

prospects in order to help the Government, we may make a considerable advance.

Just one other thing. The other day I saw that blocks of land were sold in Kalgoorlie by auction, and I think the price of these residential blocks went up to as much as £109, and there was great dissatisfaction amongst miners who were in search of blocks of land on which to establish homes at having to pay £100 or more in order to secure a site for a home.

Mr. Lambert: It was a National Government made that possible.

Hon. C. G. Latham: Poor unfortunate National Government! It was there for three years.

Mr. McDONALD: Would it not be far better to put in force the policy of leasehold land? I am one of those who feel that the world has gone completely wrong in ever parting with the ownership of land. I hold that the land should belong to the people, that there should be no such thing as private ownership of land. Land should be disposed of by the State on perpetual lease with right to sell and to recover the value of improvements, the holder paying the Crown a rental based on the value of the land. Why could we not do that with regard to Crown lands in Kalgoorlie? A man paying £3 or £4 would not feel it; and if the land went up in value, the increase would belong to the people. In those circumstances, why sell land at £109 per residential block?

The Acting Premier: Some holders pay only 10s.

Mr. SPEAKER: Order!

Mr. McDONALD: Why not enter upon a campaign to show the people that they can do very much better by taking Crown lands on lease? Why not extend that principle, not compulsorily, but by persuasion, to all our various towns where to-day Crown lands are sold in sites which in a hundred years would be of very great value, the value being retained by the people of the State? Any energetic effort on the part of the Government to tell people the real advantages of getting land on those terms would find a tremendous response.

The Acting Premier: We are making the effort.

Mr. McDONALD: No, because the Government sold that land at Kalgoorlie and there was dissatisfaction amongst the people

with the prices they were compelled to pay. I hope some use will be made of members to submit our affairs to the examination of which they have need at this particular time, almost more than at any other time. Otherwise, without any particular forethought we keep on drifting until some emergency arises, and we meet it without any adequate preparation, although we might have realised that it would come at any time.

On motion by Mr. Marshall debate adjourned.

House adjourned at 6.13 p.m.

Legislative Assembly.

Thursday, 10th August, 1939.

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

QUESTION—ALIENS, STATE RELIEF.

Mr. DONEY asked the Minister for Labour: Have there been recent cases where aliens, who, upon arrival at Fremantle are required to possess £40 per capita, have nevertheless been given State relief within a few days after landing?

The MINISTER FOR LABOUR replied: No.

ADDRESS-IN-REPLY.

Fourth Day.

Debate resumed from the previous day.

MR. WATTS (Katanning) [4.33]: First of all I would like to congratulate you, Sir, and the new Chairman of Committees, on

being elevated to your respective high positions. I feel certain that during your term of office you will give general satisfaction and also derive some gratification from the work you will have to perform.

I do not propose to refer to a great number of subjects this afternoon, the chief matter upon which I wish to speak being the position of the wheat industry at the present time. I listened with interest to certain observations made by the member for Perth (Mr. Needham) and the member for West Perth (Mr. McDonald). I gathered from the remarks of the former that he was fearful that any assistance that might be given to the wheat industry—and indeed, I think, such assistance as has been given in the past—could be given to some extent at least only at the expense of the workers of this country. I should like to point out to the hon. member that workers have a class of protection that the farmers have never had and up to the present time appear to have no chance of obtaining, in that the wages paid to them, ordinarily speaking—though I admit there are some exceptions to that—are regulated by the cost of living. In those circumstances if there be any rise in the cost of living instituted by any assistance direct or indirect given to the farming community and the wheatgrower in particular, and if the Arbitration Court does its duty, and the methods adopted by the court are satisfactory, the additional expense occasioned thereby will be taken into consideration in assessing what the worker is to receive. For the information of hon. members, and more particularly those that do not represent country constituencies, I should like to point out the very perilous position of the wheat industry at the present time, although I believe it is in general known to them. I should also like to indicate to them some of the points that occur to farmers in considering their financial position when the price of wheat and indeed the price of other products falls as has happened in recent years. Let us consider for a moment the position of a farmer who has a loan or overdraft existing on his property to the extent of only £2,000. On that amount as a general rule to-day, he pays about five per cent. interest, which, on a yearly basis, amounts to the sum of £100. If wheat be 3s. 4d. a bushel at the siding, he has to expend only 600 bushels of his output on the payment of that interest. We

will assume for the moment that he crops 300 acres and receives 12 bushels per acre. If wheat is 3s. 4d. a bushel, only one-sixth of his output is required for interest purposes; the other five-sixths of the crop can be utilised for the purpose of putting in another crop and for general maintenance and other expenses incurred on the property; but if, as is the position to-day, wheat is approximately 1s. 2d. a bushel, he finds that out of the 3,600 bushels he can grow, on the basis I have indicated, he must pay out no less than half, that is approximately 1,800 bushels, for interest.

The point must be borne in mind that there is no means—although possibly there ought to be—by which the interest payable in such circumstances can be reduced below the figure I have mentioned. There are times, therefore, when the interest charged, while regarded as reasonable when product prices are relatively high, becomes an almost unbearable burden. I think the present is such a period. It is an unfortunate circumstance, of course, that we have not reached that stage where we can induce all parties to believe that it would be a fair proposition for them to share prosperity and to share adversity. Not for one moment do I think the average wheat farmer objects to paying out a substantial portion of his return as interest on any money he may have borrowed for the improvement of his property, when he has a substantial income; but I am perfectly certain that when the reverse is the case he has—for obvious reasons, because it makes him absolutely penurious—the strongest objections to paying. I do not see why the institutions that are concerned in these matters, and the financial institutions in particular, should not be prepared to contemplate a state of affairs under which they would receive a lesser rate when product prices were excessively low provided there was an understanding that their position would revert to the better state when product prices became relatively high. So far we have not reached, nor do I find as yet any suggestion of a concrete nature that we shall reach such a happy state of affairs, and to-day therefore the wheat industry is in imminent danger of collapse because there is no reduction to the wheat farmer in any of the charges he is obliged to pay. Be wheat 3s. 4d. or 1s. 1d. a bushel, he pays exactly the same rail freights and other charges. At the moment

I am not going to complain about his having to do so. There are also other costs that in no circumstances are reducible, and therefore he himself, from the financial point of view, which is the most important in his estimation, is obliged to bear the whole of the burden of the fall in prices that occurs from time to time.

When one reviews the position in Australia, one is struck by the fact that the general policy, particularly of the Commonwealth Government, and especially the fiscal policy, has been of some benefit to a large section of the community, the only section that does not benefit being the one engaged in agriculture. The manufacturer, in the first instance, has the protection not only of the tariff but in some cases of embargo, and in almost all cases of exchange. The manufacturers, if we consider the details of the high profits many of them are making, may be said, proportionately to the position they occupy in the matter of keeping Australia solvent as regards the overseas debt in particular, to be much too favourably situated. They are taking, I may safely say, a much larger proportion of the national income than their efforts towards preserving the overseas solvency of Australia, by comparison with the efforts of the agricultural community, would warrant. Next we come to the merchant. He is in the position of having to pay the charges imposed by the manufacturer, but, broadly speaking, in almost every instance he is able to pass on the charges he has to meet. If he can get a turnover at all, that turnover includes a profit on the price of the article he retails, no matter what the price may be. The worker, as I have already pointed out, is, in general, protected by the Arbitration Court, provided the court is doing its duty and provided its methods are as satisfactory as we are led to believe them to be. Then there are those people who are on fixed incomes, a small section of our population enjoying no protection, but a greater section that lacks any protection from the blasts from outside comprises the men engaged in agriculture. Therefore it is not surprising that that section of the community is inclined to approach Governments, whether State or Federal, and ask for assistance. Nor is it surprising that the outcry at the present time is considerably louder than it has been in the past.

