be taken into account are labour, materials, overheads, and profit. In the merchandising, service could be included as well, which would cover packaging and counter service, possibly the keeping of charge accounts, and maybe despatch to country consumers, and the like.

The formula sets out that the fixed price of goods shall apply to shops, whether they are the orthodox type which perform all these services; or the self-service shops, in which the customer selects the article, and possibly takes delivery without its having to be wrapped. The

orthodox store gives a very good and valued service, particularly to the busy housewife who sometimes cannot afford the time to go to a store. In such a case all she has to do is to ring up on a telephone—she may possibly be working on a charge account—and she gets the goods she requires delivered to her.

Naturally, that service costs something, and it pays her to pay the extra price. Others, who are able to do so, will go to the self-service store and obtain goods, often at a cheaper price. Actually, the difference between the two is about 9 or 10 per cent. The self-service stores have far less overhead; they have a quicker turnover; they need to employ less capital; and there is less waste because of the faster turnover.

Merchandising in this State, as in any other, is a highly competitive business, and one calling for a high degree of skill. It will be found that in all these establishments there are what are called service lines, which are sometimes passed over at cost, and sometimes below cost. At least, they are below cost if there is wastage of any kind. Then there are the utility lines, which make up the main bulk of the goods, and which carry normal profit margins; and the luxury lines, on which there is a bigger profit. They make up for the fine-margin lines. If we take manufacturing into account, we have the four components of which I spoke; and again, the price control formula does not take into account the differences between the quality lines and what might be termed the bulk lines.

There is no incentive to the manufacturer to install, for instance, expensive machinery; but under price freedom, that is exactly what he does do. I will give a case which has been worked out, and which provides an example of how this pans out. A utility article sells at £13 15s. per unit. A unit may be a gross, a dozen, or a single article. Let us suppose that the labour content is £5; the overhead 100 per cent—which I understand is a normal figure, and which in this case would be £5; raw materials, £2 10s.; with 10 per cent. gross profit, amounting to £1 15s.; making the total cost £13 15s.

Suppose that, in the interests of better selling and the production of a cheaper article, the manufacturer decides to put in a machine to do work on which manual labour is being employed. Some machines of that kind are very complicated, but require very little supervision. By using such a machine, the manufacturer might produce an article, the labour content of which would be only £1. His overheads would be £4; the materials would remain at £2 10s.; and an extra profit, allowable because of the manufacturer's initiative and the need to put something

by to build up a capital reserve to pay for the machine, might be £1 10s. That makes a total of £9, as against £13 15s. That is roughly the way that these things can work out under price freedom and which they have not an opportunity of doing under price control.

I talked about profit. There seems to be a misconception as to the functions of profit in business. Some people think that if a man makes too much profit he is getting too much for himself and is not giving the customer the cheaper article he feels he has a right to demand. I want to read an extract from an article entitled "The Truth About Profits," because it puts rather a different complexion on the matter. The article is as follows:—

1. Are Profits Immoral?

The profit motive is present in everyone. All men strive to increase the rewards for their work—the unskilled labourer as much as the shopkeeper or the top business executive. There is nothing immoral in this. On the contrary, the desire of individual men and women to better their material position is entirely praiseworthy and is the mainspring of all progress.

2. How Large Are Company Profits?

They are far smaller than most people imagine. Profits in Australia are much lower than in any other English-speaking country. Here are the latest available figures:—

	Profits on Shareholders' Funds	
	Before Tax	After Tax
U.S.A.	28	12
Canada	24	14
United Kingdom	22	8
Australia	15	8

Aggregate profits are, of course, meaningless. A total profit of £1,000,000 earned by a company with a capital of £10 million is no greater proportionally than a profit of £10,000 made by a business with a capital of £100,000.

3. Who Benefits From Company Profits?

In 1951-2 the Commonwealth Government took the lion's share of company profits—£150 million in company tax. Shareholders got £85 million.

4. What Is Their Influence On Prices?

Very small! In 1951 the average rate of company dividends on shareholders' funds was 6 per cent. If this rate were reduced to the Commonwealth Bond rate of 4½ per cent., the prices of goods would fall by less than 2d. in every £ of goods sold.

5. What Useful Function Do They Perform?

(a) They provide an incentive to companies to raise efficiency, reduce costs and supply more and better goods for the public. These profits are used to improve and expand productive equipment, to promote research, and to safeguard the financial future of its employees. All this is the basis of industrial progress and better living standards. Every year the American worker is being provided with two to three times as much new equipment to aid him in his task as the Australian worker.

6. Where Does The Public Interest Lie?

All history shows that living standards rise, and only rise, as the productive equipment of the community is expanded. Company profits are the main means by which this can be accomplished.

Australia is a magnificent country with prospects that are unrivalled. But, if they are to be realised there will have to be a very different attitude by the public and governments towards company profits. We believe that this new attitude will arise when the public know the truth about profits and it is as a contribution to that end that this statement has been made.

How can there be a conflict between profits and living standards when in North America, which has the highest real wages in the world, company profit rates are far greater than in any other country?

It may be of interest to members to realise that the American labour attitude towards profits is quite different from that in this country. There, the unions keep a very watchful eye on companies; and, if their profits are not high enough, the union officials will see the executives to ascertain what the trouble is; because they realise that the higher the rate of profit, the more efficiently a company is conducting its operations, and the greater guarantee there is of the future of its employees. It is because of that angle that they are seriously concerned that profits shall be adequate to meet the demands of expansion; to provide a reasonable profit to the companies themselves; and, above all, to ensure that the future of employees will be safeguarded. As a matter of fact, there have been instances where the wealthier unions have offered loans to companies to tide them over a lean period so that there might be continuity of employment for the wage-earners dependent on the company.

Reference was made by the Chief Secretary to price rises. I have already pointed out that meat and rent provide the two noteworthy cases in which there have been

increases in the "C" series index. Apart from those items, the Bill covers a tremendous number in the various groups—groceries and foodstuffs; liquors and tobaccos; hides, leather and rubber; footwear; and miscellaneous; and it aims at controlling electrical and plumbing services. Meat and rents are the only components that really matter, because the prices of other goods and services have been stabilised.

I have already pointed out that meat controls are never effective. It is a question of supply; and we find also that the average man, who is more prosperous today than he was before, is a bit more fussy about the quality of the meat he buys. Incidentally, it might be interesting to know that Australia, as a meat-producing country, consumes by far the major portion of the meat produced. It consumes 80 per cent. of the output and exports 20 per cent. In New Zealand, the figures are exactly reversed. Prior to World War II, Australia had the cheapest meat in the world, barring Argentina. The question of prices has been influenced by the higher export price for meat, wool, hides and items of that kind; and the short yardings so far as the metropolitan area is concerned, and seasonal conditions, have also brought about variations in price. The storing of frozen meat is a means of correcting variations to an extent; but in Australia there is a resistance to the use of frozen meat, although in many other countries it is welcomed.

I have here yarding figures for a period of 21 weeks from the 6th March, 1954, to the 24th July of this year. The figures are taken from Elder's "Review," and show the yarding of sheep and cattle at Midland Junction and Robb's Jetty. The sheep yarded totaled 330,447, which works out at a weekly average of 15,702. The normal requirements of the metropolitan area are 16,000; so on an average there is only a relatively small shortage of 300.

With regard to cattle, the position is a little different. The number yarded was 20,575, or a weekly average of 1,095. The normal requirements of the metropolitan area are 1,500; so there was a weekly shortage of 400, or over 25 per cent. of the normal requirements. It will be understood that if mutton is short and beef is plentiful, the two tend to cancel each other out; because the housewife is prepared to take beef if she cannot get mutton and vice versa. The figure I have given does not represent the sheep and cattle available to the metropolitan area, because quite an appreciable percentage was bought up by farmers for restocking purposes and by country butchers for their trade.

I have here a comparison of meat prices, which I think might be interesting. The figures show the average prices for the

quarter ended the 31st December, 1953. That period was selected because it was a fair average period; and the figures cover prices in Sydney, Melbourne, and Perth. The list is as follows:—

COMPARATIVE RETAIL MEAT PRICES.
(Sydney, Melbourne, Perth.)

Quarter ended 31st December, 1953.

Source—Quarterly Summary of Australian Statistics, December, 1953, pages 104–109.

Article.	Unit.	Sydney.	Melbourne.	Perth.
		s. d.	s. d.	s. d.
Beef, sirloin	lb.	3 3-4	3 2-2	2 11-7
Beef, rib	"	2 1-6	2 0	2 4-1
Beef, rump	"	4 5-1	4 1-3	3 11-7
Mutton, leg	"	1 9-2	1 11-3	2 0-4
Mutton, forequarter	"	1 1-7	1 2-6	1 3-1
Mutton, loin	"	1 11	1 9-9	1 11-8
Mutton, loin chops	"	1 11	1 10-9	1 11-8
Pork, leg	"	4 0	4 10-5	4 10-4
Pork, loin	"	4 9-6	4 11-3	4 10-4
Pork, chops	"	4 9-6	4 11-7	4 10-4

Hon. C. W. D. Barker: Are those the prices ruling now?

Hon. C. H. SIMPSON: Those were the average retail prices in shops in Sydney, Melbourne, and Perth for the quarter ended the 31st December last year. That is a period of the year when generally speaking, supplies are fairly plentiful; and for the purposes of comparison, we can say the figures give a fair indication of the difference in prices between the three States.

Hon. R. F. Hutchison: I do not know where you get the figure of 1s. 11d. for mutton in Perth. I cannot buy any at that price.

Hon. C. H. SIMPSON: These figures have been given to me as being the official average for the quarter ended last December.

Hon. H. Hearn: In the plentiful season.

Hon. C. H. SIMPSON: Members can see that the prices closely approximate one another right through.

Hon. C. W. D. Barker: They are not correct prices.

Hon. C. H. SIMPSON: They are the official prices supplied by the appropriate trade organisations, which have nothing to gain or lose by giving inaccurate figures. The figures have been averaged over the period.

Hon. R. F. Hutchison: Why are they so different from the shop prices?

Hon. C. H. SIMPSON: These are the average retail prices. We have heard of the high prices that have been paid for

different commodities in Perth. I quote the following prices for Western Australia:—

	per lb.
	s. d.
Fillet steak	5 0
Mutton leg	2 7
Fore quarter	1 8
Chump chops	2 6
Beef, rolled ribb	3 3
Beef, sirloin	3 3
Beef, fillet	6 1

Members may have heard a broadcast over the air on Saturday as follows:—

Prices for mutton and beef in New South Wales will be increased from Monday, September the 13th. Fillet steak will cost 6s. 9d., and rump steak 6s. a pound. Lamb and pork prices are not controlled.

Later—

In Brisbane on Monday, the President of the Graziers' Federal Council, Mr. Gunn, forecast that Australian cattlemen would get 20 per cent. more for top-grade export beef when Britain reverted to trader-to-trader dealings on the 1st October. He said the new system would make meat for home consumption dearer, too. Mr. Gunn told a meeting of the United Graziers' Association that in terms of cash, the 20 per cent. increase would mean about an extra 25s. per one hundred pounds weight on top quality beef.

Hon. C. W. D. Barker: What is the export price of beef per 100 lb.?

Hon. C. H. SIMPSON: I have not got the figure with me.

Hon. F. R. H. Lavery: What Mr. Gunn did not say was that the producer receives a certain figure, but that there is a big difference between it and what the consumer pays.

Hon. C. H. SIMPSON: As Mr. Henning pointed out the other night, the producer—and even the wholesaler—is not making the huge profits that some people think. Their prices are recognised as being reasonable, and probably—as far as the producer is concerned—on the lean side.

Hon. F. R. H. Lavery: They are lean for some of the producers, but not for the wholesaler.

Hon. C. H. SIMPSON: I believe that is the case in regard to these items, too. I have given some interesting details in regard to meat; but they do not alter the fact that control of meat has not been effective; and there is no earthly reason why the Bill should be passed if its object is to control meat, rents, and other things, because it will have no effect on meat or rents.

Rents are not included in the Second Schedule. They are controlled by the rents and tenancies legislation, but they represented quite a large amount of the Chief Secretary's speech, and rent increases were advanced as being a reason for the recontrol of prices. I remind members that in a normal period of freedom from 1923 to 1927, the rent component in the cost of living index figure was 21 per cent., or roughly one-fifth of the total. But under controls, which have exercised an artificial influence, really, the rent figure has been kept down to 11 per cent., or about one-tenth of the total.

I tried to point out the dangers that might flow if the system of controls were to continue in operation to the point where we could finally reach the position that obtains in France, where people are frantically trying to give away houses because they are too costly to repair. There the occupant of a house could sell the right to live in it for the equivalent of 40 or 50 years' rent. Rents, however, whether they have a big influence or not on prices, are paid by only a relatively small proportion of the total wage-earners. The man who boards does not pay rent, and neither does the house-owner. The person who is in a Commonwealth-State rental home pays a rent that is no different now from what it was previously.

Hon. H. Hearn: Yes, he does. They are putting it up now.

Hon. C. H. SIMPSON: Any adjustments like that are in accordance with the cost of the house itself; and it is the cost or value of the house, and the cost of replacement, if it is an old house, which should determine the return in terms of rent. Rents are controlled by the rents and tenancies legislation. The court is fully alive to the incidence of rent and its impact on the individual wage-earner; and it can be trusted to have due regard for the rent item. It is not necessary to pass this Bill, because it will have no effect on the position.

The plumbing and electricity services, in particular, are subject to control under the Bill. All members will agree that, basically, the law of supply and demand is operating in regard to these two items. If high payments are made for the services of plumbers and electricians, because they work overtime or at the week-end, they are made because we have not sufficient tradesmen to do the work that is offering.

