

subject is a familiar one. It has been well debated in the past, and Parliament last year passed a similar measure.

All the Bill proposes to do is to make available a small proportion of the State road license fee revenue for the payment of loan servicing charges on loan expenditure on roads, and thus meet to some extent the oft-stated requirements of the Grants Commission, which in the past has been penalising the State because of its not falling into line with other States in this connection. I am aware that a long debate took place on a similar measure last year, but circumstances have changed, and I confidently appeal to members to support the one now before them. I move—

That the Bill be now read a second time.

On motion by Hon. H. Seddon, debate adjourned.

House adjourned at 3.4 p.m.

Legislative Assembly.

Thursday, 22nd October, 1942.

	PAGE
Questions: Parliamentary debates, as to broadcasting	980
Bills: Goldfields Water Supply Act Amendment, 3A.	980
Local Authorities (Reserve Funds). 2A.	980
Motor Spirit and Substitute Liquid Fuels. 2A.	982
Annual Estimates: Com. of Supply, Votes and Items discussed	995

The SPEAKER took the Chair at 2.15 p.m., and read prayers.

QUESTION—PARLIAMENTARY DEBATES.

As to Broadcasting.

Mr. NORTH asked the Premier: 1, Has he any information as to whether broadcasting of the New Zealand Parliamentary debates has proved popular and useful or otherwise? 2, If so, will he inform the House, and also state whether the effect has been to shorten and improve speeches? 3, Is there any station in the city which could be acquired for the coming fight against unification?

The PREMIER replied: 1, No. 2, Answered by No. 1. 3, The State Government has no control over broadcasting. I presume "B" class stations are prepared to accommodate speakers for this purpose on their customary terms.

BILL—GOLDFIELDS WATER SUPPLY ACT AMENDMENT.

Read a third time and transmitted to the Council.

BILL—LOCAL AUTHORITIES (RESERVE FUNDS).

Second Reading.

THE MINISTER FOR WORKS [2.17] in moving the second reading said: This is a war measure introduced at the request of the Local Government Association, and is for the purpose of giving local authorities power, with the approval of the Governor, to create reserve funds from general revenue to place the authorities in a position to bring their roads and other works up to a proper standard of repair and efficiency when material and labour are available. The need for legislation arises from the fact that under Sections 396 and 397 of the Municipal Corporations Act and Sections 243 and 244 of the Road Districts Act, the local authorities are required, when striking the rates, to take into account credit balances remaining at the end of the financial year and to levy rates sufficient only to make up the discrepancy between revenue in hand and the estimated requirements for the coming year.

A number of municipalities will have substantial credit balances at the end of this year which, if taken into account, will result in very low general rates being levied for next year, notwithstanding the fact that these credit balances have resulted mainly from the general inability to keep roads and other works in a satisfactory condition owing to the shortage of material—particularly bitumen—and manpower. The limitation I have mentioned is a very important one. Municipalities and road boards are definitely limited to making up the discrepancy between revenue in hand and the estimated requirements for the coming year. The approximate credit balances anticipated at the 31st October, 1942, for the following municipalities are—

	£
Fremantle	2,000
North Fremantle	500
East Fremantle	3,000
Cottesloe	3,000
Claremont	4,500
Subiaco	4,000
Midland Junction	800
Guildford	800

These balances would have been much greater had it not been for expenditure on A.R.P. works. Many road boards are in a similar

position, the credit balances totalling very substantial sums. One metropolitan board now has £1,000 of its balance on fixed deposit, and another outer suburban board has £3,000 on fixed deposit. Road boards had built up credit balances at the 30th June, 1942, as follows:—

	£
Bassendean	1,704
Bayswater	997
Bruce Rock	2,010
Cue	1,131
Fremantle	1,905
Melville	4,377
Northam	1,853
Quairading	1,062
South Perth	6,401
Swan	4,526
Victoria Plains	1,338

Some loans funds are included in some of the road board balances, but the greater part consists of general revenue. These figures show the position that has arisen through the reasons I have mentioned. Obviously, the restoration of works must be undertaken at the earliest favourable opportunity and unless the local authorities are enabled to build up reasonable reserves from general revenue, very large sums will later have to be raised by way of loans, with consequent delay and substantial commitments for interest.

Although this legislation has been introduced to enable reserve funds to be built up, local authorities will not be compelled to take advantage of the measure. In preparing the annual schedules of projected works and estimates of expenditure for the forthcoming year to comply with the Acts as they stand at present, councils and road boards can either put down those items which would be attended to if material and labour were available, or reduce the items to the minimum representing those few works which they might be able to perform in the absence of adequate material and labour. That is the alternative today. The amount of the reserve will, in each case, be determined by the Minister after inquiry into the financial position of each local authority making application under the measure, and approval will be given only in those cases where it is desirable and expedient in the interests of the local authority and of the ratepayers.

Mr. Watts: Is there any objection now to building up a reserve fund for the replacement of plant?

