

Legislative Council,

Tuesday, 10th September, 1940.

	PAGE
Question: Technical education, expenditure	660
Perth Hospital construction, as to tabling Mr. McVilly's report	660
Left Book Club	660
Bills: Police Act Amendment, 3r.	660
Financial Emergency Tax Assessment Act Amendment, 2r., Com. report	660
Agricultural Products Act Amendment, 1r.	662
Licensed Surveyors Act Amendment, 1r.	662
Inspection of Machinery Act Amendment (No. 1), 1r.	662
Reserves (Government Domain), 1r.	662
Coal Mines Regulation Act Amendment, 2r., Com. report	662
Mine Workers' Relief (War Service), 2r., Com. report	663
Mine Workers' Relief (Payments Authorisation), 2r., Com. report	663
Profiteering Prevention Act Amendment Com.	665
Rural Relief Fund Act Amendment, 2r.	674

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

QUESTION—TECHNICAL EDUCATION, EXPENDITURE.

Hon. A. THOMSON asked the Chief Secretary: 1, During the past twelve months, in making provision for technical education, what amounts were spent in respect of—(a) Buildings; (b) plant; (c) teachers at the Perth, Fremantle, Kalgoorlie, Wiluna and Midland Junction centres, respectively? 2, What amount has been provided to grant technical training facilities at Pingelly, Narrogin, Wagin, Katanning and Albany, respectively?

The CHIEF SECRETARY replied: 1, For the year ended the 30th June, 1940—

	(a) and (b)			(c)		
	Buildings and Plant.			Teachers.		
	£	s.	d.	£	s.	d.
Perth	45,116	1	5	15,741	0	0
Fremantle ..	1,837	3	5	2,278	0	0
Kalgoorlie:						
Technical School	171	16	6	1,179	0	0
School of Mines	783	0	0	7,524	10	2
Wiluna, School of						
Mines	461	0	0	735	0	0
Mid. Junction ..	335	0	0	1,195	0	0
(purchase of land)						

2, Nil. The establishment of technical training facilities in country towns is contingent upon the production of satisfactory evidence that technical instruction is needed and that classes which may be formed are likely to be permanent. Since the 30th June, 1940, nine classes have been established at Narrogin.

QUESTION—PERTH HOSPITAL CONSTRUCTION.

As to Tabling Mr. McVilly's Report.

Hon. A. THOMSON asked the Chief Secretary: Will the Minister lay upon the Table of the House the report embodying recommendations, etc., concerning the lay-out of the new Perth Hospital, when it is received from Mr. C. L. McVilly, inspector and permanent head of the Charities Board of Victoria?

The CHIEF SECRETARY replied: The Victorian Government was approached to make available the services of Mr. McVilly in a consultative capacity. During the time he was here he had numerous conferences and discussions with the building committee of the Perth Hospital Board and others interested in the administration of the hospital, to whom, I understand, he made a verbal report prior to his departure.

QUESTION—LEFT BOOK CLUB.

Hon. H. V. PIESSE asked the Chief Secretary: Is the Left Book Club an illegal organisation, and have the Federal authorities banned its literature?

The CHIEF SECRETARY replied: No.

BILL—POLICE ACT AMENDMENT.

Read a third time and transmitted to the Assembly.

BILL—FINANCIAL EMERGENCY TAX ASSESSMENT ACT AMENDMENT.

Second Reading.

THE CHIEF SECRETARY (Hon. W. H. Kitson—West) [4.37] in moving the second reading said: The Bill is short, but rather unusual in view of the fact that it provides for refunds by the Taxation Department to those persons who during the last financial year paid excess emergency taxation on their wages or salary. To do this an amendment of the parent Act is necessary, the emergency tax having ceased at the end of June.

Members are aware that financial emergency taxation has always been collected on the salaries and wages of taxpayers at the appropriate rate of tax according to the

earnings received. Thus if a man earned £10 in any one week, he would be taxed on that amount at the rate fixed by legislation. He might earn a considerably smaller amount in the succeeding weeks, say £5, on which he would be taxed at the appropriate rate. He might even be out of employment and earn nothing at all, in which event he would not be taxed. In these circumstances, a wage earner engaged in employment of an irregular nature, such as a shearer or a lunper, might pay substantially more taxation during a year than he would be liable for if his earnings that year were treated as income and the appropriate rate struck. Provision was made to overcome this anomaly by Subsection (7) of Section 9 of the Financial Emergency Tax Assessment Act, which provides as follows:—

If it shall be made to appear to the Commissioner at or after the end of any financial year that any person has paid tax by means of deductions or otherwise, in respect of salary or wages earned during that year, a total sum exceeding the amount of tax which he would have been called upon to pay in respect of such salary or wages, if the same had been income, and financial emergency tax has been assessed thereon as provided by this Act, then the Commissioner shall repay to such person the amount of the excess so paid by him as aforesaid.

When the financial emergency tax was first introduced, the tax for the financial year ended on the 30th June, 1933, was imposed in respect to salary and wages on the income paid between the 1st December, 1932, and the 30th June, 1933; and also in respect to income from other sources on seven-twelfths of the income of the year ended the 30th June, 1932. In each succeeding year the same principle has applied. The tax collected has been on the salary or wages for the current year, and on other income for the previous year. In dealing with applications for credits under section 9 (7) of the Financial Emergency Tax Assessment Act in respect of wages or salary earned during the last financial year, it is necessary to determine the amount of tax which would be paid if that salary or wages were income.

But as the Financial Emergency Tax ceased on the 30th June the tax is not levied on income earned last year. Therefore unless Subsection 7 of Section 9 of the Financial Emergency Tax Assessment Act is amended we will not have the power to refund financial emergency tax collected last year on salaries or wages which was paid at a rate higher than Parliament intended. By the

enactment of this amendment the present position will be remedied.

It is provided that for the purpose of calculating the refunds to be made to those who overpaid last year, the same rates shall apply as were levied last year. There is not a very large amount involved but it would be an injustice for some taxpayers to pay at a higher rate than others on the same total earnings, and this Bill will have the effect of remedying the matter.

Hon. J. J. Holmes: It applies only for one year?

The CHIEF SECRETARY: Yes; this finalises the matter. I move—

That the Bill be now read a second time.

Question put and passed.

Bill read a second time.

In Committee.

Hon. V. Hamersley in the Chair; the Chief Secretary in charge of the Bill.

Clause 1—agreed to.

Clause 2—Amendment of Section 9:

Hon. H. S. W. PARKER: The proviso begins—

Provided that in the event of there not being passed any Act to impose and fix rates of tax, etc.

I do not intend to oppose the clause, but I would like to know when these refunds will be available. Nobody knows. No Bill may be passed until next year. If I were to go to the Taxation Department and ask for a rebate I would be told, "We do not know whether Parliament will even pass a Bill."

The CHIEF SECRETARY: I think I follow the hon. member's meaning, but he will realise just as well as I that a Bill will be passed this year. If not, we would be in serious financial difficulties. Consequently, I do not think we need entertain the fear expressed by the hon. member.

Hon. H. S. W. Parker: I thought the Bill provided for a refund if a measure was not passed.

Clause put and passed.

Clause 3—agreed to

Title—agreed to.

Bill reported without amendment and the report adopted.

BILLS (4)—FIRST READING.

- 1, Agricultural Products Act Amendment.
- 2, Licensed Surveyors Act Amendment.
- 3, Inspection of Machinery Act Amendment (No. 1).
- 4, Reserves (Government Domain).

Received from the Assembly.

BILL—COAL MINES REGULATION ACT AMENDMENT.

Second Reading.

THE HONORARY MINISTER (Hon. E. H. Gray—West) [4.53] in moving the second reading said: This short Bill is rendered necessary by the changed circumstances of the coal miners' relief fund. By this amendment of the Act it is proposed to grant authority for the making of increased payments by coal miners to their accident relief fund. As increased contributions are already being made voluntarily by the coal miners, this Bill proposes also to validate any such payments. Under Section 67 of the Coal Mines Regulation Act it is provided that—

(a) The owner of every mine shall contribute to a fund for the necessary relief of miners who have been injured whilst working in coal mines in Western Australia, and for the relief of the families of miners who have been killed or of persons injured whilst so working, and for the purpose of such fund shall, in the months of January and July in every year, pay a sum equivalent to one-halfpenny per ton on the output of all coal sold from any mine during the preceding six months, respectively, ending on the last day of the preceding month of December or June (as the case may be), into a trust account to be kept by a trust constituted pursuant to this section as hereinafter provided for.

(b) All employees (excepting boys) of every coal mine working in Western Australia shall each contribute to the Coal Mine Accident Relief Fund one shilling per fortnight, and boys working in such mines shall each contribute sixpence per fortnight to the said fund, and boys in case of accident shall receive only half the benefits from the fund as compared with the adult employees, and the owner or manager of every such mine shall deduct fortnightly from the earnings of each of his employees such contributions, and pay the same to the trust to be dealt with in accordance with the provisions of this Act, and shall be responsible to the said trust for compliance with the provisions of this section. The obligation to contribute to and the right to receive the benefits of the said fund shall extend to check-weighers appointed under

section thirteen and to persons appointed to inspect mines under rule forty-nine in the Schedule to this Act, and the provisions of this subsection shall apply to check-weighers and such persons accordingly. From moneys received from the owners and employees the said trust shall pay into the Aged and Infirm Coal Miners' Superannuation Fund Trust, hereinafter specified, a sum equivalent to one-eighth of the moneys so collected.

Owing to an increase in the number of calls upon the fund, as a result of accident to the mine workers, the assets of the fund have dwindled to such an extent that on the present basis of contributions it will not be long before there is very little of it left.

Hon. J. J. Holmes: Are not the men covered by workers' compensation?

THE HONORARY MINISTER: Yes.

Hon. J. J. Holmes: These payments are in addition?

THE HONORARY MINISTER: This system has been in operation for some years.

Hon. G. W. Miles: What have the men been paying?