This comes back to the position that the unions control the intake of apprentices in particular industries. That was the case with the Locomotive Enginedrivers' Union in the railways. That union, perhaps wisely, protested against the ungoverned intake of apprentices into the industry because, conceivably, there might not be work for them all. But that policy does not cater for a period of expansion such as we are

experiencing at present. Take the question of the electricians. According to a report which was given at a meeting of the Electrical Contractors' Association, there are 1,852 licensed electricians in the State, and working in the industry. They are made up as follows:—

Employed by Government services, S.E.C., railways, Kwinana, mines and country power stations	727
Electrical contractors	494
Licensed electrical workers	631

It is interesting to note that in the first group, Kwinana accounted for 166 electrical workers; the S.E.C. for 142; the W.A.G.R. for 92; the mines for 97; the P.W.D. for 58; and the country power stations for 41. Those are the main employers of electricians. It seems odd that more electricians should be employed at Kwinana than by the S.E.C. or the Public Works Department. But at Kwinana a tremendous amount of new work in the way of installations is being carried out; whereas the installations in connection with the two organisations that I have mentioned were done over the years, so that their work now is largely for maintenance purposes. But we can imagine that when the rush at Kwinana is over, the position will rectify itself because these men will all be available to cope with the former volume of trade.

I have here a letter from Mr. Riley, the president of the Electrical Contractors' Association, and it might be of interest to members. The letter appeared in the Press, but I dare say most members have not read it. It is dated the 2nd August, and addressed to the editor of "The West Australian"—

The case for price control must be weak indeed when the Minister can do no better than trot out a report that an electrical contractor charged for a third year apprentice at full rates. The impact of the electrician on the public's purse could be more truly stated as follows.

For a new £3,000 house the electrical contractor's bill would be about £45, by far the smallest charge against the job: less than 2 per cent. of the total cost. Approximately half this amount is for material so the electrician's labour would be 1 per cent. of the price of the home.

Once in his home a householder would not spend £1 in five years with his electrician and it would be twenty-five years before his premises would need re-wiring.

There is no restriction on the issuing of electrical contractors' licences. This business is open to any citizen who only has to satisfy the

Board that he himself is a licensed electrical worker or that he employs one.

Competition was never keener than now in electrical contracting, receipt of fifteen to twenty tenders being the order of the day for any advertised job.

If the Government really believes that the electrical contractor is a scoundrel in the business community the foregoing will help your readers to estimate the "benefit" they may expect from this prices measure.

These repeated slanders of electrical contractors are not funny and are deeply resented by this hard working and useful section of the community.

The answer is that any man requiring electrical work to be done can always get competitive quotes, and the fact that he can get those quotes should satisfy him that he is obtaining value when he finally accepts a quote which, I presume, would be the cheapest. Many people who have electrical work done only at rare intervals are inclined to forget that for the past few years there has been a considerable rise in the cost of the materials that the electrician uses.

The same thing might be said in regard to plumbers. Their supplies are costing more, and the charge that is made against the plumbers of earning more money than they should can probably be accounted for by the fact that their services are much in demand, and they are working week-end time, or something like that. This is the scale of remuneration applying to plumbers and plumbers' labourers. It was laid down by the Prices Commissioner in April last year, and these people are still working to his figures. The following are the rates per hour:—

	Ordinary rate	Overtime and award rate —time and a half	Where award specifies double time
	s. d.	s. d.	s. d.
Plumber	14 5	21 8	25 3
Labourer	12 8	19 0	22 2

Normal travelling time to and from jobs is charged for at the same rates. I would point out that these rates as laid down by the Prices Commissioner were apparently considered equitable; and if they are thought to be high, I would remind members that the Prices Commissioner agreed to them.

Hon. H. K. Watson: Those figures are per hour and not per day?

Hon. C. H. SIMPSON: Yes. In any case, price control makes no difference; if it did, why was it not applied to bricklayers and carpenters, who were doing week-end work at very high rates when buildings were scarcer than they are now?

Hon. F. R. H. Lavery: You are always having a sneer at the week-end worker. Do not forget that he has already done a week's work when he takes on those jobs.

Hon. Sir Charles Latham: Do you think he is justified?

Hon. C. H. SIMPSON: I do not say whether that is right or wrong, but price control makes no difference.

Hon. H. K. Watson: You are only stating facts.

Hon. F. R. H. Lavery: He is not.

Hon. C. H. SIMPSON: If price control will solve the difficulty, why does not the Government tackle the bricklayer who, for years, has had a darg of 300 bricks a day, when the same man years ago laid 800 bricks a day. I had a talk with a returned soldier who was just back from World War II. He was doing a job in Perth, and I said to him, "What do you think is a good day's work for a bricklayer?" He said, "On straight-out work, he should lay 1,500 bricks a day—that is, on walls and straight-ahead work; and on corners, chimneys, and so on, he should lay 1,000 bricks a day."

The Minister for the North-West: Where had he been?

Hon. C. H. SIMPSON: I cannot remember the job he was doing, but he was a returned soldier. He and his mate had come back from the war, and were doing contract work. They liked to have their week-ends off, and they enjoyed their beer. I asked his opinion, and he gave me what he considered to be a fair estimate of a day's work. How much cheaper would houses be if bricklayers would give a day's work comparable with what was recognised as a fair thing 20 years ago!

In conclusion, I would like to read details of a Gallup poll on the question of price control, a report of which appeared in the Melbourne "Herald" on the 7th August this year. It is headed, "Price Control Not Wanted," and reads—

Most people say prices won't rise if all price controls are ended, the Gallup Poll finds.

The Gallup Poll asked a cross-section of 1,700 electors:

"If all price control ended, do you think prices of things in general would be higher, lower, or about the same as now?"

Against 36 per cent. who said uncontrolled prices would rise, 51 per cent. said they would not.

Would rise, said 36 p.c.

No change, said 34 p.c.

Would fall, said 17 p.c.

No idea, 13 p.c.

Liberal-C.P. voters were two to one of the opinion that uncontrolled prices would stabilise, or perhaps go

lower. Labour voters were more evenly divided, but still inclined to agree with that belief.

Usual reasons for expecting stable or lower prices without controls were:

"Competition would eventually reduce prices" (Accountant, Northern Tasmania) and

"All kinds of goods seem to be plentiful" (Naval Officer, Brisbane).

On the other hand it was contended:

"As wages are buoyant prices would rise" (Secretary, Brighton, South Australia), and

"Services always rise when controls are lifted" (Teachers' wife, Melbourne).

Those are the considered opinions of 1,700 people—a cross-section of people who voted on this question—and I agree that in this case the majority opinion is correct.

Hon. H. K. Watson: Does the Gallup Poll say what the people thought of the recent extraordinary increase in water rates?

Hon. C. H. SIMPSON: This was taken from a Melbourne paper.

Hon. H. Hearn: They have not been increased in Melbourne.

Hon. C. H. SIMPSON: This was published in the "Daily News" as well, but I was not able to find it in that paper.

The Minister for the North-West: Their rates are much higher than ours.

Hon. C. H. SIMPSON: In any case I am satisfied that this Bill will not do the job it sets out to do; in fact, in my opinion, it would have the effect of increasing prices instead of lowering them. I oppose the second reading.

HON. N. E. BAXTER (Central) [5.51]: I consider that Mr. Simpson has put up a particularly good case as to why this Bill should not be passed.

Hon. H. K. Watson: Hear, hear!

Hon. N. E. BAXTER: He put up a case that cannot be refuted. When the Chief Secretary introduced the Bill, he said that the trades people of Western Australia had exploited the public. He made this bald statement without giving us any details, and I refute his remarks from my place in this Chamber. The trades people of this State, since price fixing was lifted, have not exploited the public of Western Australia.

The Chief Secretary: Is that the statement I made?

Hon. N. E. BAXTER: The Chief Secretary referred to meat and the details he gave us concerned a period when there was

no price control of meat in Western Australia. As a comparison, he said that meat prices have risen from 6d. to 1s. a lb. since 1952. I will examine that statement to show what the Minister was getting at.

Hon. H. Hearn: Did he know?

Hon. N. E. BAXTER: I do not know why the Chief Secretary took 1952 as a base year, but apparently he had an ulterior motive for using it. I have gone to the trouble to look up the wholesale prices of beef, mutton, and lamb for June of each year since 1951. On the 14th June, 1951, carcass mutton sold at a record price of up to 2s. a lb. The prices, at that date, were—

Mutton, best, 21d. to 24d.

Lamb, 24d. to 27d.

Beef, 15½d. cow to 17½d. lightweight steer.

On the 12th June, 1952, the prices were—

Mutton, best, 9d. to 1s. a lb. lightweight.

Lamb, 26d. to 30d.

Beef, 20½d. to 23d. approximately, lightweight steer.

That illustrates the profits made by the wholesalers and retailers. Those profits are no different today from what they were in 1952. The price of best mutton—9d. to 1s. a lb.—was entirely different to what it was in 1951—21d. to 24d. In 1953—this was the last year under price control—the prices were—

Mutton, best heavyweight, 12d. to 14d.

Mutton, best lightweight, 16d. to 19d.

Hon. H. L. Roche: This is on the hoof?

Hon. N. E. BAXTER: Yes. Other prices were—

Lamb, heavyweight, 26d. to 29d.

Lamb, lightweight, 32d. to 35d.

Beef, choice, 23d. Cow beef, 19d.

This year prices varied very little, and were as follows:—

Mutton, best heavyweight, 12d. to 14d.

Mutton, lightweight, 16d. to 18d.

That was well above the figure for 1952, which was the base year used by the Minister.

Beef, choice, 27½d.

That was 4½d. above the base in 1952.

Steer, 25d.

A figure of 2d. above the base.

Cow, medium, 17d.

Lamb, 24d. to 34d.

In my opinion the Minister was trying to mislead the House by using the 1952 year as a base to illustrate the increase in prices.

Hon. E. M. Davies: You tried to mislead the House when discussing the Arbitration Bill.

Hon. N. E. BAXTER: Mention has been made of the big profits of business people. All these remarks have concerned business

companies that have large amounts of capital but not one of the companies mentioned has had anything to do with the handling of foodstuffs. Can any member tell me the name of a person handling foodstuffs who has made an abnormal profit? I have not seen any report of it in the Press.

Hon. F. R. H. Lavery: It depends on what you call "abnormal profits."

The Minister for the North-West: What about the butchers?

Hon. N. E. BAXTER: Most of the remarks have been purely conjecture. We will see how much this Government did last year about the rises in the cost of living and price control. The Government was satisfied to do things even when we had price controls last year. I refer to the huge increases in railway freights which the Government imposed.

The Minister for the North-West: And which the previous Government was not game to impose.

Hon. N. E. BAXTER: These increases had a distinct bearing on the cost of living, and particularly on the price of meat, which is mentioned as one of the reasons for the introduction of this measure. The increases in rail freights announced last year were—

20 per cent. for oil and agricultural machinery, first and second class traffic and parcel rates.

Oil and agricultural machinery are used in the production of meat.

25 per cent. on livestock.

30 per cent. on wool, imported timber, B and C class traffic.

That class contains items which affect the cost of meat production.

35 per cent. on coal, and hay, straw and chaff, wheat, firewood and timber, (local); potatoes, other fruit and garden produce, fertilisers, water, miscellaneous grain and A class traffic.

30 per cent. all other goods.

Those were the increases imposed by the Government on the meat producers of Western Australia. The Government did not look round for any alternative. It did not introduce a Bill to appoint a price-controlling commission in order to see that the costs of our railways were kept down.

Hon. A. R. Jones: The Government put on more men.

Hon. N. E. BAXTER: Yes; it increased expenditure in that direction. If this Government had appointed a commission to control the excessive costs of our public works and other Government expenditure, it would have been doing something for the public of Western Australia.

I will illustrate one factor only. I asked a question some weeks ago regarding the erection of fences around metal dumps in

the country districts. I was told that, using secondhand posts and wire, it cost £20 to erect a fence around a metal dump. Four men were employed on the job, and they worked two days to complete the fence. One man could have done the same job in one day at a cost of £4 for wages. That was the only item of expenditure on the job. That is the sort of thing the Government does, and yet it refers to the huge profits that it says the business people and the farmers of this State are making.

During his introductory speech, the Minister also said that the Government wanted only a minimum of controls. If that is so, why include such items as tobacco and cigarettes, the prices of which are controlled by the manufacturer and the retailer? I defy any member to tell me that he cannot buy his cigarettes at the same price today as he could under price control. There has been no difference at all.

Another item to which I wish to refer is beer. The action taken in regard to that commodity, under price control was one of the most scandalous taken by this State. From October, 1951, to October, 1953, there were seven rises in the basic wage; there was one excise rise on beer; and there was also a wholesale rise. What did the retailers get out of it?

The Minister for the North-West: Smaller glasses.

Hon. N. E. BAXTER: For the information of the Minister, they did not get smaller glasses, but two freight rises. Glasses in hotels throughout the country were the same in 1951 as they are today.

Hon. E. M. Davies: A pretty good collar.

Hon. N. E. BAXTER: That is rather an amusing statement from one who does not imbibe. If Mr. Davies can serve a collar on beer to the public today, he is a better man than I am. He ought to try it out some time; he would very soon find that he would get a pretty severe kick. There is not the slightest necessity to control any of the items I have mentioned, particularly as the profit on beer today is 35 per cent. lower than it was five years ago. The percentage on cigarettes is the same as it was five or 10 years ago. Accordingly there are not huge profits to be made, which means there is no justification for price control.

I would like now to mention an item referred to by Mr. Simpson—namely, rent control. The Minister said that rent control was one of the big features which necessitated this Bill. It is not concerned with the Bill at all. The measure does not affect rent control, and the Minister knows it. What use is there in putting that sort of stuff in a Bill like this?

The Chief Secretary: To give you something to argue about.