The MINISTER FOR WORKS: The sections I have mentioned preclude that being

done. Those provisions definitely limit the powers of local authorities in respect to rating; they may rate only sufficiently to make up the deficiency. The boards, being unable to spend their revenue, have automatically built up reserves. Strictly speaking, this is illegal, but there appears to be no help for it. The object of the Bill is to put the matter right and establish some order. The building up of reserve funds is, in my opinion, commendable, because the boards will, after the war, have funds out of which to effect repairs and undertake other works. When the war is over, the boards will find that their roads are in a bad state of repair and, if these reserve funds are not available, it is exceedingly doubtful whether, in view of the Commonwealth's policy of limitation of borrowing, the boards will be permitted to raise loans. There will at that time be an insistent demand for employment from men seeking it, and they could be absorbed on work of this character.

Power is given in the Bill for the reserve funds to be invested in any securities authorised by law for trust funds, provided that the securities can be readily converted into money at any time. While the boards hold these moneys in reserve, it will be illegal for them to raise loans for works or undertakings, except insofar as the moneys in the reserve accounts are insufficient to meet the whole of the proposed expenditure. The Bill will not in any way interfere with the existing powers of local authorities to redeem loans from revenue. Section 459 of the Municipal Corporations Act and Section 304 of the Road Districts Act provide that the local authorities may purchase any debentures under the provisions of the said Acts, and that the ordinary revenue of the authorities shall be applicable to such purpose. This provision can only be availed of before due dates with the consent of the lender. I am informed that the Commonwealth Bank has signified its willingness to accept repayment of loans from local authorities irrespective of the date on which ordinarily they would be repayable. Some local authorities have already repaid loans.

It is proposed that the measure shall operate only during the present war and for such period thereafter as may be necessary for local authorities to close down and wind up the reserve accounts and to realise on investments.

A chairman of a road board has stated that he will not sign the rate notice, because it is not in conformity with the existing law. So that these men may be able to act within the law, it is necessary that this additional power should be given.

Mr. Doney: The Bill follows a request by the road boards?

The MINISTER FOR WORKS: Yes.

Mr. Sampson: The rate notice should have been signed long ago. It is very late.

The Premier: The rates for municipalities this year will not fall due until the beginning of November.

The MINISTER FOR WORKS: Owing to the exceptional position, in most instances the road boards have not been challenged, although the matter has been brought to their notice by the auditors, who have been forced to advise the boards that they have been acting without authority.

Mr. McDonald: This is a new version of Brewster's millions.

The MINISTER FOR WORKS: Yes.

The Premier: No. The boards will find that their roads will be in a bad state, and that they will be unable to borrow money to effect the necessary repairs. They may as well save up their money now.

The MINISTER FOR WORKS: The boards experienced difficulty in raising money after the 1914-18 war and also during the period of the financial depression. As I have said, quite possibly there will be a prohibition of borrowing by local authorities when this war ends; but it is certain that when hostilities cease thousands of men will be seeking employment and all the resources of the Commonwealth Government and of the State Governments and of local governing bodies will be required to find employment for those men, and to find it quickly. I should say that the men would be very impatient if they knew there was a possibility of a practical proposition such as this being turned down.

Mr. Boyle: Could not the boards reduce their rates?

The MINISTER FOR WORKS: Suppose the boards reduced rates by half and that at the end of the war their roads were in a bad state of repair. How would the boards get on if they had no funds? Furthermore, the member for Avon will know that, having once reduced a rate, the boards would have difficulty in immediately doubling the rate. In any case the rate

would not be available for some time, because even now local authorities must incur considerable overdrafts pending collection of rates. I understand, too, that local governing bodies are not permitted to raise an overdraft to pay interest on loans, yet loan rates are often paid late. With their present limited powers, the local authorities often find themselves in considerable difficulties. The department's auditors have been able to advise them how to overcome such difficulties; but now it is desired that the matter be put on a proper legal basis. The only way to do that is for Parliament to pass this Bill and thus give local authorities power to create reserve funds. In one or two districts we understand there are some smart ratepayers who have said they do not intend to pay the rates. The boards would experience great difficulty in enforcing payment in those cases where they have rated illegally. Under the existing law, boards have no power to rate for a total amount greater than is required to make up a deficiency. Yet now the local authorities have large surpluses! The question is whether it is justifiable and wise for local authorities to build up reasonable reserve funds having regard to the future and the necessity for employing our returning soldiers, and also for purchasing materials. Even now, in many districts roads are in a bad state of repair and this extremely useful measure will enable road boards to overcome a difficulty. They themselves have asked that the measure be brought forward. As I have said, it is a war-time measure. I question whether the local authorities desire that it should be so limited. However, that is the extent to which the Government is prepared to go. I move—

That the Bill be now read a second time.

On motion by Mr. Hill, debate adjourned.

BILL—MOTOR SPIRIT AND SUBSTITUTE LIQUID FUELS.

Second Reading.

Debate resumed from the 8th September.