THE HONORARY MINISTER: They have been paying one shilling a fortnight. They have been paying an increased contribution to the trust account. In 1936 the miners themselves decided to double the payments, but the companies would not increase their rate of contribution. The companies were paying one-halfpenny per ton, but the miners decided to double their contributions. These additional contributions have been accumulating, and, as they are actually illegal, the money has been put into a trust fund and is now approximately £2,000. The amount in the true fund is extremely small by comparison. On the 31st December, 1939, when an audit was made, it was found that only £196 18s. 6d. was left to the credit of the fund. It will be seen, therefore, that the real fund is in a bad position financially. The Bill is introduced at the request of the miners in order to legalise their increased contributions, thereby making the fund more sound financially. The amendment to the Act provides for an alteration of Section 67, increasing the payments to 1s. 6d. per fortnight for men and to 9d. for boys, and for legalising the payments already made.

Hon. J. J. Holmes: An increase from 1s. to 1s. 6d.?

THE HONORARY MINISTER: Yes. The rates of payments in cases of accident are 1s. 8d. per day. This is governed by

regulation. If the Bill becomes law, it is suggested that the rates be increased to 2s. per pay, but any higher payments of relief can be governed only by the funds in hand. The measure is brought down at the request of the contributory miners, and the Government feels justified in introducing it. The Bill is a small one. Some action is necessary so that the miners may legally use the money already paid in, this involving a sum of over £2,000. I move—

That the Bill be now read a second time.

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—MINE WORKERS' RELIEF (WAR SERVICE).

Second Reading.

THE CHIEF SECRETARY (Hon. W. H. Kitson—West) [5.2] in moving the second reading said: This is a small Bill which I feel sure will meet with the approval of the House. It is a war-time measure to be read in conjunction with the Mine Workers' Relief Act, 1932-34. The Bill is designed to protect the rights of mine workers who have contributed to the Mine Workers' Relief Fund and who subsequently enlist for war service. Under the existing law a mine worker who is absent from employment on the mines for more than two years must be treated as a new applicant for employment, and therefore must also be treated as a new applicant for a laboratory certificate, which has a currency of two years. A man might have silicosis or some other complaint which would not prevent him from obtaining a renewal of his certificate if he were constantly employed but which would prevent him from obtaining an initial certificate if he were treated as a new applicant. The Bill provides that absence on war service shall be treated as employment in a mine for the purpose of renewing the laboratory certificate. A miner must, however, present himself for the necessary examination within six months of his discharge from war service.

There is also a provision in the Bill to the effect that the liability of the mine workers to contribute to the fund under the Mine Workers' Relief Act shall be wholly suspended. This means that a miner will be financial when he returns from war service. A third and final provision is made that if within six months of his discharge from war service, a mine worker is found upon examination at the laboratory to be eligible for benefits under the Mine Workers' Relief Act, 1932-34, he shall be entitled to receive any such benefits. The proviso is, however, that he shall not receive any benefits if he is then found to be suffering from tuberculosis. The reason for this proviso is that as the military authorities accepted the man as physically fit and also X-rayed his lungs, he was free from tuberculosis when he left the mining industry. If found to be suffering from tuberculosis when re-examined by the laboratory the disease must have been contracted after leaving the mining industry. The man is consequently not entitled to claim upon the funds for benefits, but should be a case for the Repatriation Department. That is a brief outline of the Bill. It means that every man who leaves the gold-mining industry and enlists will be kept in a financial position while he is a member of the forces and when he returns his interests are protected to the extent that if he should be suffering from any disease which can be attributed to work in the industry, he is entitled to compensation. If, on the other hand, he is suffering from tuberculosis not contracted in the industry, he will come under the Repatriation Department. I move—

That the Bill be now read a second time.

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—MINE WORKERS' RELIEF (PAYMENTS AUTHORISATION).

Second Reading.

THE CHIEF SECRETARY (Hon. W. H. Kitson—West) [5.10] in moving the second reading said: This is a small Bill by which

it is proposed to make payment from the Mine Workers' Relief Fund to the six widows indicated in the schedule. In 1936, while a miner was receiving payments from the Workers' Compensation Fund, he established a claim to the payment by the Mine Workers' Relief Fund of the difference between the amount of his weekly payments from the Workers' Compensation Fund, and the weekly wages he would have received if he had been working. Mine workers affected by the establishment of his claim, were also paid accordingly. Two years later this miner lodged a claim to the effect that he had been under paid. He contended that his payments should have fluctuated with the basic wage ruling from time to time whilst he was in receipt of workers' compensation. Actually he had received payments on the basis of the amount of the basic wage which was ruling when the worker had ceased work. On the advice of the Solicitor-General, the board admitted the claim and paid all those affected thereby. Prior to 1938 some mine workers who would have received increased payments as the result of this decision, died. The widows claimed the payments which would have been due to their husbands had they lived. Legal advice was to the effect that the husbands' rights to payment died with them, but it was considered that payment should be made to those widows whose husbands joined with the first claimant in his legal action. This action was taken. Those widows whose claims were disallowed number six. I just intimated that the reason for this decision was that they were not legally entitled to payment. Morally, however, they are just as much entitled to payment as the other widows.

The position is that the Mine Workers' Relief Board is desirous of paying those six widows. If however, payment is so made the members of the board are liable to a surcharge by the Auditor-General. The Bill, therefore, proposes to grant the board the legal right to make the payments. The total liability of the board is limited to the six widows mentioned in the schedule, and when the payments, aggregating £186 17s. 11d. have been made, this Act will have no further force and no further claims can arise.

In introducing the measure, I do so with the knowledge that the question of these payments has been a subject which has had the

attention of the Crown Law Department for some considerable time. There are some who may argue that the Fund can legally pay. The Crown Law authorities, however, advise to the contrary. This amending Bill will settle any arguments and will entitle the Mine Workers' Relief Fund to make payment of the amounts specified in the schedule to which these six widows are morally, and some may claim legally, entitled. I move—

That the Bill be now read a second time.

HON. C. B. WILLIAMS (South) [5.15]:

I support the second reading. I am to some extent primarily responsible for creating the position to which the Chief Secretary has referred. Some years ago we passed an Act to allow a mine worker to have his payments under the Third Schedule of the Act, made up from the Mine Workers' Relief Fund to the basic wage then existing. The result was that a man named Johnson came to me with a view to getting the A.W.U. (Mining Branch) to take action against the Mine Workers' Relief Fund Board; but the matter was settled by a judge in chambers, who ordered that Johnson should be paid retrospectively the difference between the amount that he was receiving as compensation and the amount of the basic wage which was ruling at the time. Another man named Magee, belonging to the Tributaries' Association, decided that he had a similar case and so he took action against the Mine Workers' Relief Fund Board. I congratulate the Government upon bringing this Bill down, because the Mine Workers' Relief Fund Board is not to blame in the matter, especially as the board had had cheques made out to pay these people. The board realises that the claimants are entitled to this money. The stupidity of the whole matter is that it should be necessary to introduce a measure such as this in order that the claimants might receive payment. The Mine Workers' Relief Fund is a contributory scheme; one-third is paid by the Government, one-third by the companies and one-third by the men. The board should have full power to control the fund and should not be put in a position that it can be blamed and held responsible for having paid away moneys wrongly. To my way of thinking, the present administration of the fund is both stupid and expensive, but that is on account of the way the existing

Act is framed. What do members know about the fund, except that it is controlled by an Act of Parliament? The peculiarity of the present Bill is that it is introduced as the result of three or four men having each contributed £2 to a common pool to fight a test case and because the A.W.U. (Mining Branch) and its secretary were neglectful and did not bring the necessary action, notwithstanding that the union had been requested to do so on no fewer than ten occasions. This Bill has therefore become necessary. The members of the Tributers' Association also contributed £2 each to a fund to fight a test case on behalf of its members. I am not a lawyer, but the Solicitor-General is of the opinion that because the men made such contributions to a fund to test the matter, the widows are entitled to payment of these claims. The Government would be well advised to give the Mine Workers' Relief Fund Board power to deal with such cases. Any blame in the matter is attachable to the executive and officials of the union, who did not bring the test case as they were instructed to do. I hope the Bill will pass the second reading. The claimants in some cases have waited as long as four years for payment of their claims.

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—PROFITEERING PREVENTION ACT AMENDMENT.

In Committee.

Resumed from the 4th September. Hon. V. Hamersley in the Chair; Hon. G. B. Wood in charge of the Bill.

The CHAIRMAN: Progress was reported after Clause 2 had been partly considered.

The CHIEF SECRETARY: A long discussion took place on this clause when the Bill was last dealt with in Committee. Members will recall that there was a difference of opinion upon the meaning of the clause. Mr. Wood interpreted it in one way; I put another interpretation upon it, and I think other members differed from me. I prom-

ised to submit the clause to the Crown Law Department for opinion. I did so. Before reading the opinion, I desire to say that it indicates Mr. Wood is right, up to a point, in his contention; but that there are some grounds for the contention put forward by me. The Solicitor General's opinion reads—

The amendment in Clause 2 (a) proposes to exclude from the definition of "commodity" agricultural and pastoral products only during such time as they remain in the hands of the grower or the producer. When they have passed by sale or otherwise out of the hands of the grower or producer into the ownership of another person, then from the time they come into the hands of such other person they will be "commodities," if and so long as they come within the definition of "commodities" as contained in paragraphs (a) to (h) in that definition in Section 5 of the principal Act. Thus the schedule proposed to be added to the principal Act does not conflict with or in any way affect the amendment provided in Clause 2 (a) of the Bill. The animals and articles mentioned in the schedule will, by virtue of the amendment in Clause 2 (a) of the Bill, not be "commodities" while they remain in the ownership of the grower or producer thereof, but will be "commodities" when they pass into the ownership of some person other than the grower. The animals and articles mentioned in the schedule do not necessarily exhaust the list of what may be pastoral or agricultural products; consequently, unless such products are expressly defined, the effect of the amendment in Clause 2 (a) will be to take out of the definition of "commodity" animals and articles which otherwise would be "commodities" whilst they remain in the ownership of the grower or producer thereof. Such products will, however, become "commodities" after they have passed into the ownership of some person other than the grower or producer. It would appear therefore to be desirable to provide definitions of "pastoral products" and "agricultural products."