From time to time I hear my friends on the other side of the House speaking of the

necessity for improving the homes of the workers. With such sentiments I am in entire agreement. I do not wish it to be imagined for a moment that I have any great desire to improve the position of the farmers and simultaneously to reduce the conditions under which other people are obliged to live. On the other hand, nothing would please me better than to see the good conditions retained and the poor conditions improved. I believe that is the end which a majority, if not all of us, are endeavouring, each in his own way, to reach. Still, I remind those friends to whom I have referred that there are residences in the country occupied by farmers, some in my own division, which, if considered as residences for workers in the metropolitan area, would almost certainly be condemned. From an intimate knowledge of those people I am satisfied that they are not content to live in those places, but are obliged to live in them because they can finance nothing better. In the circumstances it is our duty to endeavour to improve their position, and their position can be improved only by enabling them, wherever possible, to derive some better income from the produce they place upon the markets of the world.

During recent months we have heard a great deal of discussion about the wheat industry. We have heard of the projected international agreement. At the bottom of the proposal for an international agreement, there is undoubtedly a suggestion of the necessity for restricting production. That restriction of production in some aspects is almost too horrible for us in Western Australia to contemplate. This is a State in which a tremendous amount of development could be undertaken. We are, as it were, on the highroad, if we could only find profit in it, to increase the production of our primary industries greatly. For years past, particularly in the years before the financial depression, we exerted every effort to increase our production and settle more and more of the agricultural areas of this State. To be told to-day that our production must be halted because of the necessities of the case is almost too horrible from the point of those who wish to see Western Australia advance. Nevertheless, we are faced with a very difficult position, and we have to consider whether we shall be prepared to allow production to continue unhampered and take the risk

of insolvency—a very apparent risk—on the part of a large number of farmers, or subscribe to some scheme—which I trust will be reasonable—that will put a period to the condition of insolvency that is so apparent and give the men on the land an opportunity to carry on successfully. Frequently the statement is made that over-production of wheat is not the cause of the trouble, but that the cause is under-consumption. It might be a condition of under-consumption but for the position that has arisen in a number of continental countries. I understand that in the last decade or so the production of the exporting countries of the world—I refer more particularly to Australia, Argentine, the United States of America and Canada—has increased by a mere 1 per cent., but that the production in certain continental countries that previously were large importers of our wheat—such countries as Italy, Germany and France—has increased to the extent of approximately 20 per cent., with the result that those countries to-day do not need to take so much of our wheat in order to put them in the position, as regards supplies, that they occupied before the self-sufficiency schemes came into operation. They apparently do not mind, and presumably their workers do not mind, what price is paid for the wheat. We are informed that the price of wheat in Germany, calculated in our money, is approximately 12s. a bushel. The result has been that there is a lesser demand by those importing countries for the products of the exporting countries, of which we are one. I understand that a little over ten years ago the amount that could be absorbed by the importing countries was a little over 800,000,000 bushels, but that to-day the amount is only a little over 500,000,000 bushels, a reduction of 300,000,000 bushels in the quantity of wheat we are able to dispose of. Our own production has increased only by about 1 per cent.

Whether there is an under-consumption, an enforced under-consumption, in those other countries I am not prepared to say. In any event, the matter is outside our control. We cannot take over the government of those countries and demand that they shall adopt a different system. We have to take things as we find them. As they stand it appears that the world's out-

put of wheat is too great for the maximum demand we can expect for the next few years. We are, therefore, obliged to contemplate some system that will restrict our own output in consonance with that of other exporting countries, so that we may meet the position that arises when prices fall to low levels for the reason that there are plenty of sellers and very few buyers, which is the position to-day. The situation is a regrettable one, but we shall have to meet it. It is better to have 3,000 bushels of wheat to sell at 3s. 4d. a bushel than 4,500 bushels to sell at 1s. 2d. Possibly there is a profit in the one parcel, but there is certainly no profit in the other.

Yesterday the member for West Perth (Mr. McDonald) made some references to the parlous condition of the wool industry. I think he said that if Governments were going to assist one section of the farming industry they must take into consideration the affairs of the wool industry. With that I agree. The same difficulties do not exist in regard to wool that exist in regard to wheat. We have no evidence at present of any substantial surplus of wool production in the world; rather have we evidence that the greater part of the wool in existence from year to year is disposed of in the open market. We are also satisfied that a sufficient price is not at present being paid for the wool that is available. The Australian Wool-growers Council, which until recently was representative of all the woolgrowers of Australia, has suggested asking the Federal Government to pay a bonus of one penny per pound on all wool produced in Australia. A large section of the woolgrowing industry, the small woolgrower with a limited number of sheep, is not now represented on that council, owing to certain resignations from that body. The small woolgrowers in the aggregate produce a large percentage of the wool grown in Australia.

Other ways of organising the wool industry have been suggested. I discussed the matter with a Federal Minister who recently visited the State, and asked him about the wool-selling methods. I wanted to know if he was satisfied with the present system of sales by auction, and whether the price that was paid under that system was arrived at fairly for the grower. The Minister admitted that the system did not make for fair com-

petition, and went so far as to assert that it did not. He agreed that the sales were conducted by arrangement between the buyers, and that this must have some effect on the prices realised. Unfortunately he was not able at the time to agree that any other system could be adopted.

Sitting as a legislative body, it is difficult for us to consider other proposals that have been brought forward. One suggestion is that the Federal Government should control all exports, that indeed there should be a prohibition of exports except at minimum reserve prices. But a minimum reserve price would have to be carefully calculated, according to the various types and grades of wool, by experts appointed by the growers for the purpose. The experts would also ascertain what the position of the world's market was, what prices were likely to be obtained, and what would probably be paid for any particular classes of wool. Some people argue that a proposition of this kind would be outside the constitutional powers possessed by the Federal Government, but I do not propose to go into that question at this juncture.

Because there is not a great over-production of wool in the world that cannot be sold, there does seem to be a reasonable prospect of a controlled system of selling being more successful than the existing system, which I assert is not altogether satisfactory from the point of view of the fairest and fullest competition at auction sales. I trust that the representations that were recently made to members of the Federal Government in connection with these matters will be carefully considered. If they fail to do so I fear they will find themselves in a more difficult financial position later than they are now in. Unless there is a considerable improvement in the price of wool, the Government will have to face a demand from the wool-growers for bounties such as have been suggested by the Australian Woolgrowers' Council. I fear that the figure mentioned will be insufficient unless there is an improvement in the market price, because at present the price is not merely one penny below the cost of production, but a substantial figure below that cost.