MR. WATTS (Katanning) [2.35]: I propose, of course, to support the second reading of this Bill. The Minister told us we must clearly understand that it has no effect during the war period. The measure has been introduced to take effect when the National Security Regulations dealing with

the same subject become no longer applicable. I find this to be a very difficult Bill to understand, from the point of view of one who is not accustomed to the technical matters with which a large portion of it deals. One can, however, do his best to understand such things and take advice, as I have done, from one or two people who have had some practical experience in the handling of motor fuels.

So far as I can ascertain from those people the objections to this measure are not very substantial from the technical or practical point of view, but there are one or two objections which I wish to raise quite apart from technical or practical ones. I will deal with the main objections first. I am not entirely satisfied that the whole of this measure is required for operation after the war period. I refer particularly to that part of it which requires the setting up of a substitute liquid fuel committee and the granting of licenses to everyone in the State who is going to sell motor fuels of any kind. We are setting up too many boards and committees. That is a practice which has grown substantially in recent years, and walking along with it is the practice of licensing everyone to do things which, before such measures became law, they were accustomed to do without license and which they had done in the great majority of cases quite satisfactorily.

All these license schemes, as I see them, are a source of expense to those in the trade or industry concerned, and unless there are very strong arguments for the creation of boards and committees with power to issue licenses, Parliament would be well advised to restrict their powers; and, indeed, not allow them to come into existence. It may be argued that this process of the admixture of substitute fuels with ordinary motor spirits renders this licensing necessary. But there was little, if anything, in the Minister's speech when introducing the measure to indicate that the licensing of the retailers, such as the ordinary garage proprietor or man with a petrol pump, was necessary. I should have thought that the retailers, and by that term I mean those who ultimately sell the fuel to the public, could have been excluded from these licensing provisions without any difficulty. As I see the position the retailers will not have anything to do with the actual mixture of petrol and substitute fuels. They will simply, as in the past, purchase from

the wholesale suppliers the fuel which it is lawful for them to sell and they, in their turn, will distribute it to the public in much the same manner as they have done hitherto. In the circumstances what need is there to make them licensees?

They cannot, as I understand this measure, effect the actual mixing of these fuels, nor will they be able to interfere with their production. For what reason should they be compelled to ask for and obtain a license, and presumably pay a fee for it and request its renewal at the end of each yearly period, when they have really nothing whatever to do with the subject matter of the measure, except in a very small way as the people who ultimately put the fuel required into the containers brought to them by the public for the purpose? The Minister should be well satisfied if this House gives him the right to license those people that I have referred to as wholesalers, or wholesale distributors. I can conceive of reasons why they should be licensed because there would be some need to check their methods in regard to the admixtures of the substitute fuels.

If we are going to have a committee I trust the Minister will be more cautious in connection with the fees to be paid and the expenses, which I see by the Bill are to be prescribed by regulation, than he has been in regard to certain other fees and expenses which have been the subject of discussion in this House in the recent past.

The Minister for Industrial Development: You should not reflect upon the decisions of the House!

Mr. WATTS: I have made no reflection on the decisions of the House. I urge the Minister to be more cautious than he has been hitherto.

Mr. Doney: There is something in that.

Mr. WATTS: In the course of his remarks the Minister recommended members carefully to study the schedule to this Bill. I frankly admit that I have not been able to achieve great results by careful study of the same, and I doubt if even the Minister himself is in a much better position. If, however, he can explain to us what some of the provisions of the schedule really mean, I am sure that the House, or if we are in Committee at the time, the Committee will be greatly obliged. He made no attempt to do so in the course of his remarks when introducing the Bill.

From the point of view of those persons I mentioned earlier I am told there are no substantial reasons why we should object to the provisions of the schedule, but nevertheless I do not think it is reasonable that I should agree to the contents of a schedule of this nature unless some explanation is given as to why it is included in the Bill and what it all means. Up to the present the Minister has not favoured us with any sufficient explanation, and I suggest that he takes the earliest opportunity to do so. There are one or two definitions in the Bill on which I want to say a word or two, because the Minister will doubtless be better prepared to deal with these objections in Committee if he knows something of them now, in view of the difficulties which, I am sure, there must be for every member of Parliament when dealing with a Bill of this nature. I find the definition of "power alcohol" is "anhydrous ethyl alcohol manufactured in Australia." I would like the Minister to inform the House why that provision should not read "manufactured in Western Australia." It is surely not intended that if alcohol is to be manufactured in the State, as we have been informed is the intention, it should also have to be imported from other States.