The latter opinion coincides with the suggestion made by Mr. Nicholson when the matter was debated earlier. That is the opinion expressed by the Solicitor General. I was of the opinion that once these commodities were taken out of the Bill they could not very well be inserted again by some back-door method; but the Solicitor General has made the position clear. In view of the fact that these items which will be included in the schedule will not be subject to price-fixing while they are in possession of the grower, it seems to me that we should be exceedingly careful before we agree to the proposal. A large number of agricultural products can be disposed of and are disposed of by many farmers by means other than auction sales.

Hon. G. B. Wood: Tell us what they are.

The CHIEF SECRETARY: They may be dealt with by private treaty.

Hon. G. B. Wood: What are the articles? Wheat and wool are not included, while eggs and butter are not included during the period of the war.

The CHIEF SECRETARY: I do not know that they are all excluded during the period of the war.

Hon. G. B. Wood: I do.

The CHIEF SECRETARY: Honey, I believe, would be termed an agricultural product. My remarks are leading up to the necessity for defining what agricultural products and pastoral products are. May I suggest that in view of the interpretation put on this clause by the Solicitor General, it would be quite easy for a primary producer who desired to take advantage of the present situation to transfer some of the commodities which he has produced to some other person at an inflated price. The producer would not be subject to the provisions of this measure, and the purchaser would be entitled to charge a percentage profit on the inflated price. The consumer, therefore, whether he was a primary producer or not, could be called upon to pay a price which could not in any sense be considered fair and which would not be allowed if the particular commodity was subject to the operations of the Price-Fixing Commission. When all is said and done, any price fixing or profiteering prevention legislation has for its primary object the protection of consumers, wherever they might be. As I remarked previously, if we are prepared to appoint one man to be price fixing commissioner and to give him wide authority under our own legislation, surely we should have sufficient confidence in him to leave the matter entirely in his hands. He should determine the method to be adopted in fixing the price and to what extent he should go.

Hon. A. Thomson: That is why this Bill was introduced. Some people thought he was not right.

The CHIEF SECRETARY: I know that is the reason which the hon. member and other members put forward for the introduction of the Bill. We are not all in agreement on that. It would be a mistake to permit a commodity of this sort to be exempted from the Act when possibly the prices of a number of essential commodities could be inflated and there would be no

power to correct the inflation. Under the Bill one farmer could pass a quantity of chaff produced by him to another farmer and, by arrangement, the second man could dispose of it at a price that would be nothing short of profiteering.

Hon. G. B. Wood: I think you are going a bit too far.

Hon. J. Nicholson: I think the Minister is right.

The CHIEF SECRETARY: Some people are always prepared to take advantage of circumstances, and I would not be surprised to find there were many ways by which primary products could thus be disposed of necessitating consumers paying much higher prices than could be charged if those commodities were subject to the Act in the first place.

Hon. G. B. WOOD: The Solicitor-General said that I was right only to a point. I contend that I am right all the way through. The Parliamentary Draftsman agreed that the clause could not be altered to simplify it. I merely wish to amend the Act to delete primary products, of which there remain only a few not subject to control. No one would suggest that any primary product sold by auction should be considered under a profiteering Act. I have read the debate on the measure of last session, and there was no mention of primary products being made subject to the Act. All the arguments by the Minister were in favour of protecting the consuming public from monopolies that might take advantage of war conditions. If I and other members had thought that primary products would be brought under the measure, it would not have been passed. I venture to say that I was tricked into supporting the Bill. The Minister said that many other products could be brought under the clause. Wheat has been sold to the British Government for the duration of the war; wool cannot come under the Act; eggs and butter are subject to control. The Minister did not mention honey.

Hon. J. J. Holmes: What about onions?

Hon. G. B. WOOD: Onions, too, are controlled. Members may, if they wish, include honey and oats, and then they will come under the control of the Commissioner. The Minister said that one farmer might pass over his chaff to another farmer. I cannot imagine that being done because the price received would be governed by the bidding at auction and no profiteering could occur.

Hon. J. J. HOLMES: I hope the clause will be passed either in its present form or in an amended form. Last year I directed attention to the far-reaching effect of this legislation. It was never intended that primary products should be brought under the control of the Commissioner. Only in this State are primary products subject to the Commissioner; I understand that no attempt has been made to deal with them in other states. Surely the people on the land who have had such a gruelling time and are faced with such a black outlook should be permitted to receive the best possible prices for their products. The Act was designed to protect consumers of manufactured and imported goods. Consider the difficulty being experienced by the Agricultural Bank with its clients. The Premier, in his Budget Speech, said there were short payments to the Agricultural Bank to the extent, if I remember rightly, of £840,000. Are we to prevent those clients from getting a reasonable price for their produce? This season chaff will be probably the scarcest of all commodities. Those farmers who have crops tall enough to cut for hay—and there are very few—will find themselves at the mercy of the Commissioner. They might refrain from cutting their crops for hay; they might decide to strip them and ship the wheat overseas. If we want a famine in chaff, let it be made subject to the Act. If we want people to get chaff at a reasonable price, we should encourage the cutting of suitable crops for hay. Of all the restrictions imposed upon the community during the 40 years I have been in public life, I have known of none so wicked as this. It was never intended when we passed the Bill.

Hon. J. NICHOLSON: The Solicitor General has clearly stated his views and obviously the clause needs amending. If there was any objection to the measure, it should have been advanced last session.

Hon. G. B. Wood: That is a poor argument.

Hon. J. NICHOLSON: The intention of the sponsor of the present Bill and those supporting him is to exempt certain products from the Profiteering Prevention Act.

Hon. G. W. Miles: Until they have been sold by auction.

Hon. J. NICHOLSON: That is just the point; I was about to remark that. Mr.

Wood stated that all these commodities would be sold by auction, but the Bill contains absolutely nothing which places any obligation on owners of the commodities to sell them by auction. The Minister is quite correct in stating that if we pass the Bill it will be quite possible for some person or persons to take advantage of the wording of this clause and sell a particular commodity or group of commodities to another person privately, not by auction at all, and not at a low price or even at the ruling price prevailing on that particular day, but at some enhanced price. When a person wants to evade an Act—

Hon. J. J. Holmes: He usually goes to a solicitor.

Hon. J. NICHOLSON: No. He takes advantage of such a loophole as that apparent here. He can sell the commodity in any way he chooses.

Hon. J. J. Holmes: He can withhold it and cause a famine.

Hon. J. NICHOLSON: If the commodity should be sold by the producer to some other person at an enhanced price, the purchaser then would, under the Bill, either under Clause 6 or under the definition, be able to resell it at a price far beyond that which might be regarded as the fair ruling price, because he is entitled to obtain on the cost price—

Hon. A. Thomson: Provided he has the only supply of the commodity for sale in the country.

Hon. J. NICHOLSON: The purchaser would then be able to obtain the margin of profit which the Bill provides for over and above the actual price paid by him for the commodity, and so evade the provisions of the Profiteering Prevention Act. The commodities should be specified. Mr. Wood will be acting in the interests of producers generally if he inserts here some definition setting out precisely what goods will be covered. I do not think the Bill is urgently required, in view of the Act we passed last year. Is our State the only one which has passed a Prevention of Profiteering Act?

Hon. J. J. Holmes: I understand that is the case.

Hon. J. NICHOLSON: A definition is needed in order to make the position clear.

Hon. Sir HAL COLEBATCH: The possibility of primary producers extorting high prices is largely one which can only arise in the case of acute short-

age. I do not think there is the slightest doubt that existing legislation is calculated to discourage production and bring about shortage. I am not competent to say whether the drafting of the Bill is exactly what it should be. However, its object is to encourage production. If production is encouraged, there will not be shortage. When prices are fixed for a limited quantity, will the consumers, the public, get the advantage? Only a few people will get the advantage. This is not a Bill for the advantage of the public, but for the advantage of a few people who will be able to get a commodity of which there is a shortage, below the price fixed for it by the law of supply and demand. It is an entirely different matter for commodities coming from overseas of which there is no acute shortage, and of which everybody can get a share. But when we get price-fixing legislation which will undoubtedly discourage the production of such a commodity as chaff, there is bound to be a shortage. The benefit will accrue only to a few individuals.

Hon. C. F. BAXTER: Sir Hal Colebatch is quite right in his contention. However, the shortage already exists. Supplies of meat and chaff are already short. The meat position is now acute. In the country districts small beasts formerly sold at £4 10s. or £5 per head are now eagerly sought for at £12 per head. And those beasts are not coming to the metropolitan area, but are being consumed in the country districts. For months butchers have been chasing around the country trying to buy beef. The south-western portion of Western Australia has not at present the number of store cattle it had in previous years—no store cattle at all, in fact. In coming years the farmers will have to use their young stock, baby beef. Are the men who have the young stock on hand to sacrifice it now instead of letting it go until it brings a higher price? Beef is going to be very scarce indeed in the near future.

Hon. H. S. W. Parker: And therefore we do not want the price of beef fixed.

Hon. C. F. BAXTER: There is no necessity for it at all. Take the position with regard to mutton. The major portion of our supplies of sheep from now on will be drawn from the agricultural areas. How small is the number of sheep that can be fattened on the present outlook? Even if we get rains

from now on, we shall be short of feed, and most assuredly short of water. Thus the sheep market will be restricted tremendously. Then what is the need for the drastic Act with which we experimented last year? In 1914 many hay crops were cut at from 8 cwt. to 10 cwt. per acre.

Hon. J. J. Holmes: And even less.

Hon. C. F. BAXTER: If the price of chaff is fixed at £7 or £8 per ton, will farmers cut those crops of hay? No. They will strip the little bit of wheat from them, and money will be driven out of Western Australia to purchase Eastern States chaff, as is the case now. Then how would it be possible to fix the price of chaff? Failing any modification of the amendment, I consider the Committee should agree to it, thereby protecting our producers, who have had a very hard time indeed, especially the mutton growers. These have paid high prices for store sheep, and to-day when sending those sheep into market little more is obtained for them than the price of store sheep. I support the amendment.

Hon. A. THOMSON: I would have appreciated Mr. Nicholson's attitude had he used his legal knowledge to show how we might amend the clause so as to overcome his objections to it. All the hon. member has done is to raise points as to possibilities.