Hon. N. E. BAXTER: Under price fixing, the Government also controlled the prices charged by plumbers and electricians; and the prices charged by a few other master tradesmen were also controlled. At no time, however, was there any attempt by the Government to control the tradesmen who were demanding extortionate wages because their particular type of labour was short. No such attempt was made to keep prices down. This is purely a hit at the business people, and the farmers of Western Australia; it is an attempt to make them subsidise the public. Over the last few years, most of the rise in prices has been brought about by the worker himself. Had he pulled his weight in industry generally, prices would have been kept at a pretty good level.

Hon. F. R. H. Lavery: Is there not one good worker in this State?

Hon. N. E. BAXTER: The Arbitration Act Amendment Bill, which has some relation to the present measure, was thrown right out of the window; that was the best place for it. On an average, the family man today is getting about 25s. a week over and above his basic wage and his margin with which to live on; and that is not taken into account by the Arbitration Court in the "C" series index. I refer, of course, to the child endowment given under social services.

Hon. R. F. Hutchison: Do you see anything wrong with that?

Hon. R. J. Boylen: You would knock it back.

Hon. N. E. BAXTER: I see nothing wrong with it. But who is paying that amount? Is it the working man? No; it is the businessman, and the farmer of Western Australia, who are paying that amount.

Hon. E. M. Davies: It is handed on.

Hon. N. E. BAXTER: Who hands it on?

Hon. E. M. Davies: Whom do you think?

Hon. N. E. BAXTER: That is an additional margin on top of his basic wage, and the margin the worker might receive for skill. That alone shows how weak a case the Government has in putting up an argument for price fixing, particularly when wages and amenities provided under the social service scheme put the worker well on top of the rise in prices. I do not intend to support the Bill, but to oppose it, as I did last year.

Hon. E. M. Davies: I did not think you would support it.

The PRESIDENT: The question is that the Bill be now read a second time.

Hon. L. A. LOGAN: Mr. President—

The PRESIDENT: In future, if members do not rise quickly, I will put the question.

HON. L. A. LOGAN (Midland) [6.51]: It is beyond my comprehension why the Government should attempt to reintroduce price control, especially after the experience, not only in Western Australia and in Australia, but in countries right throughout the world. I should have thought that experience would have been sufficient proof to the Government that there was no necessity for such a measure. Countries like the U.S.A., Canada, Belgium, and West Germany have all given price control the go-by. Conditions which applied and which were necessary when price control was originally brought into being, no longer exist. During the war it was necessary to ensure an equal distribution of goods that were scarce, particularly for essential war needs; and there may have been some necessity for price control then.

But those necessities no longer exist. We even found a man of the standing of Sir Douglas Copland, who was at one time Prices Commissioner for the Commonwealth Government, saying that price control was no longer a necessity. If members care to look at some of the statements made by the leading men of the world they will find that those men say there is no necessity for price control. I would like to read one which deals with West Germany.

Hon. F. R. H. Lavery: That is a long way from South Fremantle.

Hon. L. A. LOGAN: It may be; but it serves as an example of what is happening throughout the world; and the opinions of the world's leaders might have some effect on the hon. member.

The Minister for the North-West: Do you think they would know where Western Australia is?

Hon. L. A. LOGAN: They have probably learnt a little about geography, and would no doubt be aware of the State's existence. I think we would be far better off if we took notice of what is happening throughout the world, instead of confining our activities wholly to our own immediate sphere. The extract to which I have just referred reads as follows:—

West Germany abolished controls, permits, rationing and restrictions in 1949, since which date the economic recovery in West Germany has been amazing. A perusal of the West German trade figures gives startling proof of this. The following excerpts from a statement by the Minister of Economics for Western Germany, Dr. Ludwig Erhard, sets out the position very well.

This is what he states—

In Germany, we have finished with a planned economy—thank goodness.

I wish we could say the same for Western Australia.

The Minister for the North-West: But they have martial law over there.

Hon. H. Hearn: You mean Marshall aid!

Hon. L. A. LOGAN: His statement continues—

Planners used to say to me—"Can we ensure that everybody gets a new pair of shoes every six years? Can we produce 30,000 cars a year?"

We are now producing 40,000 cars a month. My recipe? I scrapped controls, permits, rationing and restrictions. Then things began to recover.

When you fall into a system of quotas and the rationing of effort and then a price controller comes along to tell you how to hold down prices artificially you cannot wonder at foreign countries looking twice at your currency.

This is what Mr. Cain, the Premier of Victoria, had to say about what he saw after a trip through West Germany—

There is no doubt the Germans are recovering faster than any other nation of the world involved in the war. I was in Germany five years ago, and I was able to make comparisons between then and now.

There is a footnote which states—

In 1948, during Mr. Cain's first visit, West Germany was living under a comparatively "Totally Planned Economy."

In 1953, during Mr. Cain's present visit, the result of the removing of controls, permits, rationing and restrictions four years previously has become apparent.

Hon. A. R. Jones: Did he say why?

Hon. L. A. LOGAN: Because of the lifting of controls, which included price control. The Minister of Finance in Canada summed the position up clearly when he said—

Price control regulations are irksome, create social waste and are a danger to free institutions and human initiative. Not only are controls a restriction of individual freedom, but also a constant threat to productive efficiency.

When referring to price fixing he said—

Price fixing does nothing to correct the fundamental imbalance between demand and supply. Price control requires wage and profit control. Subsidies are required for some imported goods, also for domestic goods where supply freezes up. Such goods become artificially cheap and rationing may be necessary.

In England we find "The Economist" had this to say—

The administration of price control on manufactured consumer goods tends in its nature to fix maximum prices at a level that gives the marginal manufacturer a sufficient margin of profit to stay in business and its 13 years of operation on this principle had profound effects on the competitive vigour of the British economy.

Those are all statements by leading men of the world.

Hon. E. M. Heenan: Could you quote a couple of housewives in Western Australia?

Hon. L. A. LOGAN: I will come to the housewives before very long. I do not know why we should be divorced from the housewives. All of us are married men; and I presume we all supply our wives with enough money to keep our house going, and that all of us take a sufficient interest in it. We should do, and accordingly should know what the household costs are. As I have said, I do not know why we should be divorced from the housewives.

Hon. F. R. H. Lavery: We wish we were!

Hon. A. R. Jones: You speak for yourself.

Hon. L. A. LOGAN: I know some members have to do the household shopping.

Hon. H. Hearn: Not some of the wealthy members of this House.

The Chief Secretary: No; they would not do that.

Hon. L. A. LOGAN: Price control should not be a political question; but by the introduction of this measure, that is what we are making it.

The Chief Secretary: What you are making it.

Hon. L. A. LOGAN: It should be viewed on an economic basis, and should have a long-term outlook as it relates to the economy of the State.

During the Address-in-reply, I mentioned some of the prices of groceries in this State, and I was twitted by one or two members about those prices. At that stage I did not wish to go into detail, because I did not think it either the time or the place to do so. For the benefit of members, however, I propose to give some facts and figures.

Sitting suspended from 6.15 to 7.30 p.m.

Hon. L. A. LOGAN: Before tea, I said I intended to give the House some figures by way of comparing the prices of some lines of grocery while price control was in operation, with those prevailing five months afterwards, when price control was abolished. I mentioned those facts during the

Address-in-reply debate. I was twitted by one or two members, and I intend to give them the facts and figures now.

I obtained the prices of 21 items of grocery from a Queen's Park grocery store which delivers goods all over the place. The items include kimona tea, sugar, potatoes, self-raising flour, milk arrowroot biscuits, salt, weetbix, vegemite, plain flour, washing blue, zoak, sunshine milk, pine-o-clean, vinegar, trusol, rice, icing sugar, kerosene, Bex tablets and relax soap. I have named these items so as to indicate that I am not making a selection from the grocery list. They are household items used every day, and they are comprehensive ones.

Of those items, the price of three has increased since price control was dropped. Potatoes, which are always fluctuating in price, were sold at 2s. 6d. in December, 1953; and at 2s. 8d. in June, 1954. Salt, per lb., was sold at 2½d. in December, 1953; and 3d. in June, 1954. A packet of weetbix rose from 1s. 2d. to 1s. 3d. in the same period. The price of three items out of the 21 I named was reduced; vegemite from 1s. 11d. to 1s. 9d.; icing sugar 1s. 1d. to 1s.; relax soap per bar from 2s. 8d. to 2s. 6½d.

Hon. C. W. D. Barker: Did you include coffee, tea, and margarine in the items?

Hon. L. A. LOGAN: The price of tea remained exactly the same at this store. If the hon. member had cared to travel about a couple of hundred yards he could have bought it during the time I mentioned for 5d. per lb. cheaper. That is not possible in the Eastern States where price control operates.

The Minister for the North-West: Tea cannot be bought at 5d. per lb. cheaper now.

Hon. L. A. LOGAN: That is possible. In a Victoria Park store the price is marked in the shop window. Butter can also be bought cheaper at the same store. The usual price is 4s. 2d. per lb.; but there it is 3s. 9d. Under price control such a thing would not have been possible.

Hon. H. Hearn: Free competition brings this about.

The Minister for the North-West: That is only the case in one store.

Hon. Sir Charles Latham: The same thing applies along Canning Highway and in Victoria Park.

Hon. L. A. LOGAN: Relating to the prices charged in the city for groceries, I took 10 items from Freecorns. They include kraft cheese, kipper snacks, large sardines, 1/16th sardines, Glen Ellen nectarines, 30oz. quinces, allbran, Gartside green peas, 8oz. Raleigh baked beans and melon and lemon jam. Since price control was dropped, none of those items has increased in price; in fact the price of eight was reduced.

Hon. C. W. D. Barker: You are selecting the stores that go in for cut prices.

Hon. L. A. LOGAN: I am not selecting the stores.

Hon. C. W. D. Barker: Freecorns is a selected store.

Hon. L. A. LOGAN: If Freecorns can reduce the price of groceries now, but not during price control, is it not better for the housewife?

The Minister for the North-West: The Government thinks that the other stores can also do the same thing.

Hon. L. A. LOGAN: Competition will make them do it; but under price control there is a standard price. Free competition will induce other traders to bring the prices down.

The Chief Secretary: There was no difference during price control and after so far as these stores were concerned.

Hon. L. A. LOGAN: They did not reduce their prices under price control.

The Chief Secretary: Of course they did! Freecorns has always gone in for this.

Hon. L. A. LOGAN: They are lowering the prices today.

The Chief Secretary: They did it then.

Hon. L. A. LOGAN: The prices of tea and butter were never reduced during price control.

The Chief Secretary: Yes, at the store in Victoria Park.

Hon. H. Hearn: In many other places also.

Hon. L. A. LOGAN: Again, at John Wills I took out six items of the same brands of groceries I mentioned earlier, so as to get a true comparison. Of those articles, the price of two had been reduced and the price of one—a tin of I.X.L. raspberry jam—had been increased by ½d. So out of the 37 items I have mentioned, the price of four has increased, while the price of 13 has decreased. If tea and sugar were added to the latter, the total would be 15.

The Chief Secretary: A lot of satisfaction, it is to a housewife in Fremantle to know that butter is cheaper in Victoria Park!

Hon. L. A. LOGAN: It proves that while price control was in operation, nowhere in Western Australia did these cut prices operate.

The Chief Secretary: What happened in Geraldton?

Hon. L. A. LOGAN: The same prices were charged there as by the Queen's Park store. Had price control operated, I believe the prices might have been higher.

The Chief Secretary: Is that what the figures supplied by the statistician showed?

Hon. L. A. LOGAN: They would probably have shown a rise in the cost of groceries, with a consequent justification for an increase. Reference has been made to exploitation. Where is it? We have not been told. If there is any exploitation, it is in the sale of meat. Seventy-five per cent. of the butchers are employees and unionists. If they are doing any robbing, they are robbing their fellow unionists; because if these employees put short weight over the counter, or charge for more than the actual weight, they are robbing their fellow working men.

The Chief Secretary: The employee of the butcher has to obey instructions.

Hon. L. A. LOGAN: If every trade unionist who is a butcher refused to do such things, there would be no butchers.

The Chief Secretary: If an employee did not give the "butcher's weight" he would soon be sacked.

Hon. L. A. LOGAN: The unionist is the one who is exploiting, if such things do occur. So members opposite are not kind to their kith and kin when they talk of exploitation in butcher shops.

Hon. G. Bennetts: Some storekeepers do these things also.

Hon. L. A. LOGAN: In regard to clothing, taking a comparison of the prices charged in December 1953, when price control operated, with the prices charged today, there is a remarkable difference in some shops, but not in others.

The Chief Secretary: So remarkable that in the statistician's figures the increase was about .004.

Hon. L. A. LOGAN: This might make some members realise what effect price control did have. It is possible to buy one brand of men's singlets for 3s. 6d. or 3s. 11d. today.

The Chief Secretary: You would not wear them.

Hon. L. A. LOGAN: They are not of very good quality. During price control the same singlets were sold at 6s. 11d. Without price control, they are being sold at 3s. 11d. That is because shopkeepers can put on 2d. or 3d. more on the better quality singlets.

Hon. F. R. H. Lavery: What will happen to boots and shoes now that control is off hides and leather?

Hon. L. A. LOGAN: I shall come to that. There is an effective answer.

Hon. Sir Charles Latham: The price has gone up in the States where price control operates.

Hon. L. A. LOGAN: That was the answer I was about to give. For the last 10 years the wearer of shoes has been subsidised by the producer. Had some realistic attitude been adopted towards the price of

hides and leather, the increase would have been included in the basic wage a long time ago.

Hon. E. M. Davies: It will be in the next one.

Hon. L. A. LOGAN: The same thing has been applied to rents. That subject has been bandied around as being one of the greatest contributing factors to the increased cost of living. Had this Government and its predecessor shown a realistic attitude towards rents, any increase would have been included in the basic wage before the Arbitration Court discontinued quarterly adjustments.