I have become accustomed, as we all have been, to being informed of the difficulties of interstate trade, which places us in such an inferior position compared with elsewhere; but nevertheless I think the Minister, if he goes into that phase, should enlighten this House on the various aspects as to whether there is not need for him to obtain some control over imported fuels once they are here. I do not suggest he will find it easy to prevent their importation if someone feels inclined to import such supplies, but it may be practicable—and I submit the point for the Minister's consideration—to obtain some control over that type of fuel once the supplies have been imported. That, I think, is very desirable from the point of view of Western Australian manufacturers, particularly in a matter of this kind when it is apparently the considered opinion of the Commonwealth Government, which is making inquiries regarding the manufacture of substitute fuels, that a fairly substantial plant—if we are to believe all we have been told—is to be put into operation in this State. I am also in doubt as to the defini-

tion of "substitute liquid fuel." This is defined as meaning—

Benzole produced in Western Australia by any person undertaking in Western Australia the production of benzole and power alcohol

There we find that the word "Western" is inserted before the word "Australia," whereas it was not in front of the word "Australia" in the definition of "power alcohol." Why there should be that difference is quite unknown to me, and I seek information on the point. I would also mention that the definition does not include power-alcohol itself. Why is not power-alcohol itself defined as a substitute fuel? It is what we are to produce in Western Australia, as I understand the position.

If members will again peruse the definition I have already quoted, they will see that it does not include power-alcohol itself. Moreover, why does not the definition of "substitute liquid fuel" include benzole produced by a person manufacturing benzole only? That is not so in the definition, which requires it to be produced by persons manufacturing benzole and power-alcohol. It strikes me there will not be any such person nor is there likely to be. That point requires some clarification. I know it is provided in the Bill that the Governor may declare any suitable liquid produced in Western Australia to be a substitute liquid fuel. If it is intended to rely on the Governor's power, then why define "substitute liquid fuel" at all? Why not leave power with the Executive Council when in course of time it will know exactly what is required in view of the circumstances and conditions as they may then exist? Why include an extraordinarily unsatisfactory definition of "substitute fuel" and then proceed in the Bill to direct that the Governor may declare any suitable liquid to be a substitute liquid fuel? If the Governor's power of declaration were the only one, he might devise some means of getting over the difficulty regarding fuel made elsewhere than in Western Australia, because there might be some possibility of using the Governor's powers in that regard. The Minister could give that phase some consideration.

One part of the Bill provides that the holder of every license shall purchase at the prescribed price a quantity of each class of substitute fuel not less than the prescribed number of gallons for every 100 gallons of motor spirit sold by him. In short, he must

purchase a certain percentage of substitute fuel, but there is no provision in the Bill to ensure that the necessary percentage of substitute fuel will be available within the State, and this may force licensees to import supplies of substitute fuel. It is also well known that certain types of substitute fuels will admit of a greater quantity being mixed with petrol than will others. I do not know what the percentages are, for the same technical reasons I mentioned earlier. That knowledge must be possessed by those who are advising the Minister, and it seems to me that the measure itself should specify what admixture is intended. That is not the position at the present juncture. There is no need for hurry in passing a Bill of this description, and I suggest that some attention be given to setting out in the Bill itself the methods of admixture, which the Minister may be advised are the most suitable. I also see the likelihood of difficulties facing wholesale licensees if they have, in certain circumstances, to sell fuel over the border of this State in another State. I admit that that is not a very grave contingency in Western Australia owing to the very sparse population along our borderline. Nevertheless, I suppose there are some transactions between Western Australia and neighbouring States, and the necessity may arise, for instance, for fuel at Eucla to be passed over the border to be used in the extreme western parts of South Australia.

Suppose an emergency were to arise and in order to provide local stocks it became absolutely necessary to import a supply of fuel already mixed! Let us presume it was impracticable to obtain any mixed fuel from elsewhere because of the state of emergency, and we had to procure supplies already mixed. The Bill, as it stands, appears to me to require the wholesaler again to put a further percentage of substitute fuel into the admixture of spirit that he had already received. In that case it is easy to conceive that the fuel might become entirely unsuitable for the purpose for which it was required. Any risk of that taking place should be clearly negatived in the legislation so that there shall be no possibility of disputes arising between the parties concerned. In another part of the Bill it is provided that it shall be a sufficient defence to a charge of not making the proper admixture if the defendant is able to prove that he was unable to obtain any substitute fuel of the

class or type referred to. It has also been submitted to me that it would be better if the grounds of defence were altered so that if the defendant proved he had reason to believe it could not be obtained he should be exonerated.

It seems to me that to make the defendant prove definitely that he was unable to obtain the supplies before he could have a good defence would be rather unreasonable. He might make the inquiries open to him and be informed that the type of fuel he required was not immediately available, but he might then be faced with an allegation in court that if he had looked somewhere else he might have been able to obtain it. He should not be faced with a charge of this nature and be required to prove it was not actually obtainable in any part of Western Australia. That is the position as I see it, and as it has been represented to me in view of the Bill as it stands at present. The Minister in the course of his observations when placing the measure before the House, laid considerable stress on the fact that the Commonwealth Government was going to establish in Western Australia a factory for the manufacture of power-alcohol, but I have heard expressions of the gravest doubt whether this proposal is bona fide. I have heard that stated in this House but I disregard it for the moment, because I have heard that doubt expressed in equally responsible quarters outside. I want the Minister to tell the House before the measure is passed what evidence he has that it is intended to proceed with the establishment of any such factory in Western Australia and to give us his assurance that we are not to indulge in hopes that are merely to be dashed to the ground, in which case the measure now under consideration will be almost entirely valueless from the standpoint of Western Australia. If we pass a Bill of this nature we should be assured that all the necessary conditions to make it useful will be in existence in this State. That is all I have to say on the Bill, the second reading of which I support.