Hon. J. Nicholson: I understood that an amendment would be brought up.

Hon. A. THOMSON: Mr. Nicholson might have suggested an amendment, but he merely asked Mr. Wood to withdraw the measure.

Hon. J. Nicholson: No. I asked him to reconsider it.

Hon. A. THOMSON: I strongly support the views expressed by Sir Hal Colebatch and Mr. Baxter. Our primary industries are now facing the blackest period in the history of Western Australia. If the Price Fixing Commissioner is to be given power to repeat what he did quite recently, the position will be made even much more difficult. Should there prove to be a shortage, is the Price Fixing Commissioner to fix what he considers reasonable prices for primary products or are we to have a repetition of what happened in 1914 when the Government was compelled to import wheat to assist farmers and, when, to its discredit, the Federal Government imposed a duty upon the consignments? During the coming year, the State Government will have an extremely

difficult problem to face. It may be found possible to purchase wheat or feed from other parts of the Commonwealth, but I do not know what can be done regarding water supplies. Mr. Murray, of the Agricultural Bank, has been urging farmers to get rid of their stock, and his advice is sound. Unless the season alters very materially, the situation will be most serious. I do not know who will be able to purchase stock, because no one will have feed for them. I commend Mr. Wood for introducing the Bill, which is not a Country Party measure. Shopkeepers, manufacturers and others can go to the commissioner and secure increased prices for their commodities, but when the producers, who are facing the blackest period in the history of Western Australia, desire similar consideration, we hear the retort, "We must protect the consumer." Surely the producer requires equal protection! Should the price of primary products increase, the consumers in the main will be protected because automatically the basic wage will be augmented.

Hon. J. J. Holmes: The producer has to buy everything at increased prices.

Hon. A. THOMSON: Of course he has to do so. I hope the clause will be agreed to.

Hon. G. W. MILES: I support the clause. When the legislation was introduced last year, not one member thought its provisions would apply to primary products. Therefore Mr. Wood is to be congratulated upon introducing the Bill, particularly in view of the clear explanation we have had as to the meaning of the clause. What it means is that the products of primary producers will not be interfered with by the Price Fixing Commissioner until those products have left their hands. As to defining what primary products should be included under the legislation, I consider each one of them should be covered, and therefore there is no necessity for any amendment.

The Chief Secretary: The point to be determined is what is a primary product?

Hon. G. W. MILES: Surely it is any product produced by a primary producer.

The CHIEF SECRETARY: We have had a clear indication of the views of members, one of whom described this legislation as the most wicked ever introduced in this Chamber. We know where that member stands with regard to profiteering and price fixation.

Hon. G. W. Miles: All favour it for the other man.

The CHIEF SECRETARY: Another opinion was that there was no need for legislation to protect consumers against rapacious prices. I have the utmost sympathy for the primary producers who are entitled to reasonable prices for their commodities.

Hon. G. W. Miles: With no interference from the Price Fixing Commissioner.

The CHIEF SECRETARY: Will it be argued that primary producers, or any other section of the community, should have the right to charge any prices they may consider proper? No proclamation has been issued by the Price Fixing Commissioner against any primary product.

Hon. G. W. Miles: Then there will be no harm in passing this clause.

The CHIEF SECRETARY: The schedule to the Bill includes meat, not that which is still in the hands of primary producers but meat that is in the hands of wholesale butchers.

Hon. G. B. Wood: The object is to protect the consumer. The Minister does not understand the Bill.

The CHIEF SECRETARY: Of course I do. The hon. member suggests that in dealing with meat that has left the hands of the primary producers, we shall not have any right to allow the Price Fixing Commissioner to interfere. If the method suggested in the Bill were availed of regarding the price of meat, the result would be bad for the primary producer, because the general public could not afford to pay the price that would have to be fixed. It is admitted that the greatest proportion of the meat that goes into consumption in the metropolitan area is sold by auction at Midland Junction, and lines of stock have different values. Is the butcher to say that because a certain sheep cost him so much, the mutton from that carcass must be a certain price?

Hon. G. B. Wood: We do not say that; we allow the wholesaler to fix the price on the basis of what has had to be paid.

The CHIEF SECRETARY: That is just what I said. No one knows the position better than Mr. Holmes.

Hon. J. J. Holmes: I know you are all wrong.

The CHIEF SECRETARY: Mr. Holmes knows the difficulty of fixing the price of stock sold at Midland Junction. He knows that if he buys a line of stock, different values will attach to the animals comprising

that line, and that it would be impossible to fix the price of meat by the method outlined in the Bill. If the price of meat goes as high as it was a few weeks ago, the consuming public will be affected, as then. The demand will be reduced and there will be no sale for some of the stock sent to Midland Junction. That is my opinion, and I do not wish to be dogmatic on the point.

Hon. C. F. Baxter: Of course the effect would be to level prices.

The CHIEF SECRETARY: To suggest that price-fixing could be accomplished by the method proposed seems to be ridiculous. I appreciate the difficulty with regard to livestock and I do not think the Commissioner would endeavour for one moment to fix prices for livestock. When it comes to including commodities such as meat, above all commodities—

Hon. G. W. Miles: Does that not affect the price of livestock?

The CHIEF SECRETARY: That phase has been sufficiently discussed. With the suggestion that meat should not be subject to price fixation I entirely disagree.

Hon. G. W. Miles: But we say the price of meat does affect the price of livestock.

The CHIEF SECRETARY: No one has any objection to primary producers receiving reasonable prices for all their commodities. Should there be a shortage in any direction, prices will naturally increase, but we should take the precaution to prevent any individual or organisation so manipulating the business that an undue financial return will be secured as the result of that manipulation. In such circumstances the primary producers do not secure the benefit; more often than not it is secured by those having no interest in the production of the commodity.

Hon. A. Thomson: What is the position in the Eastern States regarding that phase?

The CHIEF SECRETARY: I am not aware of what happens in the individual States, but the Commonwealth Government has promulgated price-fixing regulations, and it would be possible for the Commonwealth Government to do what is necessary.

Hon. G. W. Miles: The Commonwealth authorities would not be foolish enough to step in.

The CHIEF SECRETARY: Mr. Miles is the first who has been prepared to say that meat should not be subject to price-fixing

regulations. I cannot understand him saying that the Commonwealth would be foolish to step in if the State did not.

Hon. G. W. Miles: At any rate, the Commonwealth has not done so yet.

The CHIEF SECRETARY: If there is one commodity that should be subject to price-fixing, it is meat.

The CHAIRMAN: Will you fix it when the price of meat goes down to 2d.?

The CHIEF SECRETARY: If the necessity should arise. Mr. Hamersley knows that the price of meat is fixed only when it has passed out of the hands of the primary producer. In the interests of consumers generally, it is absolutely essential that meat shall be made subject to the provisions of the Act. As to the position regarding chaff—

Hon. G. B. Wood: We are protecting the buyers under the Bill.

The CHIEF SECRETARY: I do not agree.

Hon. G. B. Wood: Because you do not understand the Bill.

The CHIEF SECRETARY: I understand it sufficiently to believe that Mr. Wood has left a loophole in the Bill as a result of which primary producers may be called upon to pay higher prices than otherwise might obtain.

Hon. G. B. Wood: That does not say much for the Price-Fixing Commissioner.

The CHIEF SECRETARY: The fact that a consignment of chaff brought £8 at Kalgoolie is an indication of the extent to which prices will probably rise unless some better method is adopted.

Sitting suspended from 6.15 to 7.30 p.m.

Hon. G. B. WOOD: I did not want to say any more on this measure, but I feel I must reply to a few of the remarks that have been made, and particularly to those of Mr. Nicholson. I am rather surprised at the hon. member's attitude, because last year when the Profiteering Prevention Bill was before the House he was not very happy about it. Referring to the Commonwealth measure he said there would be dual control, but now when I propose to remove dual control from one set of commodities, he raises opposition. That is what puzzles me. The Chief Secretary said that this method of price-fixing was adopted by the butchers themselves. That is what I have been saying

all the time. I do not know whether that was a slip of the tongue on his part, but that is what he said. He also stated that the measure would not benefit the farmers, but 99¾ per cent. of the farmers are very keen about this amendment. I am surprised at the number of people who have expressed their pleasure at my attitude. Farmers as far away as Mukinbudin know all about the measure and ask me, "How are you getting on with old White?" and make other remarks of that kind.

Hon. E. H. H. Hall: Did not Mr. Nicholson misunderstand your reference to auction sales also?

Hon. G. B. WOOD: Mr. Nicholson misquoted me. He stated that I said everything was sold by auction. I did not say that. I said that every primary product is subject to the price fixed by auction sale somewhere or other. Whether it is a sale of wheat or chaff or anything else made at, say, Mullewa or Morawa, always the statement is made that, "The price was such-and-such at the sales at Midland Junction last week."

Clause put and passed.

Clauses 3 and 4—agreed to.

Clause 5—Amendment of Section 13:

Hon. H. S. W. PARKER: As far as I can see, the clause provides that when agricultural products have passed from the ownership of the grower or producer, prices may then be fixed in a certain way provided in the clause, which is an entirely different way from that in which the prices of other commodities are fixed. I do not see why this differentiation should prevail.

Hon. A. Thomson: How are the prices of other commodities arrived at?

Hon. H. S. W. PARKER: For the present that does not matter. Let the Price Fixing Commissioner arrive at the prices of all commodities by the same method. I do not know whether butter is an agricultural product under the Bill.

Hon. G. B. Wood: Butter is controlled for the duration of the war.

Hon. H. S. W. PARKER: Take other agricultural products then. What are they? Is jam an agricultural product? Is fruit?

Hon. G. B. Wood: That is controlled.

Hon. H. S. W. PARKER: Then there is no occasion for the rest of the Bill. Everything I mention as an agricultural product appears to be controlled. Why should the

price of meat be fixed on a different basis from that on which the prices of other commodities are fixed?

Hon. G. B. WOOD: I am sorry Mr. Parker does not understand the spirit of the Bill.

Hon. H. S. W. Parker: I am not worrying about the spirit but the wording.