Hon. R. F. Hutchison: I would not voice an opinion on the rent position if I were you.

Hon. L. A. LOGAN: Had some members of this House accepted the amendments of the Opposition, some relief would have been given; but the Government would not adopt them. Mr. Simpson gave some figures on rents.

The Chief Secretary: We do not need figures to show the effect of increased rent.

Hon. L. A. LOGAN: When members note that in 1923-27 the percentage of aggregate expenditure on rent was 21.26 and that in December, 1952, it was 11.27, they will realise what I am trying to drive at. If the previous Government and the present Government had been realistic in their attitude, the increased rental would be included in the basic wage today. Much has been said about the high dividends distributed by companies.

The Chief Secretary: Who said that?

Hon. L. A. LOGAN: Quite a few members.

The Chief Secretary: I was the only one who spoke, and I did not mention it.

Hon. H. K. Watson: This is the tenth time such a Bill has been before this House.

Hon. L. A. LOGAN: The Commonwealth Bank has issued some figures. Out of a survey of 582 Australian public companies, the average dividend paid was 5.2 per cent. I do not see where the public is exploited. After all, who make up the companies showing these "huge" profits? Most of them are comprised of small shareholders, the general public and the ordinary working man. Those people comprise the companies, and it is up to the companies to make dividends to pay their shareholders. They have to make dividends for that purpose.

May I inform the hon. member that 85 per cent. of the shares in public companies in Australia are held by small men, and I mean not men of small stature but men of small means with 500 or fewer shares. It might be well for members to appreciate that fact. For the benefit of Goldfields members, who are always

telling us about the goldmining industry, the highest dividends were paid by mining companies and represented 17.5 per cent., whereas the ordinary companies which are said to be exploiting the public, returned dividends of only 5.3 per cent. So much for that argument!

The Chief Secretary: And so much for the Aunt Sally you yourself are putting up and knocking over!

Hon. L. A. LOGAN: These figures have been extracted from the tables of the Commonwealth Bureau of Statistics. Does the Chief Secretary want them?

The Chief Secretary: No, but you said that they had been mentioned in this debate.

Hon. L. A. LOGAN: I did not say they had been mentioned in this debate; I said they had been mentioned in this House, which is quite a different thing. A while ago, I mentioned the price of singlets. I could also mention the price of shirts. Worth's Long Island shirts manufactured in this State cost 37s. 6d. in 1953 and are now selling at 28s. 6d. Today we are getting the benefit of the decontrol of prices.

The Chief Secretary: What clothing has gone up in price?

Hon. L. A. LOGAN: The better class of clothing has gone up to compensate for that of inferior quality. Is it not better to pay 7s. 6d. for a good article than 7s. 6d. for a 3s. 11d. article of poor quality? Business managers said, "When we talked about defeating price controls, we did so because we have to compete with the man next door and we do not want to do that."

Hon. H. Hearn: They load the cost up. That is what happens.

The Chief Secretary: That is why you are opposing the Bill.

Hon. L. A. LOGAN: If there was not such a close preserve in some industries, particularly plumbing, we would all be better off. It is not easy for a man to get a licence to operate. I tried to get one for a very good plumber; and was unsuccessful. I cannot see how price control can be in the interests of the worker.

Hon. C. W. D. BARKER: Why are you always picking on the worker?

Hon. L. A. LOGAN: I have not mentioned the worker.

Hon. H. Hearn: Only in imagination.

Hon. L. A. LOGAN: The only workers I have mentioned were the butchering employees.

Hon. H. Hearn: You were dealing with master plumbers.

Hon. L. A. LOGAN: If members wish me to say something about the workers, I can do so. Somebody mentioned brick-laying and the fact of bricklayers being tied down to laying 300 bricks a day. Three bricklayers in Geraldton working with the

boss on contract were laying 4,000 bricks a day, and that would considerably reduce the cost of house construction if it could be applied to all home building.

Hon. E. M. Davies: How were they laid?

Hon. L. A. LOGAN: They were well laid.

The Chief Secretary: You say they laid 4,000 a day?

Hon. L. A. LOGAN: Yes. The boss was working with the men; he had to do so to keep the mortar up to them. There should be no need for me to say anything more. What I have said should make members realise that competition is the life-blood of the community.

The Minister for the North-West: Why do manufacturers impose their own price control?

Hon. H. Hearn: That does not make it right.

Hon. L. A. LOGAN: There is always one seller who will break away. The oil companies were in the same position. Whatever cartel may be mentioned, there will always be somebody to break away, and that is a good thing for the public. The Government is trying to reimpose controls that never did operate successfully.

The Chief Secretary: During the war years, they did.

Hon. L. A. LOGAN: During the time of shortages, control was necessary; but surely the necessity does not exist today! I hope members will realise that there is no need to reintroduce price control.

HON. C. W. D. BARKER (North) [7.52]: I have listened with considerable interest to all that the previous speaker had to say, and he seems to have put up a very good case—

Hon. H. Hearn: He has not convinced you.

Hon. C. W. D. BARKER: —but to every argument he has advanced, there is a reply. Until this House in its wisdom refused to give the Arbitration Court the right to increase the basic wage—

Hon. H. Hearn: You are anticipating legislation still before us.

Hon. C. W. D. BARKER: The basic wage is lagging behind the cost of living.

Hon. H. Hearn: How do you know?

Hon. C. W. D. BARKER: We all know that. To be fair and logical, if wages are pegged, we must have price control. For anyone to say that under decontrol prices have decreased is entirely wrong. I have been around to stores and inquired about prices to ascertain exactly what has happened. I do not blame the small trader for what has occurred, because he is working under conditions that are beyond his control. I went to my grocer a few days ago and asked him to give me a fair idea

of what had happened, and I found that the prices of several commodities had been increased.

Margarine has gone up from 2s. 6d. to 2s. 9d.; coffee has been increased from 5s. to 12s. 3d. The prices of several other commodities have also been increased. Soap has definitely gone up in price. The storekeeper pointed out that the prices of many of his lines were fixed by the firm from which he obtained his supplies, and that he was not allowed to sell at lower prices. Consequently, I cannot see that competition exists there.

Member: Private price control?

Hon. C. W. D. BARKER: Yes. Manufacturers supply the goods to the storekeepers, who have to sell at a fixed price.

Hon. L. C. Diver: Would price control affect that?

Hon. C. W. D. BARKER: Under price control, a storekeeper is permitted to sell a commodity at a maximum price, but there is nothing to prevent his putting out catch lines at lower prices. Catch lines are what have been quoted here this evening. Free-corns put out a few cheap lines to attract the people, and what they lose on the swings, they make up on the roundabouts. The hon. member's illustration was a poor one, because everybody knows what is happening. I agree that it would be very difficult indeed to control the price of meat.

Hon. H. Hearn: What about rents?

Hon. H. K. Watson: What are your views of the beef barons?

Hon. C. W. D. BARKER: Let me tell the hon. member my views regarding producers generally. Wool is being sold at £15 a bale less than it was bringing last year. Have we any guarantee that that decline will cease? Steel is a commodity that the farmers must use, and the price of that has gone up. If we do not impose some control, the primary producer will get it in the neck as he always has done and always will do. There is no guarantee that we can stop the downward trend in the prices of wool and wheat. Wheat for home consumption has been controlled in order to ensure that the farmer receives a fair return.

If the price of wool continues to recede, we shall have to do something about it, because the whole economy is based on the return from wool and farming commodities generally. The price of cornsacks has gone down, and the price of super is a little lower; but if prices for our main commodities, like wheat and wool, continue to decline, the services and goods required to produce those commodities will also have to come down in price.

If we are going to have wages pegged, it is only fair that we should control prices. If the worker is now £1 behind in the basic

wage he receives, and prices are still increasing, it is proof that the pegging of wages has not arrested the rising of prices. Let us try some other method. Let us go back to where we were, and where we should never have left off—namely, to the time when Mr. Chifley put the referendum to the people. Had the people supported Mr. Chifley on that occasion, we would not have had inflation. We would have been competing on the world's markets, and altogether would have been in a better position than we occupy today.

Hon. N. E. Baxter: That is what you think.

Hon. C. W. D. BARKER: If the Bill be passed and prices controlled, conditions will be equalised, and we will be able to get back to a more stable position. Everybody knows that if our goods are to compete on the markets of the world, they must be produced at a reasonable price. The workers realise this, but they are afraid of the continual price increases for the commodities they have to use—commodities in the "C" series index, clothing, shoes, etc. All such goods have to be produced at very high cost; and if we are going to compete on the world's markets, we must level out our economy.

The passing of this measure will be one step in that direction. It is not to say that prices of goods in local stores have not been increased. I could quote, just as well as other people can, stores that put out catch lines at reduced prices; but that is only a sprat to catch a mackerel. Of course the big stores which purchase in extremely large quantities can offer various articles for sale at cheaper rates. I do not think the argument holds any water when such stores as that are quoted as an example of falling prices.

I am afraid that if this measure is not passed, we will regret it in the future. I believe that members who represent the farming community should watch the position here carefully; because, if the measure is defeated, the people they represent will have to pay top prices for all the goods and services they require. The price of steel is going up, and there is no guarantee that the price of super will not rise also. I can easily visualise a situation arising in which there will be a great howl from the rural community. I understand what the man on the land is liable to be up for, and I know what he has suffered in the past, and what price control could mean to him. I understand very well how the farmer would feel if his foundations were cut from under him. He might easily come to welcome the idea of price control.

There is nothing in this measure to be afraid of, and nothing that would stifle competition. Under price control, maximum prices would be set; and if any storekeeper, for instance, wanted to enter into competition with the trader next door he

could sell his goods as cheaply as he liked. Money is not as plentiful today as it was in quite recent times and shopkeepers may soon have to enter into keen competition with one another. I repeat that this measure, if passed, would allow reasonable maximum prices to be placed on goods and services —

Hon. A. F. Griffith: You are saying that the shopkeepers will soon have competition.

Hon. C. W. D. BARKER: They have it now. Many household goods that I do not think would be covered under this measure are now being sold more or less on the buyer's terms, as the market for them has reached saturation point. One can go into almost any suburban shop which handles such articles, and pay what deposit one likes on a washing machine, refrigerator, or radio, and then pay off the balance by easy instalments, because people have not available the money they used to have.

All the Bill seeks to do is to level prices and bring our economy back to a more stable state so that we may continue to compete on world markets. I believe the captains of industry and commerce realise that if we cannot bring some sanity into our economy we will soon not be able to compete on the markets of the world. If we control and lower prices, wages will fall in turn, and in that way we will reach a more sane economy. The worker today does not like the thought of his wages continually rising, because he is aware of the effect of inflation on our economy, and realises that in the long run he is the one to suffer. This measure is a genuine attempt to bring stability back to our economy. For those reasons I support it.

HON. A. R. JONES (Midland) [8.5]: I rise to oppose this measure as I have opposed similar Bills in the past. I will not delay the House long in giving my reasons, as I have given them on many previous occasions. I feel that there have come into the economy of this State in the last 12 months certain factors which must have an effect upon our decision to support or oppose this legislation. The economy of this country has changed considerably in very recent times, and our economic outlook is now not nearly as bright as it was 12 months ago.

Hon. C. W. D. Barker: That is what I have been trying to tell you.

Hon. A. R. JONES: It is ridiculous for anyone to tell us that price control is the cure for the evils which may be around the corner. We had experience of price controls for many years, but did not enjoy very much stability in anything during that period. In the war years, when only a certain number of pounds of butter or any other commodity was produced—only sufficient to meet the demand on a limited basis—there had to be some form

of control; but now, nine years after the war, I fail to see any necessity for further controls.

Hon. C. W. D. Barker: You will be glad to see controls before we have finished.

Hon. A. R. JONES: It seems to me that the Trades Hall is the instrument responsible for this Bill being before the House.

Hon. E. M. Davies: I would not say too much about that, if I were you.

Hon. A. R. JONES: I do not think the Government is really very keen on price control, but I cannot blame members of the Government for trying to do what these people direct them to do.

Hon. F. R. H. Lavery: Just like the Chamber of Commerce directs you.

Hon. A. R. JONES: It is amazing how Government supporters bite when one mentions the Trades Hall.

Hon. C. W. D. Barker: To my mind—

Hon. A. R. JONES: I would not credit the hon. member with a mind of his own. He has shown us in the past where he stands—

Hon. C. W. D. Barker: I ask that the hon. member withdraw that remark, Mr. President.

The PRESIDENT: The hon. member must withdraw.

Hon. C. W. D. Barker: Mr. Jones said I had not a mind of my own.

Hon. A. R. JONES: I withdraw the statement that the hon. member has not a mind of his own—

The PRESIDENT: The hon. member must withdraw the remark unreservedly.

Hon. A. R. JONES: I am doing that. I maintain that the Government does not really want price control; but, if it does, and it is conscientious about the matter, I believe members of the Government are not as astute as they would have us believe; because we know that the cost of price control was about £75,000 per annum, in the days when it was in operation; and with the increase in wages and costs generally since then, I have no doubt that to reimpose price control and operate it effectively would cost the State at least £100,000 per annum in these days. I do not think it is good business to tax the people a bit more in order to raise £100,000 to pay other people to run around and check the prices of goods.

Hon. C. H. Henning: Not when we could get a water supply for a country town for that sum.

Hon. A. R. JONES: Perhaps the shopkeepers could be made to pay the inspectors to see that the people were not robbed. In the ultimate, what is the difference if the shopkeeper does pay it? I am not going to say that some shopkeepers—and,

in particular, some butchers—are above reproach in certain respects, because, unlike some members here, I do some of the shopping for my own household. I know that what members supporting the Government claim is right in some respects with regard to the butchers. I have been a butcher; and now, as a raiser of stock and one who attends the Midland markets, I know the price at which stock is sold there.