Reverting again to the wheat industry, I am firmly of opinion that both the Federal and State Governments are anxious to assist to the utmost possible extent. I commend

to them the very evident necessity for arriving at a conclusion at the earliest possible date. If there is to be a satisfactory international arrangement the procedure adopted will have to be different from that which will be followed if no such arrangement is arrived at. We understand that if there is to be an agreement it cannot come into operation for a considerable time. In the interim, there will of necessity have to be some financial assistance given to wheat-growers to enable them to make ends meet. That question requires immediate consideration. I trust that the conference will arrive at conclusions and will carry them into effect without delay, thus relieving the minds of so many people of the apprehension and worry that are now so disturbing. If there is going to be no international agreement we shall have to grapple firmly with the proposition. Some long-term scheme whereby the industry may be assisted in one way or another will have to be evolved. Believing that is the earnest desire of the Federal and State Governments, I commend to them the need for arriving at a quick decision.

I propose in conclusion to deal with the unemployment question. In various parts of the State we find numbers of single men, who are invited to make application for work on farms. Some of them have been put into occupations very far removed from farming. Broadly speaking numbers of them have never seen a horse, and are quite useless for the purpose of carrying out farming activities. They are in necessitous circumstances for lack of means. If they apply for unemployment relief, as I understand the position, they are recommended to go and look for work on farms, which I submit they cannot get, by reason of their lack of knowledge of the farming industry, and because there are plenty of other men, if any work on farms is obtainable, who have a knowledge of that work and will be employed.

Mr. Warner: Not many men want farm labour.

Mr. WATTS: There is another class of men, who are accustomed to farm work; but in the present state of the industry how many farmers are able to pay wages? We have heard in this Chamber of recent years about cases of men who have worked for farmers and, it is alleged, after working for some time have left without getting paid. Do we want a continuance of

that alleged state of affairs? Let me point out that to-day there are not 10 per cent. of farmers who can afford to take on a man and pay him wages.

Mr. Stubbs: Not 5 per cent.

Mr. WATTS: I put it to the Government that they must take into consideration the position of those single men. I do not suggest that they should be given full-time work, or anything like it. I realise the Government's financial position, but nevertheless Ministers must get out of their minds the idea that it is possible for these men to find employment on farms. In my home town of Katanning there are nine or ten thoroughly decent fellows who have looked for work in all parts of the district and have been unable to secure it. I have said to them, "Make application to the Government for relief, and if you do not get it come back and tell me and we will see what can be done." With regard to the majority of such men I am convinced that their financial position is extremely necessitous. I acknowledge that satisfactory arrangements have been made for unemployed married men in most cases, but even some of the married men find themselves in a difficult position owing to the conditions operating in country districts. I do urge the Government in view of the present state of the farming industry to give careful consideration to the question of what can be done to improve the position of men who in most cases are fully deserving of assistance, so that they do not get into that state of mind which borders on desperation, and which even leads to such men doing things which otherwise they would not dream of doing. I trust the Government will do everything possible to assist the primary industries of the State, wheat and wool particularly, and also to give what help they can to single men in securing that employment from the lack of which they are suffering so severely.

MR. BOYLE (Avon) [5.4]: I desire to congratulate you, Mr. Speaker, and new members, and also the two new Ministers. The new Ministers I regard as the rising hope of their party. I trust they will not be attacked by the disease known as arteriosclerosis, which I believe means hardening of the arteries.

The Minister for Mines: Hardening of the heart!

Mr. BOYLE: It is a disease liable to result from Ministers being too long in office. Their arteries harden, and "No" becomes with them a word that is sacred and is used on every possible occasion. However, I do compliment the new Ministers. I have had the privilege and honour of knowing them as friends for many years, and I consider the choice of the party in their regard was well made. I acknowledge unreservedly that the Government is in a most unenviable position. It really did not think it would get back to office this time, but the fates decreed that it should. The last 12 months of office were a real hurry-up. Into my district men poured just before the election, and work was found for them. Shortly before the election 350 men were placed in the Avon electorate, and an organiser told me that £4 6s. 10d. was the award rate for those men.

Mr. Withers: How many got that rate?

Mr. BOYLE: All of them.

Mr. Withers: No.

Mr. BOYLE: I know all about it. It is my business to know. I can assure hon. members and you, Mr. Speaker, that at the time it seemed to me that just prior to the 18th March a new era of prosperity had dawned for Western Australia. However, on the 20th March, two days after the election, there was a different tale to tell. All men over 60 years of age were ordered off the job. To-day in my electorate I am besieged by men looking for work. That is my reason for stating that the Government is in a most unenviable position. Ministers sowed the wind, and will reap the whirlwind during the next three years. It is also to be said that the Government is in a highly awkward position by reason of the general fear of war overhanging the world.

Mr. Withers: Do you blame the Government for that?

Mr. BOYLE: No. I am sure that this Government would not cause a war, for wars are brought about by discontented people. Ministers are highly content, having been in office for 12 out of the last 15 years. No nation should want war.

Mr. Marshall: It is discontent that causes wars.

Mr. BOYLE: That is a question of dialectics. I refuse to be drawn into a cross-argument with the member for Murchison

(Mr. Marshall). I do sympathise with the Government as regards the general tightening up of finance. Ministers will be faced during the next three years, and this year in particular, with the problem of placing into jobs men who lose their positions in private employment. There is not now the circulation of money that there was, a fact due largely to the fear of war. Immense sums will be raised in Australia to prepare for war, but we in Western Australia will not derive much benefit from that expenditure. I believe Mr. Playford, the Premier of South Australia, in referring to expenditure of defence money, drew attention to the fact that the States of New South Wales and Victoria this year would have £5 5s. per capita of defence money spent within their borders, whereas in South Australia such expenditure would amount to only £1 5s. per head. I think that applies with equal force to Western Australia. I have heard that we shall have an expenditure of £2 10s. per head, but I question that figure very much indeed. No doubt it is to be expected that in highly industrialised States the manufacture of weapons and munitions of war will be more easily carried out. In Melbourne and Sydney quite a mild boom has been created in consequence of rearmament expenditure and, as usual, the smaller States have to be content with receiving very little benefit under that heading. The situation is further complicated by the abnormally low prices for wheat and wool. I notice that in a statement in the Press the Premier drew attention to those factors in their relation to the finances of the State. We also know that the low price for wheat this year constituted a record, and so far Western Australia has benefited by a little over £2,000,000 from wheat instead of £4,000,000 or £5,000,000. The effect of that is to keep an immense sum of money out of circulation. I would like to ask the Government what it has done in the country areas to assist the agricultural industry. During the election I was sorry I could not subscribe to the argument advanced by the Premier in his policy speech at Geraldton. In the course of his remarks on that occasion the Premier said that the Government had given £6,000,000 to the agriculturists of Western Australia. I examined the position and found that five-sixths of that £6,000,000 represented money that could not have been recovered from wheatgrowers who had entirely abandoned their properties.

Hon. C. G. Latham: That represented the writing off of bad debts.

Mr. BOYLE: Of course it did. Yet that was held up by the Premier as representing a gift by the Government to the farmers.

The Acting Premier: What do you suggest it was?

Mr. BOYLE: Merely writing off of bad debts.

Mr. Marshall: The taxpayers have to carry the burden.

Mr. BOYLE: When the Minister claims that the Government made gifts to farmers from whom there was no possibility of receiving what they owed, he uses logic that is quite new to me. Would it not be far better to assist the men who are still on their blocks and wish to remain there? I will show how the Government assisted the men on the land.