Hon. G. B. WOOD: The hon. member asks why the price of meat should be fixed in a different manner from that of other commodities. That is what happened the other day. That is why the Bill was introduced. The Price Fixing Commissioner said there should be a maximum price for meat, and that influenced the price at Midland Junction. I contend that if the price of meat, after it passes from the hands of the producers, is fixed on a profit basis, the prices at Midland Junction will not be affected. Suppose a wholesale butcher buys 100 wethers at Midland Junction at an average price of 30s.—that is £150. Instead of the Price Fixing Commissioner saying, "Your maximum selling price shall be 6d. or 7d." he will say, "You can only make a certain profit." Therefore it will not matter whether he pays £150 or £300 for the wethers; he will still have a margin of profit. That is why the clause was inserted. Is not that fair? This is the highlight of the Bill. I inserted the clause to protect the consumer. I do not know what margin of profit is fair. It may be 10 per cent. or 15 per cent. or more; I will leave that to the Commissioner's judgment.

Hon. H. S. W. Parker: How will he arrive at the profit?

Hon. G. B. WOOD: That is his business.

Hon. J. J. HOLMES: With regard to imported goods, an importer has to produce invoices and show costs, customs duty, and overhead charges, and on that basis the selling price of the goods is fixed. The same applies to the manufacturer. If he wishes to increase the price of an article he has to show to the Commissioner the cost of production and distribution, and on that basis the price is fixed. How can the price of primary products be fixed except on the basis of what the purchaser pays the producer? The price the producer gets for his products is the basis on which profits are established. That is exactly what is done in the present instance under the Act, and Mr. Parker's remarks would lead to a contrary conclusion altogether.

Hon. H. S. W. PARKER: I am afraid Mr. Holmes does not know the Act. It provides that—

The Commissioner may at his own discretion, or at the request of any member of the public, upon good cause shown, shall, when required so to do by the Minister, investigate and report to the Minister upon all or any of the following matters:—(vi) as to what from time to time should be the maximum selling prices of any commodity, under then existing market conditions and circumstances, for this State or any part thereof, and as to what from time to time shall be "reasonable quantities" of any commodity within the meaning of paragraph (b) of Section 14 of this Act.

That, I think, is quite sufficient to cover the terms of the present Bill. It may be that the spirit we have heard about is that the word "shall" should be substituted for the word "may."

The CHIEF SECRETARY: I do not agree with any of the speakers on this point. The hon. member who introduced the Bill should be quite satisfied with the first portion, relating to the exclusion of agricultural products which are still in the hands of the producers themselves. We should not tie the Price Fixing Commissioner with regard to the method to be adopted in arriving at the cost. We should leave him to use his discretion in accordance with the circumstances made known to him, always of course with the proviso that he is satisfied with the bona fides of those making representations in this connection. It may be that to fix a percentage of profit would be the better method. On the other hand, the circumstances may suggest that it would be favourable for him to use some other method, and say the maximum price shall be so-and-so leaving it to the retailer to determine what he shall charge for the various parts of the commodity he is selling. I do not know of any commodity which creates so many difficulties from the point of view of price fixation as does meat. There are so many joints, quality varies to such a very great extent, and there are circumstances in different parts of the metropolitan area or of the State that have an effect on prices. I see many difficulties in the way of the Commissioner pursuing the methods laid down in the Bill, and have registered my protest against it. I am convinced that if this proposal is agreed to, it will work to the detriment of the producers.

Hon. G. B. WOOD: I am surprised at the attitude of the Chief Secretary and Mr. Parker. The clause will not affect the price

at which the commodities dealt with are sold at public auction, notwithstanding the remarks of those hon. members.

Hon. H. V. PIESSE: Mr. Craig said that baby beef was sold over the counter at a high price, normally, but would only be sold at the same price as ordinary beef under the methods adopted by the Commissioner. If a maximum price for meat is fixed, there will be no difference between the good and the poor meat.

The CHIEF SECRETARY: Does Mr. Wood mean that if a maximum price is fixed for agricultural commodities that will automatically affect the price at which they are sold at auction?

Hon. G. B. WOOD: I am definite on that point. If a maximum price is fixed for mutton that must influence the price paid for it at auction. On the other hand, if the wholesaler is restricted to a profit of 10 or 15 per cent., that will not affect auction prices.

Hon. H. S. W. Parker: Do you mean the gross or the net profit?

Hon. G. B. WOOD: That should be left to the Commissioner. My object is to protect the consumer.

Hon. E. H. H. HALL: Mr. Wood is endeavouring to protect the consumer. It has been suggested it will go forth that the Legislative Council, always inclined to be a little reactionary, wants to do away with price fixing. That is not in the hon. member's mind. What he wants is a better deal for the man who has so many hardships to contend with. Surely after that point has been covered the Commissioner can be trusted to protect the general public.

Hon. H. S. W. PARKER: Notwithstanding what Mr. Wood has stated about me elsewhere, I firmly believe in the farmer getting the highest price he can for his products, upon which we all have to live. I do not want him to kill the farmer with kindness, nor to put through a Bill that will not achieve his object. Although goats are mentioned in the schedule I presume he is not particularly interested in that subject. I want to help him to remove from the Commissioner control over everything to do with farm and pastoral products.

Hon. G. B. Wood: You are showing your help in a funny way.

Hon. H. S. W. PARKER: I should like to strike out everything except the first part of the clause which deals with pastoral and

agricultural products. The Commissioner would then have nothing to do with them until they had left the hands of the producer.

Hon. G. B. WOOD: I have no recollection of making the remark attributed to me by Mr. Parker. He does not appear to understand the Bill.

Hon. H. S. W. Parker: Why not bring down one I can understand.

Clause put and passed.

Clause 6—Amendment of Section 14 of principal Act:

The CHIEF SECRETARY: I draw attention to the words "higher than" appearing in paragraph (b). Those words should be altered to "not exceeding."

Hon. G. B. Wood: The words "higher than" appear in the parent Act.

The CHIEF SECRETARY: That was a mistake. I move an amendment—

That in line 4 of paragraph (b) the words "higher than" be struck out and "not exceeding" inserted in lieu.

Amendment put and passed; the clause, as amended, agreed to.

Clause 7—agreed to.

Clause 8—Schedule inserted in the principal Act:

Hon. J. J. HOLMES: Chaff should be excluded from this schedule. If that commodity is not excised from the Bill no chaff will be left for the community. I move an amendment—

That in the schedule the word "chaff" be struck out.

Hon. G. B. WOOD: If we delete the word "chaff" the result will be dangerous because of the position of the State at the present time. I know of cases where chaff has been bought from the producers for £2 and sold by the merchants for £8. My object is to prevent merchants making such a profit.

Hon. J. J. Holmes: Are you suggesting that £6 profit has been made? Tell the House what it costs to put it on the market.

Hon. G. B. WOOD: I know exactly what it costs the merchant. It is the merchant who is making the profit and not the farmer, and so I want to restrict the profit. The Commissioner can restrict the profit but that may not be enough. He may restrict it to 20 per cent. or so, but I want to prevent a profit of 300 or 400 per cent. being made.

Hon. J. J. HOLMES: I am not going to allow Mr. Wood to mislead the House by saying that the chaff merchant buys hay in the stook at £2 and sells it in Perth for £8. When he buys it in the stook he incurs considerable expense by having to purchase bags, and sewing them at so much per hundred, carting to the railway station and paying railage to Perth. Mr. Wood speaks about 300 or 400 per cent. All the charges that the merchant incurs have to be added before he himself gets anything.

Hon. G. B. WOOD: I take exception to Mr. Holmes saying that I misled the House. I said that the merchant could make 300 or 400 per cent. Suppose a merchant did buy in the stook at 35s., there is nothing to stop him charging £10 a ton for the chaff. Surely the Commissioner would take into consideration all the costs that are incurred.

Hon. J. J. Holmes: You said the chaff merchant would make 300 or 400 per cent.

Hon. G. B. WOOD: And so he could. I have no wish to hamstring the Commissioner altogether.

Amendment put and negatived.

Clause put and passed.

Clause 9—Amendments to have effect retrospectively:

The CHIEF SECRETARY: I have heard strong argument in this Chamber against retrospective legislation. Why the necessity for it in this Bill, more especially in view of the fact that there has been no proclamation up to date?

Hon. G. B. WOOD: We thought that Mr. White, who is very cross about certain action we have taken, might put it over us and proclaim a maximum price. That is why the clause has been made retrospective. We thought he might cut the ground from under our feet.

Hon. C. F. BAXTER: I have always spoken in this House against retrospective legislation so I am sorry I cannot agree to the clause. Of course if it were a matter of a vital nature, it might be different, but in this case I ask the Committee not to agree to the clause.

Hon. G. B. WOOD: Mr. Baxter might agree to the deletion of the first subclause. If that part of the clause were struck out, Mr. Baxter's objection would be overcome.

Hon. C. F. BAXTER: Yes, it will overcome my objection. I move an amendment—

That subclause (1) be struck out.

Hon. H. S. W. PARKER: The whole clause should be struck out because we never know when something extraordinary might happen. I do not like any part of the clause.

The CHIEF SECRETARY: I agree with Mr. Parker. Mr. Wood has said a lot about feeling in connection with this matter. I am afraid the clause will not tend to reduce that feeling.

Hon. G. B. WOOD: There is no proclamation in force to-day so why should we object to the second part of the clause? We are only saying that something shall not be done that has not been done and yet might be done. I am prepared to accept Mr. Baxter's amendment.

The CHIEF SECRETARY: The hon. member gave as his reason for the insertion of the clause the fact that the Commissioner might do something he should not do because of his feeling towards the primary producer.

Hon. G. B. WOOD: I never mentioned the primary producers.

The CHIEF SECRETARY: That was his explanation. He thought that the Price-Fixing Commissioner might wish to do something because of what had taken place with regard to the price of meat. I think we can leave anything of that kind out of the question.

Hon. C. F. Baxter: There is an amendment of mine before the Chair.

Amendment put and passed.

Clause, as amended, put and negatived.

Title—agreed to.

Bill reported with amendments.