I may receive 2s. per lb. for meat on the hoof; but if I buy some of it back from my butcher a week later, I pay perhaps 4s. 6d. or 5s. a lb. for it. That difference is too much. But who is getting the balance I do not know. I have accused the butchers of receiving too much, and they say the wholesaler is getting it. The wholesaler, in turn, says, "We pay so much in the stock markets, and slaughter and deliver, and our charges are so much per cent. That is all we get. It is the shopkeeper who gets the profit." I repeat that who gets it I do not know—

The Minister for the North-West: There are a lot in between the auctioneer and the butcher's shop.

Hon. A. R. JONES: There are a number of people handling the meat, and they all have to be paid high wages. While I was a butcher, meat bought at 1s. per lb. on the hoof could be sold in the shop at 2s. per lb., returning an excellent profit.

The Minister for the North-West: The agent, the transporter, and others come into it now.

Hon. A. R. JONES: If the men who kill the sheep and do the actual handling worked as hard today as they did 20 years ago, the costs would be nowhere near as high as they are today. Mr. Barker said that he favoured the imposing of controls and would support the measure, and that would mean the reimposition of price control on hides which we had in this country for a number of years. Surely he would not impose a restriction on the price that the breeder of cattle would get, knowing that for the last ten years the cattlemen carried the cost of cheap footwear in this country! I do not believe he would agree, when he tells us he has a mind of his own—

Hon. C. W. D. Barker: Yes; I have a mind of my own.

Hon. A. R. JONES: I believe the only possible way to bring prices down in this country and the best method to secure stability of prices is for everyone connected with industry, from the management to the lowest-paid worker, to do a little bit more work every day. When we are prepared to work for seven or eight hours a day, or whatever number of hours we are supposed to work, costs will come down, and there will be no need for price control.

Members supporting the Government have told me in conversation that they do not think the workers are doing the honest day's work now that they used to do. I have seen around the streets many gangs of P.M.G. department workers, E. & G. department gangs, and so on, that are supposed to start work at 8 a.m. In actual fact they start work at perhaps 10 or 15 minutes past eight. Let us give them the benefit of the doubt, and say that they take 10 minutes to warm up, and perhaps ask Bill what he did last night, and put on their overalls, and get started.

In a gang of five or six men one of them is detailed to boil the billy at 9 a.m. or 9.30, and he is away for quite a while doing it. Before the billy boils, the gang congregate around it, and they take at least 20 minutes off for morning tea. At lunch-time they knock off 10 minutes before they should, and the same thing happens again in the afternoon. When we tally it all up, we find that very few workers indeed are working a 40-hour week. In fact, the time worked represents something more like a 30-hour week.

As I said before, when I mentioned the lax methods prevailing in the Midland Junction Workshops, I do not blame the men. If they can get away with it, no doubt they will; but there must be an end to that sort of thing; because if we do not reduce our costs, we will be unable any longer to trade with countries overseas.

Hon. C. W. D. Barker: How do you account for the great strides in Western Australia in just over 100 years if nobody works in this State?

Hon. A. R. JONES: I am pleased the hon. member brought that to my mind, because I did say that a few years ago men worked and worked hard, but they do not work and work hard today. That is the reason why. We built up this country with hard work and the sweat of the brow. If we are to keep this country going, we will have to work hard and sweat hard again. Nothing else will reduce our costs. There is no need for price control. Hard work will control prices. That is the only way. If members opposite have not yet awakened; and if they are still taking notice of other people and following the same policies as they have in the past, they should at least go back to the people and tell them.

The Minister for the North-West: Do you not follow the policy laid down?

Hon. A. R. JONES: Yes, if it is a good policy. I believe that members on the other side of the House have minds of their own, and a policy to carry out; but they do not seem to carry it out in this House. The sooner they stop supporting the "gimme-gimme" attitude of the Trades Hall, the better it will be for this country. I oppose the measure.

HON. R. F. HUTCHISON (Suburban) [8.16]: I support the Bill. Tonight, and on other occasions, I have heard arguments put forward by members opposite which make me wonder whether anyone in this country does any work. If no one works, how is it that we have progressed to become such a wonderful country? On several occasions I have heard Mr. Jones speaking in a strain similar to that in which he spoke tonight. I want to tell him this: If workers have not obtained better working conditions during the last century, why on earth are we talking and working today to introduce science more and more into industry? If we do not want the workers' backs bent under the whips of the masters, as they were years ago, why should we not try to raise the standard of living?

I stand for a party that believes in the workers' standard of living being raised, and I believe that that is what we are achieving. However, we are forced to do it the hard way when we are up against statements such as were made by members on the opposite side of the Chamber tonight. Nevertheless, the day is coming when workers will enjoy shorter hours, and will get still better conditions. One of the first things we have to do is to ensure that excess profits are not made by those who do not actually produce the wealth of the country.

The PRESIDENT: I hope the hon. member will connect her remarks with price control.

Hon. R. F. HUTCHISON: Yes, Sir, I am connecting them with price control, because the rationalising of industry and working to a planned economy is the only answer, and price control enters very greatly into that question. Without price control we cannot give the workers a better standard of living. Today we are forced to stand by while the basic wage remains pegged, and yet price control has been lifted. As a result, what do we see? The workers are becoming still poorer in a country that should be able to supply plenty for everyone. We see the worker being denied his rightful place in the sun. We see people who are worried because they have not enough money to go round. Why should we not have price control if it means a better standard of living for the workers? Why say that the average Australian is the loafer the Liberal Party tries to make him out to be?

Hon. H. Hearn: On a point of order, Mr. President, is it correct that an hon. member is allowed to cast reflections on a political party that has never said any such thing? I ask for a withdrawal of that statement.

The PRESIDENT: The hon. member will withdraw.

Hon. R. F. HUTCHISON: I withdraw. Price control under the Chifley Government was the greatest safeguard that

the Australian people had. Under it we had a stable economy. We did not have an upward spiral of prices. Everyone was getting his fair share, and industry was satisfied. However, as soon as price control and all other safeguards were lifted, we could see the poor getting poorer, and the rich getting richer.

Hon. A. R. Jones: You forgot about the blackmarketing.

Hon. R. F. HUTCHISON: Price control is very necessary in this country today. I have heard members opposite refer to rents. I do not think they should labour that point, or deny that they have committed a dreadful act by lifting rent control. They have only to ask questions around the city to realise what rent control would do to relieve the position. To say that price control has nothing to do with this matter is a catch cry with members opposite, and they have often got away with it; but it is a lot of nonsense. We have been elected on a party platform, and I hope that we will always stick to it. If industry desires to make more profits, the answer lies in better management, and it should give the worker a fair chance. Price control is a requisite to rationalisation of industry and a planned economy.

Hon. A. R. Jones: Would you not say, "more work" as well?

Hon. R. F. HUTCHISON: The workers today compare favourably with the workers of any age. Today they work with machines, and it is a different kind of work. However, one cannot divorce the minds of some people from a past age which has gone and will not return. Price control was necessary during wartime, and is still necessary while the country is recovering from the effects of war. To say that the price of goods is not controlled by those in authority is a lot of nonsense. There is scarcely an article bought from the warehouses which is not already fixed in price, and the wholesalers instruct the retailers as to the price at which they shall sell it. They band together to restrict output and keep prices up.

Hon. A. R. Jones: That is bunkum!

Hon. C. W. D. Barker: It is not bunkum.

Hon. R. F. HUTCHISON: No; it is perfectly true, and members opposite know it. They put up a losing argument all the time. That is a true picture of industry today. Price control is the only answer to the problem. The worker has to sell his labour and his skill, but the first thing that is done is to control what he gets for it. If the fixing of the basic wage is not price control, I do not know what is. However, members opposite say that that has nothing to do with price control. They are due for disappointment. The Labour Party is not going to stand

for a lowering of the social standards. The workers have had to take a lot, but the time is not far distant when they will refuse to put up with it.

Members opposite will not be in a position to say to the worker, "You will not have this and you will not have that." They have said that for so long that they have got used to believing that they will always have the last say. They are not always going to lower the standards of the worker as they are being lowered by the high prices ruling today. One has only to take into account the prices of tea, meat, and butter. The other day I bought a pound of ham rashers, for which I paid 5s. 10d., and the only slice that was any good was the one on the outside; the rest was a ball of fat.

Hon. H. Hearn: I bet you took them back.

Hon. R. F. HUTCHISON: One has no control over that sort of thing. I know that the meat industry is one big racket. I do not know what we can do about that, but I know what the housewife has to pay for meat. I know of the dishonest way it is sold in the shops.

Hon. A. R. Jones: Price control would not stop that.

Hon. R. F. HUTCHISON: Price control is the only answer. If price control were imposed, a fair price would be charged. On many occasions have I heard members opposite sneering at the workers. With the advance of science, and the introduction of machinery, it would be a dreadful thing if the workers had to work as hard as they did in the past. It would be a dreadful thing if we had not advanced to relieve the workers of some of their toil. Are not the workers entitled to some place in the sun? Why should they not have time for leisure and to study the arts? There should be price control on school-books and on everything the worker has to pay for.

I rose to my feet because members on the other side of the House are always sneering at the workers and saying that they do not work, and that the fault is all theirs. As far as prices are concerned, they do not control industry today. All a worker can do is to pay the prices that are charged, or else keep his children short of food and clothing, and that is going on today more than is realised. I heard one speaker today remark on the dearer cuts of meat and ask why butchers should not charge more. That means that the worker must always live on the cheaper cuts of meat. The worker is producing the wealth of the country. Why should not his labour be paid for? Without the worker there would be no prices to fix. The profits that are made by industry are made as a result of the worker's skill with his own hands. If the work-

ers were not industrious, no profits would be made. It has been proved that the standard of living has risen and that production is greater since the war. Therefore, I do not know how the arguments of members opposite can stand up. In fact, they fall pretty flat. Price control is one of the pre-requisites of industry in this State today. In spite of the arguments advanced by members opposite, they cannot put the clock back a century, no matter how they try. I support the Bill.

On motion by Hon. J. G. Hislop, debate adjourned.

BILLS (2)—FIRST READING.

1. State Electricity Commission Act Amendment.
2. Supreme Court Act Amendment.
Received from the Assembly.

BILL—MINES REGULATION ACT AMENDMENT.

Second Reading.

Debate resumed from the 9th September.

HON. E. M. HEENAN (North-East) [8.33]: This is a very short Bill to amend the Mines Regulation Act, 1946, which regulates safety precautions on mines. I understand that the few fairly minor amendments that the Bill contains have been approved by the Mines Department, the A.W.U., and the Chamber of Mines.

When introducing the measure, the Chief Secretary explained that certain of the amendments apply to the rights of inspectors of mines. One is to the effect that before an inspector goes on to a mine he has to give notice to someone in authority, except in cases of emergency. Another amendment proposes that a workmen's inspector can report his findings to a union other than that to which he belongs. A further small amendment provides for the cleaning of spillage from a shaft on Sundays, because that is a type of work which cannot always be confined to working days.

Beyond those minor amendments, there is not much in the Bill. As I have stated, the measure has the approval of the bodies concerned with the working of mines, and of the union which looks after the interests of the miners. I have much pleasure in supporting the second reading.

HON. G. BENNETTS (South-East) [8.35]: I intend to support the Bill. Mr. Heenan has mentioned the amendments to the Act which it contains. I propose to speak on the last one, relating to spillage. Members who have not a knowledge of the mining industry may not understand what this means.

Spillage is the dirt which is tipped into the skips. Some of it overflows and goes to the bottom of the shaft into the pit. This has to be removed; and that is impossible during the week when the skips are working continuously. It cannot be done without danger to the workers. The removal of spillage is very important; and it can be done only on Sundays, or at such other times as the skips are not pulling up ore from the mine. Otherwise, if a worker went down the shaft during working hours, and the spillage was being removed, he might be struck by some of the stones falling on him from the skips. I support the measure.

HON. J. J. GARRIGAN (South-East) [8.36]: This is a very small Bill, which contains only a few amendments that will not affect the companies or the men very much. I cannot see any reason why it should not be passed, and I support the second reading.

Question put and passed.

Bill read a second time.

In Committee.

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

BILL—HEALTH ACT AMENDMENT (No. 1).

Second Reading.

THE CHIEF SECRETARY (Hon. G. Fraser—West) [8.38] in moving the second reading said: A number of amendments to the principal Act are contained in this Bill. They are all of a straightforward nature and should not merit any opposition.

Section 99 (2) of the Act provides that where any premises are discovered to be without the sanitary conveniences, or bathroom, or laundry or cooking facilities required under the by-laws of the local authority, a written notice shall be served by the local authority on the owner or occupier to provide these facilities.

As members are aware, some local authorities do not meet at frequent intervals and this can cause delay in cases where essential conveniences should be provided as soon as possible. To overcome this possibility of delay, the Bill proposes that an inspector of the local authority shall have the power to issue the necessary order in any case of transgression of the by-laws.

The next amendment seeks to allow local authorities to prescribe those parts of their districts where householders must use the rubbish service provided by the local authority. At the present local authorities have no power to compel people to use the official rubbish service. With the rising costs of these services an increasing number of householders are disposing of their own rubbish by various means. In the

more closely built-up areas where lots are comparatively small, the negligent private disposal of rubbish has in many cases created nuisances by encouraging the breeding of flies, rats and other pests, as well as often being the cause of obnoxious smells.

If the amendment is agreed to complaints in this regard should not arise. Local authorities will be able to specify the zones within which occupiers of premises must use the official rubbish service. Where, however, rubbish on any premises is not available for removal at regular times, or is of a nature that would render it unsuitable for removal by the local authority, the occupier of the premises may be given authority to remove or dispose of it himself. In such cases the rubbish would have to be removed to the local authority's own rubbish tips. The Bill also provides that where occupiers possess suitable efficient apparatus for the destruction of rubbish they may be given permission to dispose of their rubbish in this way.