The Acting Premier: If you relieve a man of his indebtedness, do you not make a gift of the amount to him?

Mr. BOYLE: The men who were relieved of the indebtedness were miles away from their farms and had abandoned their properties altogether. Over 2,500 farms had been abandoned, and naturally the indebtedness was written off.

The Acting Premier: All of them? I think you had better be careful.

Mr. BOYLE: I have been careful. I referred to five-sixths of the amount quoted by the Premier and I think the Minister will find that my statement is quite accurate. I understand that £950,000 was written down by the Agricultural Bank in respect of its securities and that amount affected men who were on their blocks. There is a vast difference between £6,000,000 and less than £1,000,000. In any event, the writing down was merely in conformity with Section 65 of the Agricultural Bank Act, which includes a provision that if there is any possibility of the indebtedness being recovered and the property appreciating in value, there shall be no writing down. The action of the Government, in those circumstances, was a clear admission that there was no possibility of recovering the indebtedness, and so the amounts were written off.

Next let me refer to the charges which the member for Katanning (Mr. Watts) has already mentioned. Fixed charges on wheat are the same as they were in the golden age of agricultural development in Western Australia, and wheat freights are actually higher than in 1918, since when there has

been an increase of 20 per cent. In the midst of the depression, when help should have been extended to the wheat-growers, what did the Government do? When the bulk handling system was established in order to relieve the wheat-growers of the cost of cornsacks, the Labour Government, the friend of the farmers, turned around and imposed an additional charge of 9d. per ton on bulk wheat, or one farthing per bushel. To-day the Government on this item alone is collecting £35,000 extra in freights on wheat. That is not the only fixed charge. In 1919 and 1921 there were increases of 1s. per bushel. Those charges are now fixed and apparently immutable.

The Minister for Mines: Was the increase 1s. per bushel or 1s. per ton?

Mr. BOYLE: I am sorry; I should have said the increase was per ton. At any rate, there were two increases in 1919 and 1921, each of 1s. per ton. That was serious enough, but the farmers were receiving 5s. per bushel for their wheat during those years. From 1911 to 1931 the average price of wheat at sidings was 5s. per bushel. As I have said, in 1919 and 1921 the charges were raised by a total of 2s. per ton and in the middle of the depression—in 1934 and 1935—the Government increased the already high wheat freight charges by 9d. per ton because the farmers had an opportunity to save £700,000 on their jute supplies. There the farmers had an opportunity to bring down their costs, but they were not permitted to avail themselves of it. On the other hand, the Government drew another £35,000 from the farmers in increased charges.

Mr. Cross: Were those charges not levied because of the increased cost to the Railway Department?

Mr. Patrick: No.

Mr. BOYLE: Nothing of the sort.

Mr. Cross: Of course they were.

Mr. SPEAKER: Order!

Mr. BOYLE: Always an excuse can be found for any increase levied. If the Government had intended to assist the wheat-growers, even had there been the increased cost referred to by the member for Canning (Mr. Cross), one would have thought that the Government in its benevolence and desire to assist the men on the land, would have said to them, "If we cannot reduce

your costs, we shall not increase the charges against you."

The Acting Premier: I think you will find that the railways carried farmers' goods at under cost. I do not think you will find that the freights were all profitable.

Mr. BOYLE: The Premier referred to railway profits that were being made. I think the Acting Premier is not aware that when the rate book is being made up by the railway officials, the whole of the interest charges on the railways are debited against the users, and that accounts for over £1,000,000.

Mr. Lambert: You are definitely wrong.

Mr. BOYLE: I am absolutely right.

Mr. Lambert: Of course you are not.

Mr. Patrick: What do you know about it?

Mr. BOYLE: The railway officials take all those considerations into account and regard the interest charged as recoverable from the users of the railway system.

The Acting Premier: Has not superphosphate been carried at under cost?

Mr. Styants: And wheat too?

Mr. BOYLE: I have been told by the railway officials that wheat is carted at a loss. Will any member agree that a commodity that returns anything from £500,000 to £700,000 annually in freights, such as wheat does, is transported at a loss? I know that if anyone approaches the Railway Department with a request for a concession, he is always told that the particular article concerned is railed at a loss.

Hon. C. G. Latham: And yet the Government complains when a small quantity of wheat is available for transport over the railways.

Mr. BOYLE: That is so. I noticed in the statement in the Press that the Deputy Commissioner of Railways suggested that the Port Hedland-Marble Bar railway was responsible for 50 per cent. of the loss on that railway system.

Hon. C. G. Latham: For last year.

Mr. BOYLE: Yes.

The Minister for the North-West: He must have made a mistake!

Mr. BOYLE: I know the Deputy Commissioner of Railways, and he does not make mistakes of that description. The North-West is represented by four members sitting on the Government side of the House, including two Ministers. I am quite sure that, despite the reported loss,

there will be no increased freights imposed on the Port Hedland-Marble Bar line.

Mr. J. Hegney: The Pilbara electorate was represented by a National member last year.

Mr. BOYLE: I do not know that the new member for the district has held his seat long enough to convert that loss on the railway system into a profit. Probably at the end of his term that will be the result, and I certainly hope so. In connection with our water supplies, we have another fixed charge.

The Acting Premier: You must be careful on this question.

Mr. BOYLE: I intend to be careful enough to tell the truth, and one cannot be put aside when one does that.

The Acting Premier: You must be careful that you have all the truth.

Mr. BOYLE: I shall tell the truth as I understand it. I know that it is said we must look for truth at the bottom of a well. Whether what I have to state represents the truth or otherwise, what I shall say is certainly true to the best of my knowledge. I do not think the Minister will attempt to controvert what I shall say because I shall quote his own statement. If I am wrong, then the Minister must have departed from the path of rectitude. All extensions from the main in the wheat areas are based on an annual charge of nine per cent. to the department and against the wheatgrowers. That is a colossal imposition. The Under Secretary for Water Supplies wrote to me to the effect that the charge included five per cent. for interest, two per cent. for maintenance, two per cent. for sinking fund, and, personally, I would add another one per cent. for administration charges. We can call it 10 per cent. easily. The charge is 6d. per acre for new extensions. The 18 new water supply extensions from Merredin to Southern Cross—with the exception of a minor extension into the Westonia townsite—are all rated at 6d. an acre, the charge for excess water being 4s. per 1,000 gallons. That puts the departmental revenue on a 9 per cent. basis. I ask any member of this Chamber if the agricultural industry anywhere in the wide world can face up to such charges for interest, maintenance and sinking fund, amounting as they do to 9 per cent.?

Mr. Stubbs: Do the farmers pay those charges?

The Acting Premier: You are adding the amount paid out of revenue into sinking fund in connection with that scheme.

Mr. BOYLE: This is a national work. It offers a greater return to the State than does any other public work in the country, including the metropolitan area. I have heard the Minister for Water Supplies say in his office—and I suppose no one would contradict him—that the Metropolitan Water Supply Department is a payable proposition. He is quite satisfied with it; he should be, too. It is a payable proposition, because water rates are levied on a rich metropolitan population. But the metropolitan population pays a much lower rate than that levied on the farmers, and the settlers at Merredin have to pay 4s. per 1,000 gallons for excess water for their stock.

Mr. Marshall: On the Murchison the rate is 5s. 8d., so what are you growling about?

Mr. BOYLE: The hon. member should join me in the growl.