BILL—RURAL RELIEF FUND ACT AMENDMENT.

Second Reading.

Debate resumed from the 28th August.

THE CHIEF SECRETARY (Hon. W. H. Kitson—West) [8.15]: This is another measure which I cannot support. At the outset, I suggest it is a Bill of the class which, if Parliament were to pass it, would have only one result so far as the primary producers are concerned, and that would be to their detriment. Briefly, the Bill would have the following effect. It would compel secured creditors to suspend portion of their indebtedness for periods up to

six years, such suspended amount to be non-interest bearing. The Bill does not make provision for settlers' carry-on requirements, which is more vital than providing relief from interest debits which in the majority of cases do not affect the farmer, as in many cases he is not paying interest, at least not in full. The basis of valuation proposed by the Bill is experimental and in all probability would affect land values throughout the State. If the other general provisions of the Bill are adopted, then, for the safety of land values throughout the State the power to fix land values should not be entrusted to the trustees of the Rural Relief Board, and the basis of such valuation should not be set out in the measure. We have the good farmer and the bad farmer. Under the proposed basis of valuation, the equity of the good farmer in his property will be endangered if the results of the poor farmer are taken as a basis upon which to fix local farm values. In the event of a valuation fixed on such lines proving favourable to the farmer, as undoubtedly it would, then Agricultural Bank values adopted to date for debt adjustment under the Rural Relief Fund Act would be affected.

Hon. A. Thomson: Can you say how much they would be affected?

The CHIEF SECRETARY: It would depend on the decision of the board.

Hon. A. Thomson: If objections are being raised to the basis of valuation, you should be supplied with particulars of the basis.

The CHIEF SECRETARY: The hon. member has based it on eight years.

Hon. A. Thomson: That is so.

The CHIEF SECRETARY: That is an entirely different basis from the basis which has been the determining factor in fixing land values to date.

Hon. H. L. Roche: What is that basis?

The CHIEF SECRETARY: The hon. member knows as well as I do.

Hon. H. L. Roche: Why not state the basis?

The CHIEF SECRETARY: During the last eight years we have been passing through a period of low prices, unfavourable conditions and so on. To fix values in this State on the basis suggested by the Bill would be, to my way of thinking, a serious blunder.

Member: Hear, hear!

The CHIEF SECRETARY: If the secured creditors' interests are placed in the hands of the trustees of the Rural Relief Fund Act, to determine what proportion of the principal debt shall bear interest the following two factors will affect the State's interests—

(a) Valuation on the basis laid down in the Bill. Such a basis would empower the trustees under the Rural Relief Fund Act to set up all the machinery of a valuation department to value land on a basis which is unacceptable; namely, the averaging of farm product prices during a period when perhaps the lowest prices obtained in the history of the State have prevailed. Values arrived at in that manner would not agree with those adopted by the Agricultural Bank and accepted by the Rural Relief Trustees since 1935. Therefore, if the values adopted on such a basis were favourable to the farmer, a general breakdown in the arrangements already entered into in this connection by the Agricultural Bank and other institutions would result.

Hon. A. Thomson: Would it be possible to obtain the basis of the Agricultural Bank's valuations?

The CHIEF SECRETARY: Certainly. The other factor is as follows—

(b) The authority which it is proposed shall be given to the Rural Relief Trustees to suspend debts will undoubtedly affect credit upon which the farmer is dependent for carry-on purposes.

Hon. G. W. Miles: It has already done so.

Hon. J. J. Holmes: It would affect the credit of the State, too.

The CHIEF SECRETARY: The secured creditors include private banks, stock firms, machinery merchants and other creditors upon whom the farmer is entirely dependent for carry-on requirements. The farmer is not dependent for success upon reduction of his interest account; as, in the great majority of cases, the farmers—particularly those in the eastern wheat-belt—are not paying full interest at present; whereas, on the other hand, they are for the most part entirely dependent upon credit for carry-on purposes, and it is feared that interference with the secured creditor will automatically dry up whatever credit is at present available. In many cases they have paid no interest at all, yet they have been provided with sufficient money to enable them to carry on their operations. That money has been found by the various institutions, organisations and firms that have been dealing with the farmer over a number

of years. Very many farmers have been entirely dependent upon those firms and institutions for money to enable them to carry on from season to season. I realise that all farmers are not in such a position. Some have been perhaps more favourably situated financially and consequently have been able to carry on their farms with their own resources up to a certain point. Almost inevitably, however, as the result of a long series of poor seasons, low prices and unfavourable conditions, they have been forced to rely to some extent upon credit supplied by people with whom they have been trading for many years. By interfering with credit, the farmer will be forced to appeal to the Government for assistance. This has always been so when the farmer has been unable to obtain credit. The Government will be expected to come to the assistance of the farmers, but I suggest that the present position is such that no Government could possibly provide the large amount of money required to enable farmers to carry on. The Bill would place the secured creditor entirely in the hands of the trustees. There would be no appeal against the decisions of the trustees, nor would it be possible to review the values placed by the trustees on the farmer's assets. That to me does not seem to be right. It is putting power into the hands of a few men who may be very estimable and who know their business; but I am afraid it would have a serious effect upon the policy of any Government.

Hon. H. L. Roche: They wrote down the debts owing to storekeepers.

The CHIEF SECRETARY: The contingent liability of a guarantor would be reduced by the amount written off the guaranteed debt, notwithstanding that the guarantor might well be able to stand up to his obligations. The Bill does not appear to have contemplated the possibility of a secured creditor, in terms of a security covering current account advances, making carry-on advances to the farmer during the period of suspension. Provision is not made to protect such advances and interest from suspension or writing-down. It is assumed that no secured creditor would make further advances after suspension of the secured debt, but a secured creditor in some cases might wish to make further advances to protect the security. Surely money advanced in such circumstances should not be subject to suspension or writing-down.

If it were, one could imagine that in 99 cases out of a hundred, although the secured creditor might desire to provide a little more money in order to allow the farmer to carry on for another year at least, he would say, "I am not prepared to take the risk, because the amount might be subject to suspension or writing-down." Under Subsection (1) of Section 6 of the principal Act, the trustees are not to exercise their powers in favour of a farmer unless they are of opinion that, in the light of his past conduct of farming operations, he is deserving of the protection of a stay order under the Act. I point out, however, that if under the Bill the trustees apply the Act in favour of a farmer and make the first valuation, then the second valuation and the consequential writing-down of the principal sum must automatically follow at the termination of the period of suspension, notwithstanding that the farmer may during the period of suspension act in such a manner as to disentitle him to a writing-down, and in such a way as might conceivably result in a greater writing-down under the second valuation, owing to neglect and consequential depreciation.

Hon. A. Thomson: The Minister must consider that the trustees are men of experience who have handled hundreds of cases during the last few years. I could not imagine their doing that.

The CHIEF SECRETARY: The hon. member is not providing for the contingency. I would remind him that I used the same argument with regard to another Bill. If we appoint responsible men to positions of this kind, men whose decisions will have far-reaching effects, then we should be prepared to trust them. To that extent I agree with the hon. member. But here he makes no provision whatever for such a situation. If a farmer neglects his business, his farm and his assets—in other words, if he allows his holding to go to the dogs—then under the Bill he would be entitled to a far greater writing-down of his debts than he would otherwise secure.

Hon. J. J. Holmes: That would be the effect.

The CHIEF SECRETARY: There is no doubt about that. I have already remarked that the farmers' credit in the past has been made available by the creditors, including secured creditors, not demanding payments due and allowing the whole of the returns to remain in the estate for the purpose of

carrying on. There are many cases where this has occurred; the creditors have agreed between themselves, on account of the circumstances of the particular farmer, to forego any payment for the period in question.

Hon. H. L. Roche: It was either that or lose the lot.

The CHIEF SECRETARY: I do not entirely agree with the hon. member. I know quite a number of cases in which creditors have so agreed, and there has been no risk of their losing anything. Eventually the debts would have been paid, but at the time the farmer had not the money to meet his liabilities and, in addition, sufficient money to enable him to carry on for the season. There is a large number of farmers in that position to-day. They have to rely to a great extent upon the goodwill of their creditors. I suggest that if creditors are to be made to sustain a further loss or if their security is reduced, obviously the credit hitherto made available will be dried up.

I remind the House that during recent years, what might be called the depression years, when we have been faced with low prices and poor returns, there has been a general revaluation under the Rural Relief Fund Act. I was under the impression that most of the farmers who had obtained a revaluation under the Act were very well satisfied with the treatment they had received. Certainly we have heard very few complaints in that direction. I am aware that some farmers would complain, no matter how favourable the treatment meted out to them, and I am inclined to think one or two members of this House are like them. We have to look at the matter from the point of view of all the parties concerned—the farmers, the creditors, and the State.

Hon. H. L. Roche: Which is the most important party?

The CHIEF SECRETARY: If we are prepared to do that, I think we must agree that this Bill will prove detrimental to the farmers.

Hon. G. W. Miles: Undoubtedly; it is affecting them that way now.

The CHIEF SECRETARY: I suggest further that, if we have a series of good seasons, with only average prices, the present valuation of holdings will be such as to enable settlers to pay their way and to pay their interest. This has been evidenced by our experience during the last year. There have been several instances in the north-

eastern wheatbelt that bear out this contention. If, as a result of this Bill, we are going to throw upon the Government the responsibility for providing all credit for the carrying on of those farmers—

Hon. G. W. Miles: We might as well get into Russia at once.

The CHIEF SECRETARY: If the Government is expected to find all the money for the seasonal requirements of all the farmers affected, members are likely to be mistaken in believing that the Government can possibly provide it. The sum involved would be such that it could not be found.

Hon. J. J. Holmes: Especially if you have to advance it without security.

The CHIEF SECRETARY: The position generally is affected by the war. At this stage it is very difficult to arrive at any satisfactory average basis for the sales of produce derived from the farms. This applies especially to wheat. We all realise that the farming community and particularly the wheatgrowers are confronted with a very serious problem. Many farmers are in an exceedingly parlous position. The Government recognises that. Most of the firms and institutions which have been carrying the farmers for years past also recognise it. I do not for a moment agree with everything that has been done by all the institutions and firms, but I say that, generally speaking, they have endeavoured to assist their clients to carry on. Quite apart from the credit for seasonal carrying-on, there is the question of replacement of machinery. If this Bill becomes law, where is the necessary credit to come from that will allow of machinery replacements?