MR. BOYLE (Avon): The Bill introduced by the Minister is one that had eventually to make its appearance. We shall have an increasing number of substitute motor fuels before the war is ended. There are examples, if I may put it that way, of measures dealing with substitute fuels, par-

ticularly the Queensland Act which was passed in 1933. The Substitute Fuels Act of that State makes it compulsory for a 6 per cent. admixture with petrol, with an increased price of 3d. per gallon. With the institution of substitute fuels throughout Australia, it is necessary for supplies to be imported in the various States. In perusing the Bill I find that the only reference in it to power-alcohol is that which indicates it is meant to be anhydrous ethyl alcohol manufactured in Australia. Anhydrous alcohol is power-alcohol from which water has been almost completely extracted. I think the chemical strength is 99.7 per cent. Against that we have the ordinary power-alcohol which has a strength of 95.4 per cent., but that cannot be used as a mixture with petrol otherwise than through a mixing device. The Leader of the Opposition has said that the power-alcohol plant in Western Australia for the extraction of power-alcohol from wheat is not likely to be in immediate operation, to say the least of it. Therefore, the extraction of power-alcohol will probably involve motorists in the compulsory use of that substitute, whether they want it or not.

There are other sources from which alcohol can be extracted. In South Australia grapes are being extensively used for that purpose, but the Bill makes no provision for power-alcohol of that type. Therefore, legally the only substitute admixture would be anhydrous ethyl alcohol manufactured in Western Australia, and that, I think, is a grave omission. In South Australia there has been evolved a wonderful mixing device, called the Dunster Mixing Valve, which provides for the mixing of ordinary power-alcohol with petrol to the extent of 50 per cent. or more. That means that the power-alcohol need not be the burden it otherwise would prove to internal combustion engines within this State. I am sure that when the Committee stage is reached, the Minister would be well-advised to accept amendments, so that power-alcohol derived from any source may be used. Ordinary power-alcohol from wheat may be seen here yet, and I also hope that we shall have plants set up in this country as an ordinary piece-time undertaking. That is the case in European countries and also in Queensland. The last figures of output of power-alcohol from the Queensland works show something like 1,250,000 gallons an-

nually. That is what led the Queensland Government to pass its controlling Act. I support the Bill, which is necessary.

Hon. W. D. Johnson: Why is it necessary?

Mr. BOYLE: Because we are arriving at a stage where increasing use will be made of substitute admixtures. I quite agree with the Power Alcohol Committee's statement that the capital cost of the plants going up should not merely be a charge for war-time use but should be spread over a number of years, so that the outlay may be repaid. With that contention I have no argument. If we are to have all types of power-alcohol substitute—and after all, they are only substitutes, since petrol before the war could be landed here for less than 5d. per gallon—an extended period for return of capital must be granted. I have quoted in this Chamber a letter from a South Australian firm which was selling 50,000 gallons of power-alcohol per month, ordinarily 95 per cent. at 4s. per gallon in Adelaide, and could not get enough of it. Are we to ask such firms, incurring such huge capital expenditure in times of stress, to regard their capital as lost upon the cessation of the war, which might cease at any time? The Queensland Government refused to take action having that effect. If the Commonwealth Government is prepared to put £2,000,000 into wheat alcohol plants, it has a right to recover that money. It has a right also to render itself to that extent independent of imported petrols until petrol is discovered within Australia.

In my opinion, the substitutes are expensive. They are certainly not as effective as the petrol we import, and therefore the extraction plants are most expensive. The one in the south-western portion of this State I understand is to cost £500,000. I am frankly sceptical whether the plant will ever be in use during the continuance of the war, unless the war takes a turn as suggested by Dr. Earle Page and covers a period of ten years. In that case, we might see that plant in operation. But we must not overlook the fact that it is now over 18 months since the Power Alcohol Committee reported, and I do not think one brick has yet been laid in the South-West. I agree with the Minister's action in bringing down the Bill, which represents protection not only for the Government and the people who have put in the money but for Western Australia's wheat-

growers as well. Possibly those growers will have 1,500,000 to 2,000,000 bushels of wheat absorbed by the plant. In my opinion it will be a monument of stupidity to have £500,000 worth of works in a part of this State lying idle because we are not prepared to use its product, even if it is an uneconomic product.

Mr. Withers: Will not there be by-products also?

Mr. BOYLE: Yes; certainly, for stock feed. The committee estimated the value of stock feed from the plants at £6 per ton. That is why I think the much favoured south-western position will benefit tremendously at the expense of wheatgrowers. The wheat will be used in that particular locality, and it is the stock-producers around that locality that will be benefited. I support the Bill, and I hope the Minister will give consideration to the points I have raised.