Mr. Styants: At Kalgoorlie the rate is 7s. 2d.

Mr. BOYLE: Well, that is a fixed charge that could be reduced. The goldfields water supply scheme to-day is a payable proposition. Would it be payable if the goldfields closed down and the agricultural areas were abandoned? There seems to be great danger of their being abandoned.

Several members interjected.

Mr. SPEAKER: Order! I warn the member for Yilgarn-Coolgardie that the member for Avon is making a speech.

Mr. Lambert: I am assisting him.

Mr. SPEAKER: I do not wish to take action. I ask members to keep order in future.

Mr. BOYLE: That fixed charge should and could be considerably reduced. Encouragement is given to settlers to go out-back, to depart from the areas through which the main runs. That is the case in the newly surveyed areas of Goomarin and Yorkrakine. The encouragement these settlers get is that they must pay double the amount which the farmer alongside the main pays. I have introduced deputations to the Acting Premier, who has received them courteously, and in several cases the Government has granted the requests of the deputation. I know of one deputation from Yorkrakine—I was not

responsible for it—the members of which offered to pay the Government 6d. per acre for water. That offer does not make any difference as far as I am concerned, because I know the industry cannot afford to pay such a high rate. If those people wanted water so urgently that they were prepared to pay a high price for it, the Government should not have taken advantage of their plight.

Another fixed charge is land rents. As hon. members must know, "land rents" is only another name for land taxation. The rents in the areas to which I have referred are absurdly high. They were fixed when everything was booming, when wheat was 5s. a bushel and wool 1s. 6d. a lb. To-day the farmers are receiving threatening letters from the department. All sorts of demands are made of them. It was the boast of the former Minister for Lands (Mr. Troy) that no settler had been put off his holding because he could not pay land rents. But if a man cannot pay them, why persecute him with continual threats? Why the accommodation charges and fines? People are being fined who cannot help themselves. It is only adding to the war of nerves these men are suffering from to-day. Each day brings with it a threat of some kind. The latest is that water will be cut off unless the water rates are paid. Then the Agricultural Bank threatens the settlers.

Mr. Withers: Are the threats carried out?

Mr. BOYLE: I hope not. What is the use of speaking in that way? These settlers have struggled and are struggling; yet the accountant of the Water Supply Department writes to them threatening that their water supply will be cut off unless the overdue rates are paid within 14 days.

Mr. Styants: We all get those notices. If we do not pay, the water is cut off.

Mr. Marshall: The department has acted smartly at Meekatharra.

Mr. BOYLE: There may be reason for that. If a man can pay, but refuses to do so, he should be dealt with. I am referring, however, to men who cannot pay. I was informed that these threats were sent out by the instructions of the Government, as revenue had to be got in. Blood cannot be got out of a stone, and money cannot be got from a stone-broke

farmer. That is the position to-day. These settlers have been sending their produce, their wheat and wool, to the markets, and by so doing have helped to swell the State's revenue. I should like to know what would happen if the threats were carried out. The farmers would have no option but to turn their stock on to the road. Probably the officer responsible for carrying out the threat would then receive a summons from the Society for the Prevention of Cruelty to Animals, and why should he not? By his own action he would have cut off the water supply to the farmers. In my constituency there are some young men managing their deceased father's farm. They have been doing so for the past five years, and so have gone through the bad times. There was a debt of about £147 owing for water rates; and these young men not only kept the current water rates paid, but reduced the arrears by £10. Yet I had the fight of my life to prevent the department from cutting the water off from that farm, with its cattle and 1,700 sheep.

Mr. Stubbs: How long ago?

Mr. BOYLE: Within the last three weeks.

Mr. Mann: But the Government is making demands on men who cannot pay.

Mr. BOYLE: That is what I complain of. If the farmer has the money, he should be made to pay. If members—Ministers particularly—would go among these people and read the threatening letters which they are receiving, they would probably be a little more sympathetic. The interest charge on wire netting is 7 per cent. Vermin rates have not been reduced. I defy any member of the Government to tell me of one instance where these charges have been reduced. I would not only be pleased to hear of one instance, but gratified.

The Acting Premier: The hon. member knows that the Commonwealth Government is collecting the moneys advanced for wire netting.

Mr. BOYLE: The collection of that money is now in the hands of the Agricultural Bank, which took it over under the Agricultural Bank Act. Private interest rates have increased. We are told money is tight. Of course it is tight when it is wanted most. I would like the Government to help the industry by reducing some of the fixed charges. They are well

called "fixed charges." I would like to compliment the member for West Perth (Mr. McDonald) on his excellent effort on a subject that was strange to him. I refer to the speech the hon. member made last night. I notice, I am glad to say, signs of spiritual regeneration in the hon. member. Is this the same gentleman who opposed the Rural Relief Bill last session? A Bill that was the subject of investigation by a Select Committee, and a ten-line report to this House. To-day, if it had been law, there would have been a greater feeling of security amongst the farming community. I notice also that the hon. member has been reading the Federal Royal Commission's report on the wheat industry, a document that is known as the Wheatgrowers' Bible, and is one of the finest reports ever put forward by a Royal Commission. The report was the result of three years' hard work, and it cost the Commonwealth of Australia £40,000. It was worth every penny of that figure. The only thing I regret is that the Federal Government paid so little attention to it. The member for West Perth has read that report with advantage to himself and to this House, and I think his speech did more towards bringing together the members on the Opposition side of the House than any single factor in the last two years.

The Acting Premier: More than the newspapers?

Mr. BOYLE: I am not responsible for what the newspapers are doing, but I am responsible for trying with my colleagues to bring about a little comfort and prosperity to those who are engaged in farming operations. The Leader of the National Party struck a correct note in that regard, but with his conclusions I do not altogether agree. For instance, he mentioned £2 per acre return for the wheatgrower. Let us examine the position. For the sake of example I will take ten road board districts in the eastern and north-eastern agricultural areas of the State, the areas from Kellerberrin to Yilgarn, and north-eastern from Wyalkatchem to Mt. Marshall and Mukinbudin. Let us then take the last five years which, I will admit, have not been the best five years in those areas. But we must not seek for the best or the worst, so we take

the last five years, and I shall not exaggerate the position. Here are the figures:

	Average yields 5 years.	Return at £2 per acre.
Kellerberrin ..	9.9	4s. 0d. per bushel
Merredin ..	7.6	5s. 6d. "
Westonia ..	4.0	10s. 0d. "
Yilgarn ..	3.9	10s. 3d. "
Wyalkatchem ..	10.9	3s. 9d. "
Koorda ..	3.2	12s. 6d. "
Kununoppin ..		
Trayning ..	8.8	4s. 7d. "
Mt. Marshall ..	4.8	8s. 4d. "
Mukinbudin ..	4.0	10s. 0d. "
Nungarin ..	6.1	6s. 7d. "

Last year Westonia, which is adjoining Merredin, had an average yield of 1.6 and the return at £2 per acre, would be 25s. a bushel. So the hon. member will see that his proposal will not work out. I have studied the position for the past ten years, and I have formulated a plan which has been published in the "West Australian" to take those areas out of wheat. This I intend to bring down at a later stage.

The Acting Premier: The Agricultural Bank has already put forward the same scheme.