Hon. H. S. W. Parker: The farmers will have to be cash customers.

The CHIEF SECRETARY: I should say that a large percentage of the farmers requires machinery to a greater extent than ever before. Many of them have endeavoured to carry on for years with unsatisfactory machinery, and in my opinion that has been the cause in quite a lot of cases of the unsatisfactory results of their farming operations.

Hon. H. S. W. Parker: Hear, hear!

The CHIEF SECRETARY: Their machinery has not been sufficiently good.

Hon. J. J. Holmes: Or sufficiently well cared for.

The CHIEF SECRETARY: That is so; many farmers are notoriously careless in this respect. So I say that, on account of the condition of their machinery, many farmers have not been able to carry out their cropping operations in a satisfactory manner. No matter from what aspect we view the Bill, we are forced to the conclusion that, if it becomes law, there is only one attitude that can be adopted by quite a number of the more important creditors of the farmers, and this is that they cannot, on account of this legislation, afford to take the risk. If they cannot afford to take the risk, then the farmer cannot secure the wherewithal to carry on his cropping. Mr. Roche appears to be highly amused at this point of view.

Hon. H. L. Roche: And the creditor will lose the lot.

The CHIEF SECRETARY: I suggest that there is another point of view apart from that of the farmer. Although we have to admit that many of the farmers are in a very parlous condition, we would be making a big mistake if we agreed to legislation that would make their position worse in regard to securing the necessities with which to carry on their production. Most farmers, if they cannot get sufficient assistance to carry on their production properly, might remain on their holdings for a period, but if they do not carry on their farming, their holdings must naturally deteriorate and their position get worse, and sooner or later they will be faced with the position of having to leave their blocks, whereas, if they were able to secure the requisite credit to carry on for another season or more, they would still have a chance of pulling through. Without that assistance, they would have no chance at all. It is only right for me to say that the Government, and particularly the Minister for Agriculture, have felt greatly concerned about the position that has developed in recent months. We have foreseen in some districts a situation by which a large number of settlers will be very seriously affected this season. In many cases, as a result of the bad season, it will be almost impossible for them to carry on next year, unless all those other people affected are prepared to come to the rescue. With that knowledge in mind, the Minister for Agriculture communicated with the firms and institutions interested with a view to arranging a conference at which the whole situation might be thoroughly considered and those concerned might

make suggestions as to how far they were prepared to go in order to meet the needs of the farmers in question. Although I have not seen all the replies, I believe that all of them have intimated their agreement with the proposal to meet in conference. In addition to being asked to meet in conference, they were asked one or two other questions, and it is rather significant that the reply from one of the most important institutions is to the effect that no answer can be given to the questions until the fate of this Bill has been decided.

Hon. G. W. Miles: We should settle it to-night.

The CHIEF SECRETARY: That is in the hands of the House or of the member who introduced the Bill. Though I oppose the Bill, I do not wish it to be thought that I have no sympathy with those farmers. I might almost claim to be one of them. No member of this House interested in farming is having the hard time I am experiencing, but I realise that I am considerably better off than are many other farmers. I also realise that if the circumstances are such that institutions in a position to find credit for carrying on the farmers conclude that they cannot afford to take the risk, the outlook is going to be exceedingly serious for the farmers involved. I think it might be as well to read for the information of the House a letter, dated the 28th August last, which has been sent to all institutions and firms concerned in finding credit for the farming community—

Dear Sir,—I assume that you will have noticed the approach made by representatives of the Wheat and Woolgrowers' Union to the Government in an endeavour to arrange with the Australian Wheat Board for the release of wheat from bins to stock-owning farmers to enable them to keep their stock from starving.

The Government made a direct approach to the Wheat Board and received a reply which indicated that there would be no difficulty at all in regard to the wheat being available.

The Government is, in conformity with a carefully planned policy in respect to our outer farming areas, very anxious to maintain the State's stock numbers in those regions. The Agricultural Bank is making every preparation where its stock interests are concerned in anticipation of fodder and grain shortage, following the scarcity of feed during the early winter months and the likelihood of a summer shortage.

Institutions such as yours have collectively the major interest in the stock in most of our

farming areas, particularly in those where seasonal circumstances appear to be the most serious.

The farmers, through their organisation, have assured the Government that very little wheat is left on the farms and their stock feed position will very shortly become acute.

Now that it is established that there will be no difficulty in respect to the availability of the wheat, the Government is anxious to protect the stock population, particularly in the areas where there is a general contraction of wheatgrowing, and seeks your co-operation.

I would, on behalf of the Government, be appreciative if you would advise me of your attitude in this matter, and whether your plans include the provision of the necessary fodder or grain to the farmers where serious shortages are threatening their stock.

I am addressing a similar letter to the stock firms and institutions mostly concerned in holding stock liens or stock and station mortgages in the affected areas. It may simplify matters at a later stage for all financing interests, including the Agricultural Bank representatives, to meet and discuss the aspects of the problem which have a mutual as well as a State-wide import. Yours faithfully, Minister for Lands and Agriculture.

I think it will be recognised that on this aspect of the position the Minister for Agriculture certainly has brought the matter most forcibly under the notice of these most important factors in the primary production of Western Australia.

Hon. A. Thomson: Were any replies received?

The CHIEF SECRETARY: Replies have been received from practically every firm and institution to the effect that they will be prepared to take part in a conference and discuss what methods can be adopted in order to meet the extremely serious position that has been created. A similar letter has been sent to Dalgetys, Goldsbrough Mort, Elder Smith and Company, Westralian Farmers, Ltd., Bank of Australasia, Union Bank, and the Australian Mutual Provident Society.

The reply of perhaps the most important institution so far as the farming community of Western Australia is concerned is that before the institution can indicate what its attitude will be, it wishes to know the fate of this Bill. I do not suggest that because a firm or bank or institution replies in those terms we should necessarily say the Bill is no good. I do say that on this occasion I believe the addressees of those letters are on sound ground. If we are going to say to those people, "You must agree to this, that and the other thing, with regard

to secured debts," they have the right to say, "If we have to agree to such things, we shall not be able to find any more money." Mortgages have reached a stage when farmers who are in a bad position today will be in a worse position still.

Hon. C. F. Baxter: Don't you think they would protect their own asset?

Hon. G. W. Miles: They are not going to throw good money after bad.

The CHIEF SECRETARY: They will protect their assets as far as they possibly can. It cuts two ways. Knowing financial institutions as I do, I can quite understand that in some cases there will be no difficulty in securing further credit, but that in the great majority of cases, notwithstanding what Mr. Roche has advanced, there is no source known from which further credit can be supplied. For those reasons I oppose the Bill.

HON. E. H. H. HALL (Central) [8.51]: My reason for continuing the debate is that the hour is too late to go to any election addresses or places of amusement, and a further reason is that we are here to do business. One member has suggested finishing the debate to-night. However, some of our members are away, and I would not like to see a vote taken on so vital a measure in a thin House. When there are so many people who know so much about what is admitted to be a highly difficult question, one who was brought up in the Public Service and has not had large commercial or banking or professional experience such as many of our members are fortunate enough to possess, speaks with much diffidence upon so difficult a subject. I made a few notes while the Chief Secretary was speaking, and I am quite sure members do not require an assurance from him that he is interested not only personally but as a public man in this great question we are considering to-night. I go further and say that I am quite sure his colleagues in the Ministry also realise what a vitally important subject this is. Those members of the Chamber who find it difficult to sit quietly and listen to the arguments we members of the Country Party put up—it is well known that this is a Country Party measure—feel impatient because they think the Bill represents a foolish effort on the part of the representatives of the primary producers. I am, however, reminded that

the great struggle in which the British Empire is engaged to-day has been brought about largely by the refusal of people who were in power, to pay any attention to statements made by other people whom they regarded as not knowing what they were speaking about. Still, we must be stout-hearted and do our best to carry on. I am convinced that those who favour action such as this Bill provides—I want this aspect to be considered—are just as anxious to preserve the good name and the good value of lands of Western Australia as are opponents of this measure. Those opponents say that the passing of the Bill would destroy credit and destroy the value of our lands, that the farmers would not be able to carry on, that the Government could not supply the large amount of money necessary to provide assistance for farmers, who would walk off their holdings.

The Chief Secretary: I did not say that.

Hon. E. H. H. HALL: I do not assert that the hon. gentleman said it. However, I thought he did. That the Government could not supply the huge amount of money needed to enable those people to remain on their holdings and continue the production they have been engaged in for the last few years. That the Government could not supply the pecuniary facilities furnished by banks and private firms. Is that it?

The Chief Secretary: Yes.

Hon. E. H. H. HALL: All right. Well, we are told that all those things cannot be done. We have been told that now for quite a long while. I know that I cannot throw any additional light on this highly complex subject; but, representing as I do throughout the Central Province numerous primary producers, I feel that at least I should say what I think about the matter. Now, here is something which is apt to be forgotten, namely that the State Government and the State Parliament have no control over the tariff, a vitally important matter which so severely handicaps our primary producers in Western Australia—and more so than primary producers in the Eastern Australian States. I know every member of the Chamber recognises that fact; but do we think about it as often, and as much as we should when we are asked to give consideration to the primary producers? I have here a letter written by Mr. J. Hume Cook,

secretary of the Australian Protection League, Melbourne. The letter is a reply to statements made by Sir Hal Colebatch. I now wish to deal with the facts as given by Mr. Hume Cook—

During the last 25 years, stimulated and guarded by the protectionist policy, the industrial expansion of Australia must surely be a world's record. Here are the figures: increase in factories, 6,000; increase in hands employed, 130,000; increase in salaries and wages paid, £45,000,000 per year; increase in materials used, £90,000,000 per year; and increase in the value of the output, £150,000,000 per year.