MR. McDONALD (West Perth): I understood from the Minister, when introducing the Bill, that it had been brought down in consequence of the decision of a conference of representatives of the States and the Commonwealth. If we accept his assurance that this conference was, as I presume it was, a conference of responsible people representing the States and the Commonwealth, who agreed unanimously that this legislation should be enacted by the States, we can regard the measure favourably, hoping that the basis on which the Bill stands—

The Minister for Industrial Development: It was a conference of Ministers.

Mr. McDONALD: We may hope that the proposed works to produce power-alcohol in this State will materialise. If the hope does materialise, I think it will be of some assistance if Western Australia shows itself willing to pass the necessary legislation which would need to be passed in order to assist in the sale and marketing of power-alcohol in Western Australia. The Minister said that legislation had also been passed to provide for this matter in New South Wales, and we are familiar with similar legislation which for a good many years has operated in Queensland. I presume the other Eastern States are also prepared to pass legislation in accordance with the promise given by the conference of Ministers.

Like the Leader of the Opposition, I am compelled to take the Minister's word as to the technical aspect of the Bill. I have had

no representations whatever from people in industry or commerce regarding the provisions of this measure. They must either accept the terms of the Bill, or else they remain dormant with respect to any criticisms or representations they might have made. I rely entirely upon the Minister and the Government as to the terms of the Bill and the suitability of the various provisions it contains. He, of course, must be responsible for the advice tendered to him by his technical officers. As to the remarks of the Leader of the Opposition concerning licenses, some licensing may be necessary but I hope licensing will be omitted wherever possible, in particular with regard to retailers. I think that, before long, commerce and individual freedom and enterprise may be seriously affected by the extent of licensing and we do not want to do that any more than we can help. In the American magazine "Life" the other day, I saw a picture of a young woman whose dress was made out of various kinds of licenses, permits, victory stamps and war-bond certificates. We do not want the stage to be reached when we are able to publish pictures of a suit composed entirely of licenses that men engaged in trade have been obliged to take out.

The schedule, to which the Minister remarked rather slyly that members would no doubt be devoting a great deal of their attention, is something completely beyond the capacity of any person who has not had a technical education in that particular class of chemistry. As to that part of the measure, again the Minister must accept complete responsibility for the technical correctness of what he has put in the schedule. There is no hurry for this Bill, though I suppose there is no reason why it should not go through at this stage if there has been an undertaking to pass it through the Legislatures of the different States. I hope that in the intervening period between the passage of the legislation through Parliament and the time it comes to operate, those engaged in the trade who will be affected by its provisions will take the opportunity to find out exactly where they are, so that if the Bill is not likely to operate successfully in any direction they may be able to secure an amendment before the Bill actually comes into operation.

HON. W. D. JOHNSON (Guildford-Midland): I am opposed to the Bill because there is so little information in it that we can understand, and the Minister's speech has not made it at all clear. Apart from that, there is no starting point, no foundation for the Bill. While the Bill provides that the product of a certain plant controlled by certain people must be sold at a price to be fixed by a price-fixing commissioner, it does not state upon what economic basis that price will be fixed. It is extraordinary that the Bill is not to come into operation until after the war, until the National Security Regulations are gone. It is seriously proposed that legislation should be passed by this Parliament, that is influenced by war, that is financed under national security conditions. Having established that, we have to decide, when peace comes, what people shall pay under peace conditions.

The Premier: The Commonwealth Government says that if we pass this Bill a distillery will be established here.

Mr. Marshall: That is rubbish!

Hon. W. D. JOHNSON: I am not going to buy a distillery. That is not business at all. To say that the Commonwealth Government will establish a distillation plant in Western Australia to get this Bill passed, only makes the Bill more dangerous.

Mr. Boyle: That is news to me.

Hon. W. D. JOHNSON: There you are! We have no indication what the plant is going to cost, nor of the conditions under which it will be established.

Mr. Cross: They have let a contract for it now.

Hon. W. D. JOHNSON: It is not in the Bill, and the Minister has given us no details at all. I defy anyone to know what is proposed for Western Australia.

Mr. Marshall: There is no mention of a distillery.

Hon. W. D. JOHNSON: I admit the member for Canning gets information and satisfies himself on matters concerning which details do not often reach other members, but I have taken an interest in this matter and have been watching it.

Mr. Wilson: The job is nearly finished.

Hon. W. D. JOHNSON: It is not so many weeks ago that the member for Collie said there were only two men working on the plant at Collie.

Mr. Wilson: There are more now.