While the principal Act gives local authorities adequate power for the control of eating houses, a type of roadside cafeteria has arisen over which there is no control. These are the hamburger bars, which—in stalls and caravans—are now quite prominent in many suburbs, and which do not come within the definition of eating house in Section 160 of the Act.

The Bill, therefore, seeks to empower local authorities to make by-laws for the control of these and other establishments at which meals are served and which are not eating houses. This would enable local authorities to approve or disapprove of the proposed sites for these structures, and to ensure that adequate sanitary conveniences, etc., are provided.

The next amendment refers to fire precautions. The regulations dealing with this important matter specify that exit doors in public buildings shall open outwards. Members will appreciate the reason for this. However, in many instances the value of this precaution is nullified, where emergency doors open in laneways, by persons leaving their vehicles in such a position as to prevent the doors opening properly. One can well imagine the result if a bad fire broke out in a crowded theatre, and the emergency exits were blocked in this fashion.

To prevent such an occurrence the Bill provides that when plans of proposed new public buildings are submitted to the Commissioner of Public Health, as required under Section 174 of the Act, the plans shall clearly indicate the position of all exits in relation to the roads, lanes, right of way etc., on to which the building abuts. The Bill then goes on to give the Governor approval to make regulations designed to prevent obstructions to any of these exits.

Members are aware that if a person sells substandard or unwholesome food or drugs, he commits an offence and can be prosecuted. However, should he have under-standard or unwholesome food on his premises for sale, he cannot be prosecuted until such time as it can be proved he has made a sale.

Some shopkeepers, who are aware of this loophole in the Act, will refuse to sell samples of suspected foods to inspectors. The inspector's next step is then to seize a sample of the goods for the purpose of examination; but, if the sample is defective, he cannot take any action against the shopkeeper until such time as he can prove a sale has taken place. The Bill seeks to make it an offence not only to sell under-standard or unwholesome food or drugs but also to have such goods exposed for sale.

The next amendment is important. It will be recollected that, last year, the State paid out several thousand pounds in compensation for coconut which was seized from shopkeepers and warehousemen. This coconut had been manufactured under unsanitary conditions; and it was proved, upon examination of a number of samples, that it was infected with dangerous organisms. As a result, it became necessary to seize and destroy all stocks of the coconut. Other instances have occurred where drugs have been found to be defective, and to have caused ill effects to people. A particular line of anaesthetic was found to have deteriorated, and disturbing symptoms were produced when this anaesthetic was used on patients. There is also record of a line of aspirin tablets found to produce severe symptoms in patients when administered to them.

The action taken by the authorities in these cases was to endeavour to locate and destroy all supplies of these drugs. Such a procedure, however, is not easy, as it is most difficult, if not impossible, to ascertain the location of all stocks of suspected food or drugs. The Bill seeks to permit the Governor to declare any quantity of food or drugs to be dangerous after he has been presented with sufficient evidence to that effect by the Commissioner of Public Health. Once the Governor has made a declaration in regard to the suspected quantity of food or drugs, the commissioner can then take whatever action is necessary in order to ensure that the public is protected against possible harmful effects.

If food or drugs are found to be defective, either through deficient manufacturing processes, lack of care, or deterioration, the commissioner can, after giving seven days' notice to the wholesaler or manufacturer concerned, require the food or drugs in question to be surrendered, and treated or destroyed. In such cases no compensation will be payable. Members

will recall that, last year, Western Australia was the only State liable for compensation for the destruction of Papuan coconut.

Another amendment deals with the infant health service, which has become an integral part of the organisation of the Department of Public Health. Although infant health centres are now widespread throughout the State, there is no statutory authority for their establishment. The Bill proposes to allow the Commissioner of Public Health to enter into agreements with local authorities for the provision and maintenance of infant health centres.

Another amendment is the result of a proposal by the National Health and Medical Research Council, which has recommended to all States that they should amend their legislation relating to the notification of premature births, still-births, and abortions. At present the Health Act requires that such deaths are to be notified by medical practitioners. This method, however, does not provide the desired range of information for an effective statistical survey, and the Bill seeks to amend the Act in compliance with the wishes of the National Health and Medical Research Council. This will ensure that medical practitioners advise the Health Department, on the prescribed form, of all such deaths.

The last amendment deals with offences against the Act. As members know, the Justices Act provides that a complaint must be made within six months of the offence. Where packed foods are concerned, this limiting period may be impracticable. A retailer who has purchased packed foods from a wholesaler or a manufacturer, may not discover an offence within six months, and so no action can be taken. For this reason the Bill seeks to permit complaints to be made for up to 12 months after an offence has been committed. I move—

That the Bill be now read a second time.

On motion by Hon. N. E. Baxter, debate adjourned.

BILL—INDUSTRIAL ARBITRATION ACT AMENDMENT.

Second Reading.

Debate resumed from the 8th September.

HON. J. MURRAY (South-West) [8.47]: This is only a small measure, but a most important one because with the striking out of the word "may," and the insertion of the word "shall," it brings about a departure from a vital principle that has been followed throughout our industrial arbitration history in Western Australia. Frequently in this House I have been perfectly satisfied to cast a silent vote, and I had intended doing so on this measure. Any member who adopts that attitude must of necessity gauge the members of the House and assess them at a certain

valuation. In the past I have endeavoured to discard, in the main, those members who spoke on a measure from the extreme right point of view; and the same with regard to members who expressed themselves from the extreme left point of view. By this method I am reasonably satisfied that I do the right thing.

Now I come to the reasons why, on this occasion, I am not casting a silent vote. Amongst those members on the side of the Government to whom I have always paid careful attention is Mr. Davies. When he addressed himself to this Bill, much of what he said was interesting and enlightening; but two of the points he raised he presented—I would not say deliberately—in a most erroneous manner; and, if they are left uncorrected, many members might be entirely misled.

He first mentioned, without naming the Act, the Financial Emergency Act of 1931. He took no great exception to many of its sections, but he did say that the Attorney General, when introducing the measure had—

also inserted a provision in this measure to permit private employers to reduce the basic wage. If the salary or wage earner desired to recoup the amount that had been deducted from his remuneration, he was forced to apply to the Arbitration Court.

Hon. E. M. Davies: That is quite correct, too.

Hon. J. MURRAY: Let us see what the Financial Emergency Act has to say.

Hon. E. M. Davies: How did he get it back if he did not go to the court?

Hon. J. MURRAY: Let us examine what was happening in industry before the Financial Emergency Act was introduced. The unions, or the great majority of them, from the time the depression hit Australia, which was long before 1931, were, with the blessing of the Government and of the court, contracting themselves out of industrial awards; and were, in many cases working a three-day week. Some were working a four-day week. The only real stipulation made by the unions, and agreed to by the employers without going to court, was that they would not work a lesser period than three days. But the principle of the daily rate of pay, as fixed by the court, was still to apply. That is what was going on beforehand. But, of course, these circumstances did not apply to a large number of the white-collar workers, including Government servants, who were on yearly incomes. Therefore, with regard to one section of workers, a special provision was included so that they could be reduced by 18 or 20 per cent.

Hon. E. M. Davies: Would you not say that the Arbitration Court was the proper place to do that?

Hon. J. MURRAY: That was with regard to Government servants; but the hon. member took exception to the way this provision, which was included in the Act, affected private employers. The Financial Emergency Act of 1931, Division 2, Section 14, has this to say—

(1) Any employer, other than a body or person referred to in section twelve of this Act, who is subject to the provisions of the Industrial Arbitration Act, 1912-1925, and any amendments thereof, or who is bound by any award or industrial agreement made under the provisions of the said Act or any amendment thereof, and who is employing employees at a salary, wage, or remuneration which is fixed either directly or indirectly by any such award or industrial agreement may, notwithstanding any provision of the said Act or any amendment thereof, or of any award or industrial agreement made thereunder to the contrary, at any time within twelve months after the commencement of this Act, and either by himself or through any industrial union or industrial association of employers of which he is a member, by notice in the prescribed form apply to the Arbitration Court for a variation of the award or industrial agreement by which he is bound as aforesaid.

That puts the onus on the employer to apply if he wants a reduction.

Hon. E. M. Davies: He would not need the Act to go to the court. He could go there any time.

Hon. J. MURRAY: No; he could not.

Hon. E. M. Davies: Of course he could!

Hon. J. MURRAY: No. The point I want to get at is in connection with Subsection (5) of Section 14, which states clearly that despite the introduction of the Financial Emergency Act, the court did not mandatorily have to do something. Even when the court received an application, it had complete freedom in its actions, because Subsection (5) states—

(5) If, on the hearing of the application the court is satisfied that the national emergency with which the State is faced justifies it in making an order for a reduction of rates of salary, wages, or remuneration prescribed in the award or industrial agreement in relation to which the application is made so as to bring them into accord with the reductions made under Part II of the Act, the court may, notwithstanding the provisions of the Industrial Arbitration Act, 1912-1925, or any amendment thereof, or of any other Act or of any award or industrial agreement made thereunder, or of any declared basic wage to the contrary, make an order that the award or industrial agreement in respect whereof the application is made

shall forthwith be varied so that the rates of salary, wages, or remuneration therein prescribed shall be reduced in accordance with the provisions of Part II.

Again, there is no compulsion; the court is left entirely free. When it receives an application, it may vary it. Apart from that, I have it on the best authority, and from my own personal knowledge, that at that time no employer of labour took advantage of this provision. In 1931, industry, generally, began to show some signs of improvement, and even the period of three days a week that was being worked was practically abolished.

Hon. E. M. Davies: I think the hon. member's memory has failed.

The Chief Secretary: It has slipped a bit.

The Minister for the North-West: You must have been employed in a good industry.

Hon. N. E. Baxter: Yes, the timber industry! It was working about two days a week for a lot of the time.

Hon. J. MURRAY: The hon. member went on to say, when he was bolstering up his case, that we were interfering with the prerogative of the court. Of course, that hinges on a lot of things. He went further, and said that between 1931 and 1933 a Government, which was comprised of the predecessors of the party to which I now belong, introduced an amendment to the Arbitration Act cutting out annual adjustments. At that time it was compulsory that annual adjustments be made as at the end of June. The only amendment I can find, introduced in those years, was in 1930; and from my reading of the measure introduced in that year, it was not interfering to any great degree with the court. It gave the court authority to do certain things when it so desired.

Hon. E. M. Davies: It is remarkable how the court does it.

Hon. J. MURRAY: A new section, 124A, was inserted which stated—

The State Government Statistician shall, as soon as practicable after the end of each and every quarter in the year, supply to the court a statement indicating by price index numbers and other information the variation (if any) in the cost of living which has occurred during the then last preceding quarter—

Hon. E. M. Davies: Now we are getting at it!

Hon. J. MURRAY: It continues—

—and if such statement shows that a change of one shilling or more per week has occurred in the cost of living, then, notwithstanding anything in this part of this Act to the contrary, the court shall of its own motion consider such statement, and may—

I emphasise that word—

—adjust and amend the basic wage declared and for the time being in operation under this Act for the unexpired term of such basic wage, or until the same is again reviewed under this section.

I again draw attention to the fact, although I gave the hon. member credit for some knowledge of the subject, that we still left it to the court to fix a wage every quarter, up or down, if it felt that any adjustment was necessary. In discussing those matters, I have not dealt with statements by political leaders; but to follow up the question, the hon. member went further and drew attention, in an oblique manner, to what the McLarty-Watts Government had done two or three sessions ago when the Act was further amended. It is true that the McLarty-Watts Government amended the Arbitration Act in 1949. That was the first step it took in amending the Act, and the main amendment in the measure introduced in that year was to Section 123. Clause 5 of the Bill reads—

Subsection (5) of Section one hundred and twenty-three of the principal Act is amended by deleting all words after the word "ensuing" in line 3 to the end of the subsection and substituting the following words:—"or such other date as the Court declares, and shall remain in force until the day before the date from which the next annual declaration of the basic wage operates and has effect."

That provision was placed in the Act to give the court more elasticity, and with the object of assisting workers generally, because the Federal Arbitration Court was making a full examination of the basic wage from a Federal point of view.

Hon. E. M. Davies: Your party wants quarterly adjustments to the basic wage when the cost of living is falling; but when it is rising, you want annual adjustments.

Hon. Sir Charles Latham: We are following the ideas of your party.

Hon. E. M. Davies: No. The fixation of the basic wage was always in June.

Hon. J. MURRAY: This is what Mr. Fraser had to say regarding the amendment I have just quoted—and this despite what Mr. Davies said when he led us to believe that the McLarty-Watts Government introduced objectionable amendments—

I have had a look through the Bill which contains only three amendments. Two of them are very simple and I shall not refer to them.

I have not referred to them, either. He continued—

I am happy about the third. Members generally will appreciate what it means. In case some do not, I would

remind them that under the Act an inquiry regarding the basic wage has to take place within a certain period and a declaration made as from the 1st July each year.

Owing to the Commonwealth having embarked upon an exhaustive inquiry into the basic wage, it was decided here not to issue the ordinary proclamation. As the Commonwealth basic wage inquiry extended beyond July, it would not be possible to apply its benefits in this State before the 1st July next year unless the Act were altered to allow it to be done. The object is to enable any benefits from the Federal basic wage declaration to apply in this State. Unless that is done, many workers in this State will be detrimentally affected. The fairness of the proposal should appeal to members, and I support the second reading.