Mr. BOYLE: I know what scheme it was that I submitted. As it is a wise child that knows its own father, I can assure the Minister that I know something about my own scheme. The Minister should remember that a little knowledge is a dangerous thing. The scheme to which he refers is a linking-up scheme; mine is not. What I have submitted is not the scheme that the Agricultural Bank has been working on for several years. If members want to know what the Agricultural Bank has done, I need only quote ten Eastern districts abandoned properties that have been handed over to Goldsbrough Mort & Co. for disposal. On those ten properties the Bank has written down the debts to the sum of £19,500, which is an average of £1,950 on each block, an amount that is £400 more than the average carried by Agricultural Bank securities in Western Australia. That cannot be called an effective scheme. I would do my utmost to prevent a man going on blocks that had already proved a failure. Those blocks have been offered for sale at 10 per cent. deposit. One of them consists of 1,764 acres and is carrying a debt of £1,500. Really it could not carry that many shillings.

The Acting Premier: You are taking the same view of farming as Mr. Baxter does of secondary industries.

Mr. BOYLE: I have nothing to do with Mr. Baxter's views, and if I displayed as little knowledge of the subject as the Minister does, I would not be fit to be here at all. The Agricultural Bank's idea is all wrong and has no hope of success. I shall do everything I possibly can to prevent people going on such blocks and being taken in. No Government or no Government institution—the Agricultural Bank is still part of the Government—has any moral right to dispose of abandoned blocks in the manner that is being done, because no one can hope to make a living out of them as wheat-growing propositions. The Bank turns to a reputable firm like Goldsbrough Mort, and says, "We have many of these blocks. You sell them and get 10 per cent. deposit, and the balance can stand as mortgage." Does the Bank intend to make further advances on these blocks? I doubt it very much. The intention apparently is to put men on these areas with a debt load around their necks and with no obligation to give them assistance to enable them to carry on.

With regard to the guarantee for wheat, I may perhaps be in order in quoting what appears in to-night's "Daily News." We notice that under the Federal Government's plan to aid the industry, an annual advance per bushel will be paid to growers to bring the total average for the season to 3s. 4d. a bushel at ports, subject to two limitations. These limitations are (a) that the supplementary finance to be provided by Governments, Commonwealth and State, in addition to the flour tax shall not exceed £3,500,000 a year; (b) that the annual advance bill will not operate so as to bring the total realisation beyond 3s. 4d. a bushel for a marketed crop of 140,000,000 bushels. That means that the 3s. 4d. a bushel at ports will represent 2s. 9d. at the sidings. But it also means something further for this State. If Western Australia takes over its half of the responsibility with the Federal Government, we shall have to find at least £400,000 this year to supplement the amount provided by the Commonwealth, and next year we shall have to find about the same amount, under present conditions. Obviously, of the £3,500,000 to be paid out by the Commonwealth and the States conjointly, a half

will have to be found by the Commonwealth and the balance by the States. That fact is set out at a later stage of this report. I am sure that the Government will not jib at paying its share.

Mr. Thorn: It will be returned in freight.

Mr. BOYLE: The stabilisation of the industry now rests largely with the State Governments. We shall see whether the Government of Western Australia will measure up to the responsibility that has been thrust upon it. I do not say that I agree for one instant that this State should be saddled with the task of finding such an amount, for the simple reason that the Commonwealth Government has means of raising money that the State has not. But rather than let an industry that means so much to the State slip back, we should be prepared to make any sacrifice.

The member for Perth (Mr. Needham) referred to the price of bread, and, very properly too, objected to the consumer being saddled with a price above his ability to pay. But again the member for Perth did not examine the position very closely. Had he, like the member for West Perth (Mr. McDonald), examined authorities on this point, he would have found that the price of bread and the price of wheat are not very closely related. I regret to say that, but it is a fact. On page 46 of the fifth interim report of the Federal Royal Commission figures were given to show that, taking the price of bread selling at 4.8d. per 2lb. loaf, the bakehouse costs, exclusive of flour, are 55.6 per cent. of the total. In that amount 26.4 per cent., or 1¼d. per loaf, is included to cover the cost of the delivery of bread to consumers. That is to say, 26.4 per cent. is spent in the stupid distributive methods in existence to-day.

Mr. Marshall: That is better.

Mr. BOYLE: There is nothing better about it. It is very bad.

Mr. Marshall: I mean, you are getting on to good ground now; there is too much overlapping.

The Minister for Mines: What about regulations to prevent it?

Mr. BOYLE: The Government is a long time thinking about it.

The Minister for Mines: The same conditions could apply to bread as to milk and other commodities.

Mr. BOYLE: I put forward a suggestion to the Government.

The Minister for Labour: Worthy of consideration, too.

Mr. BOYLE: Like all my suggestions, it is worth looking into. The suggestion is one that I have not heard mentioned by the other side of the House, and that is that bread zones should be established in the metropolitan area.

Mr. Marshall: I have suggested that.

Mr. BOYLE: The member for Murchison (Mr. Marshall) says he has made the suggestion.

Mr. Marshall: Yes, on the floor of this House.

Mr. BOYLE: If I were supporting a Government and it refused to accept the suggestion—

Mr. Marshall: Members on your side of the House have opposed it every time it has been suggested.

Mr. BOYLE: It is obvious to the least intelligent of us that if zones were established and a maximum price for bread were fixed in those zones, bread could be sold in the metropolitan area, even allowing for the flour tax, at 4d. a 2lb. loaf. Yet the Government brought down a Bill and fixed the maximum price of 6d.

Mr. J. Hegney: It is too high.

Mr. BOYLE: That maximum price has become the minimum price. In the main centre of my electorate I found that those interested in the bread industry have got as firm a hold as has any other vested interest in Western Australia. I found that the retail bakers are in the hands of the millers.

Mr. Withers: That is the point.

Mr. BOYLE: They are bound to collect their bills fortnightly from the hotels and other places in the area, are not allowed to give discount, and have to charge an extra $\frac{1}{2}$ d. a loaf if the accounts are carried on for another fortnight. If they do not do so, where is their flour to come from? Why does not the Government deal with that situation?

The Minister for Labour: If they gave discount, the purpose of the Act would be defeated.

Mr. BOYLE: Of course; but that is not the reason discount is refused. The reason is that they want to eliminate the small shops that are competing with them. The member for Perth spoke about this matter last night. There is no doubt that a very dangerous vested monopoly will be created if we do

not take steps to prevent it. We are interfering with the bread of the people, which is a very serious matter. The lack of bread has caused trouble and riots in civilised communities before to-day. I have mentioned before in this House that I sat in a conference in Melbourne where I saw the president of the Federated Flour Millers of Australia smoking a cigar that must have taken a couple of navvies to carry into the room—a beautiful cigar. Yet that man told the meeting that if the wheatgrowers of Australia obtained 3s. at siding for their wheat, and the price of bread were increased as a result, blood would flow in the streets of Melbourne. Well, if blood had to flow in the streets of Melbourne, I should like to have a chance to say whose blood it should be. The situation is just as serious in Western Australia to day. Here we have the bakers of an isolated country town being informed that they must conform to the conditions of the trade. Conditions made by whom? By the Government? Not at all; by a vested interest.

Mr. Fox: They are worse than some of the Yankees.

Mr. BOYLE: I should have pointed out previously that the wheatgrowers receive a penny for the wheat that goes to the making of a 6d. loaf of bread. That is their share.