Hon. W. D. JOHNSON: That again makes the Bill a bit dangerous. It is all surrounded by vested interests. I can understand the member for Collie being anxious to get any kind of Bill passed in order to encourage the installation of a distillation plant, but I want members to take stock of the position. There has been talk of the establishment of a new order after the war. If we believe men like Sir Stafford Cripps, Mr. Anthony Eden, Dr. Dalton and many other leaders in the British Empire, capitalism as we know it today has gone and will not return, but this measure is full of capitalistic ideas. It bases future business methods on present conditions which have to go, which have to be reviewed. If we pass this Bill, we sign a contract against the new order. We declare that we are going to see to it that, whatever else is altered by the new conditions, this distillation plant shall not come under that purview and that direction. I appeal to the House not to pass a Bill of this description. I ask members what authority, what right we have, to contract the people of the future into circumstances that suit us just at the moment. Again, this measure is being introduced in the various States. If the various States cease to exist, which is quite possible, then this measure will go by the board.

Mr. McDonald: A lot of other things, too!

Hon. W. D. JOHNSON: Yes. But if the States do not cease to exist, what does this Bill mean? It says that the individual States shall have price-fixing, and we say that the price-fixing shall be done in Western Australia. We do not know what will be the economic cost, what will be the cost of mismanagement or efficient management, or the actual outcome of the establishment of this plant and its operations during the war period. It may be that in Western Australia the expense will be greater than that incurred in the other States, and that the cost of production of the fuel will be higher in Western Australia. There is therefore no guarantee of uniformity. There is today uniformity in regard to installations because one authority is doing it. It is done under national security but when national security goes—and the Bill definitely states, or the Minister did in his speech, that it does not come into operation until national security ceases—we have to take the individual States, and it is pos-

sible that the cost of this power-alcohol or substitute motor spirit will be higher in Western Australia than in other parts of the Commonwealth.

Mr. Boyle: The installation costs are up 50 per cent. now.

Hon. W. D. JOHNSON: The position is that we are making a contract today with no guarantee that there will be a uniform price throughout Australia for this product. We are contracting to fix a price after the war, and in doing that we must take into consideration the expense and cost of installation. Surely members are not going to do that. This is a blank cheque. There is another difficulty. We in this State have suffered and have been loud in our complaints about the operations of the Colonial Sugar Refining Company, which has a grip on the sugar production and distribution. This is an extension of that company. Are we, in a Bill of this kind, going to extend its authority to control another product?

Mr. Warner: They might convert it into a whisky still!

Hon. W. D. JOHNSON: The hon. member might be interested in whisky but I am not. I am interested in a reasonable and comparative price for motor spirit in Western Australia—particularly for the producers—as compared with other parts of Australia. This Bill gives us no guarantee in that regard. It simply gives a right to the then Government to fix, as declared by a committee, a retail price for motor spirit after the war period. We have no authority to bind by contract the people of the days to come when we have no details in regard to what economic effect it will have on them. We have no right to involve the future generation. It might be for a short period or it might be for a long one—neither you, Mr. Speaker, nor I can say. But whatever it is we will know more then than we do now. Let us wait until that time comes and we will know exactly how this State stands, compared with the rest of Australia. We will know whether we can get an efficient production in this State, and then having got these details we can give assurances that whatever Parliament is in power at the time will do justice to this power-alcohol company. That company is today getting its guarantee from the Commonwealth Government, because that Government is encouraging it to go ahead with this scheme. But it is going into the matter with its eyes open.

There is a contract written and clearly stated, so it will not make any mistakes, but from our point of view we have not any guarantee that its efficiency, capacity, and the plant it will instal will be such that the guaranteed price in Western Australia will be comparable with the prices in other parts of the Commonwealth. Again, I submit to members this point: Surely we should have some understanding of what is going to be done with the farmers' wheat. When we fix the price for this company, are we to get no particulars of how it is going to deal with the raw material from which it will extract the motor spirit? Are we going to make a one-sided contract penalising the consumers and disregarding the other party to the contract, the producers? Is this company to get the wheat by contracts fixed under war conditions; and are these contracts of the war period to be perpetuated in the peace period? Are the conditions to be such that, in the period for which we are legislating after the war, the price will be based on the surplus of wheat that we have today, or is the producer of wheat in the days to come, in order that this plant may be kept in production, to be penalised?

Are the producers to receive no guarantee that the Price Fixing Commissioner will have no obligation to protect them in the same way as he does the consumers? That is unfair to the producers. While we look upon wheat as being of doubtful economic value when Australia and the main wheat producing countries are saturated with wheat, the huge surplus and carry-over influence the establishing of plants of this kind. But after the war when the other peoples of the world will be looking to this and other countries for wheat we should make a special effort to use every conceivable kind of ship to take wheat from our shores to feed those unfortunate people who are suffering privations. Are we then going to say, "No. The wheat is not going. We have a plant in Western Australia, and an undertaking by legislation passed in 1942, that that plant should be kept in production, and regardless of what is the cost of production we are going to see that the price is fixed and the consumer shall pay it, but at the same time we are going to see to it that that which the consumer uses is going to be extracted from the wheat for which the producer has no guarantee that his payment will be even fair or remunerative?"

Those are the considerations that appeal to me on a Bill of this kind. I admit I do not understand the Bill. I agree with the Minister that it is highly technical. The member for Canning understands it, but he always understands everything.