Now let us see what the McLarty-Watts Government did in 1950. It made rather extensive amendments in that year, which are embodied in No. 20 of 1950. Because the measure was introduced late in the session, it was necessary to suspend Standing Orders to enable the Bill to pass through all stages at any one sitting. The measure was introduced; and the Premier, Sir Ross McLarty, moved for the suspension of Standing Orders. The Hon. F. J. S. Wise, when he rose to speak on the suspension of Standing Orders, had this to say—

I have no objection to the suspension of Standing Orders for this purpose, but will reserve an opinion on the Bill after hearing the case submitted by the Attorney General, after which I would seriously suggest to the Premier that he allow me to adjourn the debate to a later stage so that it will not be necessary to deal with the Bill straight away.

He then said that he supported the motion. The Bill was introduced by the Minister for Transport in this Chamber, and everybody desired that it be passed before the House finally rose. After the Attorney General had introduced it in another place, Hon. F. J. S. Wise gave members a history of the Act and the necessity for the amendments. He suggested that a further amendment was desired but he could not move it in that House because the Bill was then in this Chamber. The Government gave an undertaking that it would include the amendment in the Bill. The amendment the hon. member wished to include was—

That in the proposed new Section 123 (3) (b) after the word "advisable" the following words be added:—

but so as not to reduce the basic wage below an amount deemed necessary by the court to meet the requirements of paragraph (a)

of this subsection and determined without regard being had to the matters mentioned in this paragraph.

The Government agreed to the insertion of those words and Mr. Gray, in this Chamber, had this to say when replying to the introduction of the Bill—

I desire to congratulate the Minister on his clear exposition of the Bill. As everyone knows, great concern has been expressed by both employers and employees in Western Australia at the divergence between the two courts. Mr. Hearn can correct me if I am wrong, but I think the Federal Arbitration Court covers over 70 per cent. of the employees of Australia. The president of the court took the right step in recognising the difficulties and making this request to the unions and the Employers' Federation.

The amendments in the Bill will improve the court procedure and will bring the State Arbitration Court more into line with the Commonwealth court. This will be of considerable benefit to both employers and employees. Those who are concerned with either employers or workers know that the question has been discussed for some time, and I think it is the first occasion that a recommendation has come from the president of the court, supported by the employers and the unions.

I think we would be well advised to accept the Bill with the amendment proposed by the Minister. Accordingly I support the second reading.

The main amendment, No. 20 of 1950, covered what was attempted in 1949—namely, to permit the Western Australian court to take evidence at any time other than yearly periods and from that fix a basic wage. It is not correct that employers are attempting to deprive employees of the right to quarterly increases, which they could not do if the court approved of quarterly adjustments, because the principal Act clearly covers that aspect. Section 127 still provides that the State Statistician shall supply the court with certain figures; and if the court thinks fit, it may adjust the basic wage accordingly.

But in amendment No. 20, provision was also made for the court to take into consideration other matters than were laid down in the principal Act. It was permitted to take into consideration prosperity and the like; and the amendment which Hon. F. J. S. Wise insisted upon was to make certain that when the court was taking into consideration those other matters—other than the needs basic wage—it would not reduce the basic wage below the needs basic wage.

Some members still contend that the worker was deprived of his just dues by the action of the Arbitration Court in refusing to adjust the basic wage on certain rises that had taken place with regard to rent and meat; but if they can prove that by refusing to give that lift the court is depriving the employees of the needs basic wage, then the court can be compelled to take those matters into consideration. But so far they have failed and they must fail, because the difference between the needs basic wage and the present basic wage is still £1 1s. 4d. in favour of the worker.

Hon. E. M. Davies: How do you make that out ?

Hon. J. MURRAY: Because of the prosperity loading that has been permitted to be taken into consideration from time to time in fixing the basic wage by this very amendment that was put in by the McLarty-Watts Government in 1950.

Hon. E. M. Davies: Prosperity has been eaten up.

Hon. J. MURRAY: It has not, with all the adjustments on that score.

Hon. E. M. Davies: They are 19s. 11d. behind.

Hon. Sir Charles Latham: You have another think coming.

Hon. J. MURRAY: I do not desire to labour the point, but I want to make it clear to the House that at no stage have we interfered with the prerogative of the court to do its own thinking, and make its own decision. The court may still do this or that, and I will refuse at any time to say to the court that it shall do this or that. I oppose the Bill.

On motion by Hon. J. G. Hislop, debate adjourned.

BILL—POTATO GROWING INDUSTRY TRUST FUND ACT AMENDMENT.

Second Reading.

THE MINISTER FOR THE NORTH-WEST (Hon. H. C. Strickland—North) [9.20] in moving the second reading said: It has been found necessary that there should be two amendments to this Act to clarify the position regarding the election of members to the trust fund committee. The committee comprises three officers. An officer of the Department of Agriculture, who is chairman, is appointed by the Minister, and the other two members are elected by the commercial producers. But doubt has arisen as to whether all commercial producers are entitled to vote at an election of the members of the committee because of the definition of "producer" in the present Act. Therefore this measure sets out to do two things.

It clarifies the position of those who are entitled to vote for the two elective members, and it provides for a different method of filling the vacancy of an elective member for the remainder of the term of office. That is, if one of the elective members resigns, and the office becomes vacant, it will be laid down clearly in the Act that that vacancy will be filled by the producers and not by the other elective member as at present.

I shall first deal with the Bill as it affects the voting for elective members. The amendment is desired because of difficulties which have arisen in connection with the election of these members. The definition of "commercial producers," now in the Act, reads as follows:—

"Commercial producer" means a grower by or for whom land of a total area of at least half an acre shall be planted during any season which is current and in relation to which the expression is used with potatoes, the resulting crop of which is intended for sale.

I want particularly to draw the attention of members to the use of the words "season which is current," as this forms the basis for the amendment. There is a definition of "season" in the Act which reads as follows:—

"season" means the period between the first day of April in any year and the thirty-first day of March in the next following year."

I must again quote the Act in order to make the position clear. The section which deals with the voting for an elective member states that a "commercial producer" means a person "who is a commercial producer for the season during which the election is held."

Elective members of the trust fund hold office for three years as from the 10th September, 1952, and the next election is therefore due in September of next year. This measure is intended to ensure that all commercial producers will be able to vote when that election comes due. Under the Act, the Minister has to cause rolls to be prepared of those qualified to vote, and he must appoint a time for enrolment.

It can be seen, therefore, from portion of the Act which I have quoted that only those who plant crops between the 1st April and the date for enrolment are entitled to a vote. That means, of course, that it would exclude anybody planting after September up until the 1st March next. The only producers who could vote at present are those who plant from the 1st April up until the date of election.

I have already pointed out that these elections are held in September of each triennial period. It so happens that a late crop is planted in October, which means

that these growers are precluded from voting with the Act worded as it is at present. In order to overcome this anomaly, the definition of "commercial producer" now in the Act is to be deleted, and it will be replaced by the definition which appears in the Marketing of Potatoes Act. The new definition is in the Bill and it reads as follows:—

"commercial producer" means a grower by whom or on whose behalf at least half an acre or any areas of land exceeding in the aggregate half an acre have been planted in the last preceding period of twelve months commencing from the first day of April in each year and who is qualified to vote at the election of a member of the Legislative Assembly.

The season stated in this definition is between the 1st April and the 31st March of the preceding year. By using this definition, no doubt is left that those growers who plant crops during the preceding year will, at the time of elections in September, be entitled to be enrolled.

One of the voting qualifications now in the Act is that a person must be the holder of a current licence. Therefore, under the amendment, all growers will get a vote. My explanation of the amendment is perhaps somewhat involved, but I feel it is necessary in order to make the position clear and leave no doubts.

Before leaving this aspect of the Bill, there is another point to which I would like to draw attention. The words "who is qualified to vote at the election of a member of the Legislative Assembly" are in the proposed definition, while they do not now appear in that part of the Act. However, if members refer to the portion of the Act which deals with the elective members, they will find that it is already a qualification which a commercial producer must possess.

There is also a necessary consequential amendment to the Act, which removes the qualification of being a commercial producer for the season during which the election is held. The other amendment deals with filling the remaining term of an elective member, should the office become vacant.

At present the Act provides that the vacancy shall be filled by a person appointed by the remaining elective member. The proposal in the Bill is that a vacancy of this description shall be filled by a person nominated for appointment by the executive of the Potato Growers' Association. This trust fund Act was set up to provide funds to compensate potato growers for any disease that might break out in their crops, and also for purposes of making research into disease and so on. It also provides for the payment of fees and travelling expenses of the trust fund

committee. There are only three members. It pays for itself and it is something which is evidently doing good, and has done some good since 1947.

We do not know of any objections or complaints that have arisen since its inception, and this Bill does not affect in any way payments or compensation provisions. It simply clarifies the qualification of a producer to vote, and it was instigated by the Chief Electoral Officer, who had doubts as to whether all producers would be able to record their vote under the existing Act. Therefore it is very necessary so that every producer can vote for his elective representative when the next ballot is held in September of next year. I move—

That the Bill be now read a second time.

On motion by Hon. C. H. Henning, debate adjourned.

BILL—FACTORIES AND SHOPS ACT AMENDMENT.

Second Reading.

Debate resumed from the 8th September.

HON. H. HEARN (Metropolitan) [9.31]: I support the second reading of this Bill. I know that some members may consider this an unusual course. The Chief Secretary adopted a different attitude in his second reading speech to the one he adopted during the debate on price control. The proposed increase is one of those inevitable ones due to the depreciation of the £ and the inflationary period through which we have passed. Notwithstanding some severe comments of employers, they have sufficient commonsense to realise that at some time or other increased charges must be met. The charges of the factories department, like those of many other Government utilities, is not subject to price fixing; and if the Prices Control Bill went through, it would make no difference to the legislation before us.

When the Bill was introduced in another place, the Minister stated that all the Government wanted was to see the Factories and Shops Department pay its own way. That is a very desirable objective; and I am sure we all agree with it, provided that the department is not further enlarged and expanded so that these fees will have to be renewed again in the not too distant future. Industrially we recognise that the time has arrived when these adjustments should take place. Whether they are in keeping with the desire of industry is another question.

I do not intend to enter into a discussion as to whether the increases are too steep. We are prepared to accept the fees proposed by the Government. For the

better working of the Act, if this Bill is passed, I shall move an amendment in Committee as follows:—

Delete all words and figures after the word "for" in line 24 down to and including the figure "6" in line 26 and substitute the following:—

"Every additional ten persons employed £1."

Instead of making the fee 2s. 6d. for every person employed over 30, the idea is to base the fee on multiples of ten employees. From an industrial viewpoint this will be very much more convenient to both the factories department and the management. If the charges were based on 2s. 6d. per head, the factories inspector would have to count all the employees; whereas the proposal under my amendment would give a tolerance which makes for easier policing of awards. It is one of the regrettable indications of the times that we have to accept these increases, but we do so cheerfully. I say this for the benefit of those people who lose no opportunity to suggest that all employers of labour must of necessity be selfish. Subject to the amendment which I shall move in Committee, I support the second reading.

On motion by Hon. N. E. Baxter, debate adjourned.

BILL—WAR SERVICE LAND SETTLEMENT SCHEME.

Second Reading.

THE MINISTER FOR THE NORTH-WEST (Hon. H. C. Strickland—North) [9.36] in moving the second reading said: This is an Act to enable the State to carry out and give effect to war service land settlement; and to accept appropriations mentioned in the State Grants (War Service Land Settlement) Act, 1952, of the Commonwealth Parliament for the purpose of financial assistance in connection with war service land settlement in such amounts and subject to such conditions as the Minister mentioned in that Act determines under that Act; and for other and incidental purposes.

The title of this Bill is familiar to the majority of members. They will recall debating a similar measure last year, which did not become law because of a conference of managers from both Houses failed to agree. The stalemate arose when this Chamber accepted an amendment affecting the valuing conditions of soldier settlement farms, but rejected a consequential amendment moved by the Government.

In respect to that particular clause, this Bill is slightly different from the one introduced last year. Whereas the latter had neither of the amendments in dispute, this one contains both; and therefore, everybody should be satisfied. The Bill should be passed without unnecessary

delay, and the Government enabled to proceed with its obligations to soldier settlers.

That this Bill is necessary is appreciated when the long title is analysed. It clearly states the measure is to enable the State to carry out and give effect to war service land settlement, and also to enable the State to accept moneys from the Commonwealth Government to finance war service land settlement.

This legislation became necessary as a result of a successful challenge to the Commonwealth Government's powers in the High Court in 1951. Following this decision, the Commonwealth made finance available to the agent States under Section 103 of the Re-establishment and Employment Act; and in 1951 this State passed a new agreement to legalise its position and repeal the then existing State Acts. The Commonwealth subsequently repealed Section 103 of the Re-establishment and Employment Act, and since 1952 has made grants under Section 96 of the Commonwealth Constitution, and the Commonwealth States Grants (War Service Land Settlement) Act, 1952. Therefore, the War Service Land Settlement Agreement Act, 1951, became redundant, and will be repealed by this Bill.

The State has continued to receive grants from the Commonwealth under a set of conditions but without a validating Act, in respect of the agreement between the State and Commonwealth. Consequently it is not possible to issue leases to settlers under the scheme. To emphasise that point, I wish to quote a report from "The West Australian" of the 9th September, which reads as follows:—

Canberra: Soldier settlers in Western Australia have not received their leases because the legislation under which the leases could be issued do not comply with Commonwealth requirements or War Service Settlement grants, the Minister for the Interior (Mr. Kent Hughes) said today.

Mr. Kent Hughes' statement on W.A. soldier settlement was made available to Senator Seward (C.P.), W.A., who raised the question of Tootra estate.

Hon. H. L. Roche: Whom do these new leases refer to?

THE MINISTER FOR THE NORTH-WEST: Apparently to the Tootra estate. The statement evidently refers to everybody. The Minister says no leases can be issued. The report continues—

Mr. Kent Hughes said that the draft of a new lease document had been drawn up and agreed to by the Commonwealth.