Mr. Styants: It is like the woolgrower and the small quantity of wool that is actually required to make a suit of clothes.

Mr. BOYLE: The member for West Perth referred to the debt structure of the wheat industry. He revealed a new outlook that I was pleased to notice; in fact my feelings towards the hon. member to-day are those of extreme warmth. I feel more joy over one returned sinner than over the ninety-nine just men already associated with me.

Member: You should make some reservations.

Mr. BOYLE: The hon. member said I should make some reservations.

Mr. SPEAKER: The hon. member must not reflect on another member.

Mr. BOYLE: I am very sorry if what I said was a reflection on any member. I should like hon. members to reflect on me in the same way because I would have no objection to a reflection of that kind. The member for West Perth, however, has struck a note that does not meet with response from this side of the House. If we return to our mutual bible, the report of

the Federal Royal Commission on wheat, we shall find the following on page 45:—

The average of the interest actually payable in respect of money borrowed for the purchase of the farm and its equivalent was 8d. per bushel.

An average of 8d. per bushel would be 8s. per acre on land cropped for wheat. In Western Australia alone that would be an annual interest burden of £1,200,000 on the wheat crop. Portion of that interest charge is recoverable under Section 51 of the Agricultural Bank Act. I have been told by a high official of one of the associated banks that interest is the life-blood of the banks and must be collected. I do not mind its being collected, but when 30 per cent. of the total value of the wheat crop representing interest is collected, the business becomes impossible.

The Acting Premier: The wheatgrower cannot carry on with borrowed money at present rates. There is no possible hope of his doing so.

Mr. BOYLE: He has been making a brave attempt to do so, but the burden has become too heavy. He certainly cannot stand the 8s.

Mr. Cross: The banks will soon be taking the lot.

Mr. BOYLE: If the Acting Premier will use his influence to get rid of Section 51 of the Agricultural Bank Act which makes it a criminal offence for a farmer to sell a bag of wheat before he has paid his interest, he will be doing a useful service. I have in mind the case of the Merredin flour mill, which has been closed down and 12 men have been thrown out of work.

Hon. C. G. Latham: Who was responsible for that?

Mr. BOYLE: I should say the Minister for Labour is responsible for not keeping the mill running. Fifty farmers in the district were involved, and not one of them put in more than small lots of wheat, but a detective was sent to Merredin and a reign of terror ensued. The mill was called upon to refund to the Agricultural Bank a sum of £700 and the mill could not possibly do so. The Agricultural Bank took legal proceedings and demanded as a settlement a sum of £100 per month for five months and £200 legal expenses. The result was that the bank financing the mill refused to carry the

concern on, and it is now closed. That has been the experience of a local industry.

Mr. Hughes: You had the remedy in your own hands. Why not have let the bank run it?

Mr. BOYLE: That is a suggestion. A receiver was put in instead.

Mr. Withers: That would be socialisation.

Mr. BOYLE: A farmer's home means as much to him as does a home to any other man and farmers have devoted the best years of their lives to building up their propositions. The creative instinct is uppermost in them, and I have experienced the greatest difficulty in getting farmers and their wives to leave their holdings in order to settle in better places. One has to admire the farmers for that spirit.

The Acting Premier: You have not told us the full story of the closing of the mill and why that happened.

Mr. BOYLE: The mill committed an unpardonable and grossly illegal act—under Section 51 of the Agricultural Bank Act, a criminal act—by taking a few bags of wheat from farmers in order that they might buy boots and clothing for their children. That shocking crime cost the mill £700, which the Agricultural Bank agreed to accept at the rate of £100 a month for £500 and £200 legal expenses. That mill is not owned by powerful vested interests; it is owned by farmer shareholders, who had subscribed £8,000. The mill has been closed and 12 men have been thrown out of work. To satisfy Section 51 of the Agricultural Bank Act, the mill was closed, and stands a monument to the ineptitude of the Government in failing to repeal Section 51.

The Acting Premier: Nothing of the sort.

Mr. BOYLE: There is the arteriosclerosis operating again.

The Minister for Labour: Did you discuss the matter with the Chairman of the Agricultural Bank?

Mr. BOYLE: Yes.

The Minister for Labour: What did he say?

Mr. BOYLE: He said it was not the Bank's fault. Mr. Abey was brought in and he firmly denied that the closing of the mill had been due to the action of the Bank. I am not prepared to agree or disagree with Mr. Abey's statement, but the Minister asked whether I had discussed the matter with the Bank Commissioners and I reply that I did so without receiving any satisfaction.

The Minister for Labour: What was the point of view of the chairman, Mr. Donovan?

Mr. BOYLE: That they would not enforce their agreement. Mr. Donovan was very decent about the whole matter, but it is useless to lock the stable door after the horse has gone. A private bank definitely called up the overdraft.

The Minister for Labour: Which bank?

Mr. BOYLE: The E.S. & A. Bank. It called up the overdraft of £2,900, though the mill had assets valued at £16,000 and debts owing valued at £100. I do not wonder at the E.S. & A. Bank's taking that action.

Mr. Thorn: Was the mill a member of the Flourmillers' Association?

The Minister for Labour: The E.S. & A. Bank must have been suffering from that disease you mentioned.

Mr. BOYLE: Since the receiver has been in charge, the overdraft has been reduced to £400. This has been accomplished by the sale of flour. A condemnatory report on the mill was made by a man who had never seen it. The Minister will find that information on his file. To my knowledge and to the knowledge of the directors, nobody ever made an inspection, and yet there is a minute on the file condemning a proposal submitted by me for an overdraft of £4,000 to clear off the bank debt. This would have been nothing more than a guarantee, as no money would have been involved. There was a private guarantor for £2,000, which amount represented over 50 per cent. of the overdraft involved. On the floor of the mill there was £3,000 worth of flour ready for sale and that has since been sold. Yet the mill has been closed. I am sure that is a monument to the Minister's efforts to secure the expansion of secondary industries in this State.

I wish to refer briefly to a report in this morning's "West Australian" of a statement by the Prime Minister, Mr. Menzies, regarding the tariff and the wheatgrowers. I do not know whether Mr. Menzies was responsible for the statement beyond attaching his name to it, but the statement is that the tariff has little or no influence on the fortunes of the wheatgrowing industry of Australia. The Royal Commission, on page 252 of its report, stated—

The operation of the tariff in the past has increased the capital outlay on a normal wheat farm of 1,280 acres by about £500.

At five per cent this would represent £25 annually. The Prime Minister's statement is that one-seventh of a penny per bushel of wheat is the cost of the tariff to the farmer. If we take the Prime Minister's statement, every wheat farm in Australia would have to produce 42,000 bushels a year even to catch up with what the Royal Commission set out as a cost of developing a wheat farm. The average is nearer 3,000 bushels per farm.

Mr. Withers: On what items would the principal tariff duties be imposed? On tractors?

Mr. BOYLE: There is no tariff on tractors for agricultural use.

Hon. C. G. Latham: And none on agricultural machinery?

Mr. BOYLE: We know that the Massey Harris works were absorbed by the combine. The International Harvester Co. found it convenient to spend £400,000 on the erection of works near Melbourne.

Hon. C. G. Latham: That company, when paying the high tariff, could compete.