I want to know, at whose expense? What section has been called upon to pay most dearly for those splendid results? There is only one answer; and that is, the section known as the primary producers. There is not the slightest doubt about that. And yet when we ask, as we have asked year in and year out during the past decade, we have always been denied assistance. I shall never forget that the National Government of this country has provided millions of pounds for the farming community. I will not forget the attempts that have been made even by the State Government to relieve the hardships of farmers, but my contention is that the policy both of the National and of the State Government has not been sufficiently generous to enable the primary producers in the main to obtain anything like the basic wage. Has not rigid adherence to some of the orthodoxies of the past helped to cause and perhaps accentuate a good many of our problems? I know that before the debate on this measure is ended we will be reminded of the sacredness of contracts, and I realise that agreements and contracts cannot lightly be broken. Neither, I submit, should a Parliament—either National or State—allow a condition of affairs to continue that results in breaking hearts. If I am indulging in a little extravagance by using that term, I can at least assert that hearts have nearly been broken. With all due respect to members of this Chamber—and I am referring to only one or two—versed in professional or commercial experience, I submit that unless they have been in personal contact with the cases that I and other Country Party members can claim to have contacted, they cannot speak as we claim to be able to speak. It is all very well to hang on to orthodoxies of the past. I was reading somewhere the other day that it was a comparatively easy thing to twist the tail of the House of Commons, but much more difficult to touch its heart.

I do not want to twist anybody's tail, but if necessary I do want to appeal to the humane feelings of members of this Chamber. I have listened to hon. members appealing to the House for its favourable consideration of certain measures and I have thought that that should not be necessary. On this occasion, however, seeing that a measure similar to the Bill before the House has passed the popular Chamber on two occasions and has then been rejected here, I appeal to members to support it on this occasion so that the third attempt may prove successful. It is not desired that people who are undeserving should receive the consideration provided by the Bill. We want to arm the trustees with power to make inquiries, and if a man has not played the game I do not think any member of this Chamber would stand up for him. But we know not just a few but numbers of men who have been—what shall I say?—induced, persuaded, invited, by the Governments of this State to go on the land. I am not referring especially to the present Government. I do not want it to be thought I am always harping on the present Government. The policy was introduced years ago. I used to hear men say, "I cannot go on the land; I have no money." But the Government of the day replied, "You do not want any money." I have heard men say, "I cannot go on the land; I have no experience." And the Government replied, "You do not need any experience. We will supply you with the money and we have a department which will stand at your elbow and give you all the advice you require." The Government displayed a lamentable lack of knowledge of human nature when it made people a present of something for nothing. If there have been failures it is only what might have been expected. I want to tell the House of an experience I had at Northampton when I was postmaster there. That place enjoys a better rainfall than does Geraldton, which is on the sea coast, and it is one of the best districts in the agricultural belt of the State. The man of whom I am thinking was not just a few miles out of Northampton but some distance north of the town. He said to me one day, "I have finished. I am off. Any letters for me you may send to Geraldton." I said, "To what address?" He replied, "The beach or the sandhills." I had a talk with him and I found he had been placed by the Government on a block of land where every drop of water he wanted for his stock and

for household use had to be carted. To be wise after an event is easy. I do not know much about farming, but I consider that to place a man on a block of land where there was no water was nothing short of—I do not like the word “criminal”—but it was nothing short of gross folly. That was not an isolated case.

Hon. J. J. Holmes: If the man had known his job he would not have stayed there 24 hours.

Hon. E. H. H. HALL: I agree. But nobody can realise better than the hon. member why the man stayed. The hon. member is not little. The House will know what was said about Lord Roberts: “He is little but wise; he is a terror for his size.” I say the same about the hon. member. He is a big lump of a chap. Members will recall what Queen Elizabeth said when she stood on the cliffs of Dover and saw the Spanish Armada. She said, “I have a stomach,” and that is what that fellow had. I would not like to use the other word; it is more expressive but not very polite.

The PRESIDENT: I must ask the hon. member to connect his remarks with the Bill.

Hon. E. H. H. HALL: Very well, Mr. President. Many men would have quitted their holdings had it not been that they had a bit of stomach. How long are our primary producers expected to carry on producing goods the great bulk of which are sold in open-competition on the world's markets, but which are produced under a tariff that makes it impossible for them profitably to compete with nations more favourably placed not only in regard to production costs, but also in regard to marketing costs? Not only are our producers at a great distance from the world's markets compared with their competitors in other parts of the world, but they are also at a disadvantage compared with every other section of industry in this State. There are many speakers to follow me and I must be careful that I am not charged with extravagance, but the members of every section of industry that I can think of except those of the great primary producing industry are safeguarded by Arbitration Court awards.

Hon. H. S. W. Parker: The owners are not covered by awards.

Hon. E. H. H. HALL: The owners fix their prices. Nobody knows that better

than the hon. member. I do not propose to be personal like some people but if I were to go for advice I should know before I went, and so does the gentleman who gives the advice, what I would have to pay. The point I wish to make is that the primary producers have to pay through the nose for everything they require and endure isolation and hardship and sell in the open markets. Not only are they handicapped by virtue of the tariff imposed on them by the National Government, but they are also handicapped by virtue of the fact that they have no protection from the Arbitration Court such as is enjoyed by all other sections of industry including the great Civil Service. I asked a question a few days ago as to what section of the Civil Service benefited by the increase in the basic wage. I received a reply that I suppose was passed on by the Public Service Commissioner. That did not enlighten me very much so to-day I called on the Public Service Commissioner and I found that while the primary producer receives no protection and no basic wage, civil servants drawing up to £699 per year receive the benefit of variations in the basic wage.

Hon. C. F. Baxter: £40 a year!

Hon. E. H. H. HALL: I think that if I had the time and money to go through the primary producing areas of this State and inform every producer of that fact, I would get an army of 4,000 or 5,000 men—and that is a conservative figure—to march on this city and declare they would not stand for such injustice any longer; because it is unjust that men who are producing the necessities of life are subject to such inequitable treatment. I suppose the eloquence of Mr. Churchill, Mr. Menzies or Mr. Bruce would be required to influence those members who intend to vote against the Bill.

Hon. L. B. Boltou: It is not eloquence they want, but facts.

Hon. E. H. H. HALL: The hon. member does not know as much as he thinks he does, although he does know a great deal. Some people are persuaded by eloquence. Here is the case of a man who is not a poor farmer but one who has been on his property for 60 years, and his father was there before him. He is held in high esteem in the district. He had nothing but the best on his properties, but he has been put off them. I discussed the properties in question with a

member of this Chamber the other evening, and that hon. member said to me, "It was a very hard case. I knew of him 30 years ago, but I also knew that his methods were wrong." The bank backed this man for £90,000, and then put him off. If the bank officials are trained men, I wonder why they backed him to that extent. The cause of that man's downfall was the drought on the Murchison. As a manager he may not have been all he should have been, but he stuck closely to his job. Perhaps he tried too hard to develop three station properties, but he had his sons to think of and was getting them ready to take over the properties. He had brought up his boys to go on the land, as his own father had done before him. He did not engage in starting-price betting or in hotel business, but he gave his boys a good secondary school education in Perth, and then got them out on the land. That man has now been forced off his properties because he could not pay his interest. The properties have been sacrificed, and in addition he has lost his life assurance policies worth approximately £15,000. It may be all very well for an individual bank to take action of this kind, but if the Bill is passed such occurrences will happen frequently. There was one property of 140,000 acres running 2,000 sheep, 25 cattle, five horses and all plant, highly improved, which was sold for £6,150, on a deposit of £500, the balance payable over six years. Another property of 300,000 acres, well improved, running 700 cattle, 200 horses and 40 sheep was sold for £4,250, on a deposit of £500, the balance payable over five years; another property of 140,000 acres, well improved, carrying 819 sheep, 39 cattle and two horses was sold for £5,750 cash, and the purchaser resold it within a month or two at a profit of £1,000.

Hon. C. F. Baxter: Was it a forced sale?

Hon. E. H. H. HALL: Yes. These were Murchison properties. I would now cite some freehold properties owned by the same man. These were within 20 miles of Geraldton and two or three miles from a railway siding. The first comprised 4,117 acres, well improved, partly netted, and sold for £3,250, on a deposit of £50, the balance being payable over ten years.

Hon. H. S. W. Parker: Who lost the money?

Hon. E. H. H. HALL: These figures were supplied to me by the owner. Another property of 1,389 acres, well improved, was sold

for £600 on a deposit of £30, the balance being payable over seven years. Another property of 1,250 acres, partly netted, was sold for £375 on a deposit of £90, the balance being payable in six years. Another property 225 acres, fenced, was sold for £50 cash. I asked certain gentlemen who attended the sale of those properties whether they had been given an opportunity to buy at those prices, but they replied in the negative. The properties were thrown away. In the case of the Murchison properties, the cause of the owner's downfall was the frightful and unparalleled drought on the Murchison.

Hon. H. S. W. Parker: What was the total sum realised?

Hon. E. H. H. HALL: I feel that members have made up their minds on this Bill and I will say no more. How long is it expected that this kind of injustice will be allowed? We have had a warning from the Chief Secretary, and I know there is danger ahead. Those who are supporting this legislation have no desire to injure the people we wish to benefit. It is not a question of Mr. Thomson, Mr. Roche, Mr. Piesse or Mr. Wood. Seeing that this measure passed another place on two occasions but was thrown out in this House, the party has decided to make an effort to get it through this time. We are now at war. Does that make the task of our producer any easier, when his products have been sold to the British Government at under the cost of production. Those costs were arrived at by the Royal Commission appointed to go into the matter.

Hon. V. Hamersley: And wages have gone up since then.

Hon. L. B. Bolton: We are thankful our products were purchased at any price under present conditions.

Hon. E. H. H. HALL: This is going on, when the two Governments, whose duty it is to see that justice is meted out to this deserving section of the community, stand by and watch them continue their hopeless struggle. If, in the opinion of those learned people who have had a good deal to say, this Bill will only make matters worse, I ask them in all sincerity to put forward something constructive that will give those concerned a chance to enjoy the fruits of their many years of hard work.

On motion by the Hon. Sir Hal Colebatch, debate adjourned.

House adjourned at 9.24 p.m.