Amending legislation was presented to the W.A. State Parliament last year, but was not passed.

Mr. Kent Hughes said that he had drawn the attention of the W.A. Minister for Lands to irregularities in the situation.

He had been assured that amending legislation would again be presented by the W.A. Parliament.

Once that legislation was passed, there would be no obstruction to settlers getting their leases, he said.

The real purpose of the Bill is to rectify that situation: that is, to enable the leases to be issued. It is important that the measure be passed; and to show the urgency of the matter and the concern of the Commonwealth, I propose to read the following letter received from the Minister for the Interior, Mr. W. S. Kent Hughes:—

22nd July, 1954.

Minister for Lands and Agriculture,
Perth.

Dear Mr. Minister,

As you are aware, the Commonwealth States Grants (War Service Land Settlement) Act, 1952, provides for the Commonwealth to make grants of financial assistance to the State of Western Australia in connection with War Service Land Settlement subject to such conditions as the Commonwealth Minister determines. On 30th July, 1953, I forwarded you a copy of the conditions under which I am prepared to authorise such grants to Western Australia.

My concern is that existing State legislation does not permit the entire implementation of the conditions I have determined. Unless this situation is remedied quickly, I shall have no alternative to referring to the Commonwealth's legal authorities the question of the validity of the Commonwealth making grants of financial assistance to Western Australia for War Service Land Settlement.

Any curtailment of activities on this score even temporarily, would be deplorable and would jeopardise the endeavours we are making to achieve acceleration of settlement with a view to finalising development within a period of five years.

I would like you to discuss this matter with your Premier and advise me at an early date of your Government's intentions.

(Sgd.) W. S. Kent Hughes.

We know the Government's intentions. We are submitting this legislation in order to comply with the requirements of the Commonwealth Government. It can be seen very definitely from the Federal Minister's letter that it will be impossible to make the finance available to the State

unless we pass legislation to comply with the conditions laid down. There was a long debate on this point last year.

Hon. N. E. Baxter: The finance has not been held up, has it?

The MINISTER FOR THE NORTH-WEST: Not yet; but the Federal Minister said he would refer the question to the Commonwealth legal advisers unless we passed this legislation. That is the position we shall be in if we fail to pass this Bill.

There is another change in the Bill as compared with the one introduced last session. This relates to the mineral rights claimed by the Midland Railway Co., but as this will be the subject of litigation, it is not proposed to go into the matter very deeply. However, I shall briefly give the history of the mineral rights in dispute.

In 1886, Parliament approved of an agreement between the State and Mr. Waddington—the agreement being known as the Waddington Agreement—for the construction of a railway between Guildford and Greenough, and provision was made for the grant of land to the contractor progressively with the construction of the railway. Waddington subsequently assigned all his interests in the contract to the Midland Railway Co. Ltd.

At the time of the approval of the Waddington Agreement, the State was still a colony and grants of land were made by the Government pursuant to the land regulations then in force. Those grants provided that not only the land, but also all mineral rights, including rights to mineral oil, and therefore to petroleum, would pass to the purchaser, but express reservation was made of gold, silver and precious metals.

Although subsequent legislation made reservations to the Crown of certain mineral and other rights in relation to future grants of land, the State has, in fact, always made these grants of land to the Midland Railway Co. in accordance with the land regulations in force at the time of making the agreement in 1886, namely, the State had, in fact, purported to grant to the company, not only the land, but all mineral rights in these lands with the exception of gold, silver and precious metals.

It has been noticed, however, that the War Service Land Settlement Agreement (Land Act Application) Amendment Act, 1950, defined the "mineral rights", which the company was thought to have in the lands granted to it pursuant to the Waddington Agreement, in such a way as to suggest that the company had the right to all minerals and metals, whatsoever. In this definition, there is no reservation of gold, silver and precious metals, and there

is no reference to the mineral rights being subject to the provisions of the Petroleum Act.

Furthermore, the 1950 Act provided for a form of Crown grant which should issue in favour of the company with respect to these mineral rights, and the mineral rights granted by that form of grant contained no reservation of gold, silver and precious metals, and no exception in favour of petroleum. The company has never claimed that it had any rights to gold, silver and precious metals, so that it is obvious that the definition of mineral rights and the form of grant as contained in the 1950 Act are defective.

The company's solicitors took an active part in the framing of the 1950 legislation, including the definition of mineral rights and the form of Crown grant, but the defects were apparently not noticed. Similarly, the War Service Land Settlement Agreement Act, 1951, reiterated the same definition of mineral rights and the same form of Crown grant in favour of the company. In neither case is there a reference to the exception in favour of the Crown of gold, silver and precious metals, or to petroleum under the Petroleum Act.

Unless these Acts of 1950 and 1951 are amended, doubts must arise, firstly, whether or not the State now purports to grant to the company its rights to gold, silver and precious metals; and, secondly, whether or not the State recognises that the Petroleum Act, 1936, does not apply to lands granted to the Midland Railway Co. The purpose of the amendment is to remove these doubts.

Since the discovery of oil in this State in November of last year, the company claims for the first time that it had noticed that permits to explore had been granted to Wapet under the Petroleum Act over Midland Railway Co. land. The company claims that the State has no power to grant such a permit to explore over company land. The company's claim is now the subject of a court action to test the authority of the State to make laws retaking rights in land. If the State has not such power, then many retakings which have been made in the past are invalid and it may then be necessary to have Imperial legislation on every occasion when the State wishes to deal with rights in alienated land. That is so because the original grants were made under Section 4 of the Imperial Act of 1890.

It is pointed out that, in relation to the reference in the amending Bill to petroleum under the Petroleum Act, all the rights of the company, if it has any, under Section 2 of the Petroleum Act are preserved, so that if Section 4 of the Imperial Act of 1890 operates to prevent the State from retaking any part of the mineral rights previously granted to the company

or contracted to be granted to the company, the company's rights are fully preserved, and not in any way prejudiced by the present Bill.

The provision in this Bill is in line with the one in the Petroleum Act. Whether the rights belong to the company or whether they have been or can be taken back by the State will be decided by the court; and the court's decision will affect this measure, if it becomes law, and the Petroleum Act. Therefore this provision is merely to bring the legislation referring to the rights of the Midland Railway Co. into line with the provisions in the Petroleum Act. The State proposes to make its position quite clear, and the point at issue will eventually be decided at law. Regardless of the outcome, the proposal of this Bill is to ensure that it is in line with the Petroleum Act.

Members will recall the provisions of the Bill that was introduced last year regarding servicemen's settlement and there is no need to explain them again. Doubtless there will be plenty of discussion by members who are not satisfied with the conditions, but I trust that on this occasion the measure will be accepted.

Hon. H. L. Roche: It was accepted last year, but the Government dropped the Bill.

THE MINISTER FOR THE NORTH-WEST: The Bill was lost after a conference because the managers could not agree. I hope that we do not reach that stage on this occasion. The matter is urgent and must be causing some of the returned soldier settlers considerable concern. It is certainly causing the department concern when it cannot issue leases and carry on the work, and there is a danger of the Federal Government's finding that it cannot lawfully provide any more funds. This would mean that the scheme would come to a standstill because there would not be sufficient finance to carry it on. I move—

That the Bill be now read a second time.

HON. L. A. LOGAN (Midland) [9.58]: Members will recall that when debating the Bill last year we endeavoured to make the Government realise what was going on to the end that this might be brought before the proper authority. An agreement was made in 1945; an amending measure was introduced in 1947 and another in 1951. Then there was a letter to the Minister and the Prime Minister intervened. I believe that the contents of the letter were not published, but that it repudiated the leases to the ex-servicemen then on their properties.

The Minister for the North-West: Did they have leases then?

Hon. L. A. LOGAN: I am referring to the conditions which they expected would apply when the properties became their

own. The Minister's statement that the Commonwealth Government will not be able to provide further assistance might also be wrong because of the fact that ever since the scheme has been operation, the Commonwealth has found the money year by year. If it had not been legally entitled to do so, we would have been informed by the Auditor General that it did not have authority to continue granting this assistance.

The Minister for the North-West: The point was not inquired into. There was an election in the offing.

Hon. L. A. LOGAN: The Commonwealth has provided finance under the Re-establishment Act. The mere fact of the Federal Government's having laid down certain conditions is no reason why members of Parliament in Western Australia should accept them if they are not right. Surely we are not just to be told what we are to do or accept, without putting up some sort of fight to set them on the right track! It is our duty to do that. If we think some of the soldier settlers have had their leases repudiated, it is time we told the Commonwealth Government so.

The Minister for the North-West: Have some of the leases been repudiated?

Hon. L. A. LOGAN: I do not know; but it would seem that, by the repeal of these Acts, they have. The Minister also read a newspaper cutting which said that Mr. Kent Hughes had stated that the settlers could not receive their final valuations until such time as the measure was proclaimed; but the measure was lost last session and soldier settlers have received their final valuations in the last 12 months.

The Minister for the North-West: I told you that some final valuations were ready to go out when the measure was before us last year.

Hon. L. A. LOGAN: The defeat of that measure has not stopped them receiving their final valuations, and apparently the Commonwealth is again trying to bluster its way through. Judging by the newspaper report of what Mr. Kent Hughes said, the Commonwealth was aided and abetted by the Government of Western Australia. Admittedly some of the fears I expressed last year have not been substantiated; and some of the final valuations received are quite good from the settlers' point of view, and they are happy about them; but whether all the valuations will be the same, I do not know.

The Minister for the North-West: You are always looking for a ghost.

Hon. L. A. LOGAN: I am not; but conditions that apply in some areas, do not apply in others. The Minister must realise that in some areas single farms have been included with project farms, and so a different set of circumstances will apply as compared with those I am speaking of

as having received their final valuations. What is needed is for the final valuations to be made much earlier than is the present practice.

I see no reason why they cannot be made when the farm is allotted to the settler. By that I refer to the value of the land itself, although I know there are certain structural improvements that are made, and which must be paid for by the settler. Immediately an allottee is given his farm to work, he commences, if he is a decent type, with his own hands to build it up. Who is to tell, after perhaps two or three years, the difference between what that settler has done with his own hands and skill, and what has been paid for under the scheme on another property? Although both properties may have been of the same value in 1951, their values may differ greatly by 1955. In that case, how are they to be assessed and valued? I see no reason why two competent men should not be appointed to assist Mr. Barrett in the work and make the valuations on the day when the farms are allotted, as that would overcome much of the trouble and make the settlers quite contented.

Hon. C. W. D. Barker: When do they get their final valuations?

The Minister for the North-West: When the project is completed.

Hon. N. E. Baxter: Perhaps four or five years after they have gone on to the farms.

Hon. L. A. LOGAN: The position today is that on some farms the settlers are prepared, perhaps with a bit of outside capital, to do the work themselves; while others wait for the scheme to do the work for them. One man gets the work done for nothing, while the other pays for the improvements; but on the final valuation of the farms, the valuations they get are the same. It is therefore a necessity for all concerned that the valuations be made earlier.

I believe that the second part of the Bill, dealing with mineral rights, is the most essential portion of it; and I only hope that the Minister has not included it as a sprat to catch a mackerel. I would not like to charge him with that offence.

The Minister for the North-West: That provision was in the previous Bill.

Hon. L. A. LOGAN: It has been claimed that certain people were at fault and it appears to me that a number may have been, if what has been said is correct. Probably the biggest offenders were the Crown Law officers themselves, because they handled the deal, and if they were not awake to what was going on, they must take the blame. When the Waddington agreement was made, the Crown Law Department probably made one or two mistakes, and Mr. Waddington must have been a very astute gentleman. I understand that one or two amendments are to be put on the

notice paper; but until I get further information, I am not sure what my attitude towards them will be. I will leave any further remarks until the Bill is in Committee, and in the meantime I support the second reading.

On motion by Hon. C. H. Henning, debate adjourned.

BILL—LOTTERIES (CONTROL).

Assembly's Message.

Message from the Assembly received and read notifying that it had agreed to the further amendment made by the Council to the Assembly's amendment No. 1.

House adjourned at 10.7 p.m.

Legislative Assembly

Tuesday, 14th September, 1954.

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QUESTIONS.

COAL.

As to Price, Production and Quality.

Mr. MAY asked the Minister for Mines:

(1) What is the price per ton of coal at pit top at Collie.

(2) What is the price of coal per ton upon reaching the metropolitan area?

(3) What is the landed cost of coal from the Eastern States per ton at Fremantle wharf at the present time?

(4) Is the production of coal in this State greater than the consumption at the present time?

(5) In the event of over-production, is it proposed to lessen the production of open-cut coal?

(6) What safeguards are being taken by his department to ensure that the best quality Collie coal is being made available to consumers in this State?

The MINISTER replied:

(1) 70s. per ton average price.

(2) The above plus freight of 36s. 10d. per ton average.

(3) £8 9s. per ton gas coal; £8 2s. 6½d. per ton steaming coal.

(4) As far as I am aware, all coal produced is at present being sold, but production is increasing.

(5) Instructions were recently issued to the operating companies that open-cut production must be kept to 17,500 tons fortnightly, on a ratio defined per company.

(6) The department endeavours to ensure that good quality coal is produced; but with today's competition for coal trade, this is a matter which consumers themselves can greatly control.

CRAYFISH.

As to Diminution of Number and Fresh Areas.

Hon. D. BRAND asked the Minister for Fisheries:

(1) Is there any truth in the suggestion that the number of crayfish is diminishing in areas centred on the Abrolhos Islands?

(2) If so, to what extent?

(3) As large numbers of crayfish are believed to exist south of Geraldton, has consideration been given to opening up this area?

(4) Has Snag Island or any other been set aside as a possible depot?

(5) Has Port Denison been given any consideration as a point of unloading the crayfish if southern seas are opened to crayfishing?

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