Mr. BOYLE: But nobody can tell me that the company established works in Australia for the good of its health. It began operations here in order to share what was offering. The tariff engenders domestic felicity among the combinations of business people. They do not quarrel; they do not compete; they come together. They are one happy family. "There it is, get into it," they say.

The Minister for Mines: A gentlemen's agreement.

Mr. BOYLE: I would not call it a gentlemen's agreement; it is an agreement to share the loot. The Prime Minister tells us that one-seventh of a penny per bushel covers the operations of the tariff in Australia. I would not believe the statement if it were made by two Prime Ministers, because it is not true. The Royal Commission which studied the question three years ago said that the cost was £500 per wheat farm, and that that represented about £25,000,000 added capital cost. At 5 per cent. interest that cost, without current costs at all, amounts to-day to £25 per farm.

I have dealt exhaustively with the wheat position because it is vital, particularly to the people of this State. The Government will, I hope, measure up to its responsibilities in the direction of keeping the industry

going, as it must do. If we take wool and wheat out of the economic structure of Western Australia, very little is left. Members of this House can do a lot more than they have done, and the Government itself can do a lot more. By the voice of the people the Government will control the finances of the State for the next three years. It must take full responsibility for the welfare of every individual in it. That is the general law and rule. I do not think the Government is interested in any sectional endeavour in this regard. Now is its opportunity to help the industry.

Approximately £30,000,000 has been sunk in wheat farms, and £15,000,000 in wheat-belt railways. It would be no exaggeration to say that the industry capitalisation would be £50,000,000, that 35,000 people are directly involved in it, and another 50,000 indirectly concerned in it. Gold has proved very useful, and to my knowledge has twice saved the State. It is, however, a disappearing asset. We are told that £167,000,000 has been won from the goldfields of this State, but we know that £167,000,000 worth of value cannot be replaced. Agriculture, however, replenishes itself, and stock increases and multiplies. This cannot be said of any other of our industries, except perhaps those allied with agriculture, such as dairying, etc. We on this side of the House have no monopoly in our care of the industry. We are not alone in that regard. Our appeal is that the House will endeavour to see that the industry is carried on, and that those engaged in it enjoy both security and reasonable comfort. I have been told that the basic wage paid to relief workers on the roads is £4 6s. 10d. a week. The amount paid in sustenance by the Agricultural Bank to our wheat farmers is 28s. 6d. a week, and, if the man is single, he receives 18s. 6d. a week.

Mr. Cross: Single men in Perth get 7s. a week.

Mr. BOYLE: The 28s. 6d. and the 18s. 6d. are not a gift from the State Government. The money represents an advance by the Industries Assistance Board at 5 per cent. interest, and is recoverable from the crop under Section 51 of the Act. I plead for higher rates for these men. A sum of 28s. 6d. a week is not sufficient for a man, his wife and children. Thanks to the ex-member for Mt. Magnet, Hon. M. F. Troy, the rate was increased by 2s. 6d. per week for

children under 16 years of age. That works out at 4½d. per child per day. A farmer cannot receive more than £9 10s. a month, that being the maximum even if there are 12 children. No fringe farmer is encouraged to have a big family unless he wishes to see the children perish.

I trust my appeal will not fall upon deaf ears. Let there be no party differences between members on this question. Let us endeavour to see that the industry, which has cost so much in blood and effort, and yielded such poor results to those engaged in it, is given a chance to live. The Government cannot listen unmoved to any appeal on behalf of these people. To-day hundreds of farmers find their wheat unsaleable even at 1s. 1½d. a bushel. Because of the low prices, about 7,000,000 bushels have been shut out from the market. Why wheat is ever stored I do not know. Some people cannot be saved from their own foolishness.

Let me remind members of the Royal Commission which sat and reported in 1934 on the question of over-advances on stored wheat in this State. The report proves conclusively that local wheat merchants effectively cleaned up a profit amounting to £276,000. They served bills on the farmers for over-advances on stored wheat to the extent of £538,000. They sold the wheat, which owed them nothing. The down curve in wheat prices did not occur until the 25th July of the year following, when the merchants sold wheat at 3s. 5d. a bushel on which the average advance was only 3s. a bushel. At the end of the year very little wheat was left in Western Australia, about 8,000 bushels, and yet the merchants sent out accounts to the farmers aggregating an amount of £538,000. I regret to say that a great amount of the farmers' debt relief money, paid to them under the Farmers' Debts Adjustment Act, went to the merchants at the rate of 5s. in the pound in settlement of these claims. In addition to the £276,000 to which I have referred, the merchants received a large amount of the farmers' adjusted debt money, and thus increased their ill-gotten gains. I trust the House will do all that is humanly possible to preserve the wheat-growing industry in Western Australia.

On motion by Mr. W. Hegney, debate adjourned.

COMMITTEES FOR THE SESSION.*Council's Message.*

Message from the Council received and read notifying the personnel of sessional committees appointed by that House.

BILL—SUPPLY (No. 1), £2,500,000.

Returned from the Council without amendment.

House adjourned at 6.10 p.m.

Legislative Council,

Tuesday, 15th August, 1939.

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

QUESTION—INDUSTRIES DEPARTMENT, DELEGATION.*Travelling Allowances.*

Hon. E. H. H. HALL asked the Chief Secretary: What were the respective amounts of travelling expenses and allowances paid to (1) the Minister for Industrial Development (Hon. A. R. G. Hawke, M.L.A.), (2) the Secretary of the Industries Department (Mr. Macartney) whilst visiting the Eastern States recently in an endeavour to persuade Eastern States' manufacturers to start factories in this State?

The HONORARY MINISTER (for the Chief Secretary) replied: Covering the full period of six weeks—(1) £86 3s. 6d., and (2) £82 0s. 1d.

ADDRESS-IN-REPLY.*Fourth Day.*

Debate resumed from the 9th August.

HON. W. J. MANN (South-West) [4.35]: Before dealing with some aspects of primary production, I desire, on behalf of the farmers of the South-West and, I think, of most of the residents of that part of the State, to express our sympathy regarding the position in which the wheat-growing section of that great industry find themselves. Their position to-day is undoubtedly tragic, and it calls for not only sympathy on the part of all who are in a position to assist, but for practical help as well. A few years ago hundreds of settlers in the South-West experienced what I might describe as a long period of below-the-bread-line existence, and consequently they realised very fully the gravity of the present situation throughout the wheat belt. At such times as the present there are many who will offer expressions of sympathy, but there are very few people who really know, or are in a position to know, the depth of mental anxiety from which these people suffer in the position in which they find themselves to-day. They cannot realise the utter disappointment, the haunting fear of abject failure that each day and night overshadows the existence of these producers who are making strenuous efforts to succeed, nor can they be expected to understand, and fully comprehend, what it means to suffer privations which actually involve the lack of the absolute necessities of life, not only for themselves but for their womenfolk and their children. Those unfortunate producers did not ask for charity; they did not actually seek help. All the South-West settlers wanted a few years ago was an opportunity to win through by virtue of their own endeavours, and a price for their commodities that would enable them to live. That is actually, I understand, the position, in many instances, of the farmers on the wheat belt to-day. The price offered for wheat in the markets of the world at the present time is far below the cost of production, and because of indifference in many quarters the situation is not improving but is gradually becoming worse. I have been told on very good authority that quite a number of these people have been haunted with the fear that they will