Mr. Cross: That is in your opinion.

Hon. W. D. JOHNSON: That is my opinion of the hon. member. I admit that I do not understand this Bill, and he laughs at me because it is so simple to him. Unfortunately I have not got his capacity.

Mr. Cross: You should——

Mr. SPEAKER: Order! I must ask the member for Canning to keep order.

Hon. W. D. JOHNSON: Evidently the Minister is in my class, because he admitted that the measure is highly technical and that technical experts will have to interpret it for us. I also notice that the member for West Perth hesitated to dissect the Bill because of its technical character. Even if it were clear I would hesitate to support it. I do not like the principle of the thing. It is a blank cheque. Just because a conference has assembled in the Eastern States and an understanding is arrived at we are not obliged to agree to those understandings. That there is no urgency for the measure is evidenced by the Minister's declaration that it is not to come into operation until the war ends and the National Security Regulations go by the board. I hope the House will hesitate before passing legislation of this sort.

MR. NORTH (Claremont): I have listened with great interest to the debate.

Mr. Doney: Do you understand the Bill?

Mr. NORTH: This House is proving to be a deliberative Chamber, because, while in the first instance it seemed to be favourably disposed to the measure, technical though it is, members are now raising doubts. In fact, the whole place is becoming very argumentative. My impression was that many opportunities existed to get oil in Australia, but that American companies were paying their experts thousands of pounds to ensure that that oil was not brought to the surface. This Bill, whatever else it does, explodes that myth and indicates that we need all the facilities possible to produce oil for this country. I am in favour of any scheme to increase liquid fuel supplies while we are fighting for our lives.

Hon. W. D. JOHNSON: Under any conditions?

Mr. NORTH: I admit the force of the hon. member's contentions, but I think the primary object at this stage should be to encourage the production of any sort of liquid fuel. Can we be sure how long the famous American oil wells will last, not taking into consideration the oil wells of Russia, Persia and Java? We have no information on this point. I have read articles stating that the existing oil wells have a limited life, but then we hear from time to time that new gushers have occurred. This Bill might prove to be a historical enactment. We cannot be sure that in the next few years the famous oil wells of the world will not peter out. If they do, then all these substitute fuels will be highly important because they will form the basis of our liquid fuels. Benzole was in use in Great Britain 25 years ago for the running of cars. Scientists are trying to produce a substitute by means of the split atom. This is still in the experimental stages, but we have learnt in the last two years that the atom has been split and that German and American scientists are investigating the matter. Apart from this, I feel that the Bill is very important. We should encourage the production of all possible substitutes and, when the war does end, if we have to revise our ideas, it will not be hard to do so.

MR. SAMPSON (Swan): I have listened with great interest to the criticism following the introduction of this measure and must admit without mental reservation that I am amazed. Not many weeks ago we heard various speakers advocating the establishment of distillation plants for the production of liquid fuel from wheat. In view of world conditions at the time, the question of producing substitute fuels seemed important, and it is not less important now that such distillation plants should be established. No one can say how soon these plants will be necessary. Although we have been able to manage so far with imported liquid fuels, we have not really been called upon to expand the quantity of liquid fuel that might be required locally if Australia were invaded. Owing to lack of shipping space wheat, unfortunately, cannot be exported, and so it is desirable that it be used as suggested in the Bill.

I see no real need to refer to the great importance of liquid fuel and of utilising

wheat for producing it. The time is one of emergency, and while I realise that when we return to normal times it will be futile to manufacture liquid fuel from wheat, that stage is not yet. If conditions were normal we would be exporting all our surplus wheat, but in the absence of shipping space that is not practicable. Whether the production of liquid fuel is costly or otherwise is beside the question. Whether the position regarding the production of sugar in Queensland constitutes a scandal is also beside the question, and I do not think we need consider it. I hope that you, Mr. Speaker, would not permit such a discussion, although you have allowed a slight incursion into the realms of this frequently-discussed question.

Mr. SPEAKER: Order! That is not in the Bill.

Mr. SAMPSON: I am glad, Sir, that you are not allowing such discussion.

Mr. SPEAKER: I ask the hon. member to discuss the Bill.

Mr. SAMPSON: A reference was made to it by the versatile member for Guildford-Midland.

Mr. J. Hegney: Get on with the Bill.

Mr. SAMPSON: When no other support can be found for the member for Guildford-Midland, there will always be one small voice to speak up for him. However, I do not object to that. Until better methods of distilling liquid fuel from wheat are discovered, the commodity must be very costly, but that is not the point. People will feel greater confidence in the future when distillation plants are established throughout the Commonwealth. I would have no objection to the establishment of a plant at Collie. It might be wise to have one at Armadale, which would be more easy of access to the railway. I have yet to understand why objection should be offered to the Bill, and feel certain no division on it will be called for. The objections have not been made plain. I do not doubt the measure will pass when the second reading is submitted, and later, in the Committee stage, pass without a division. I challenge any objector to call for a division on the Bill. I am by no means sure that the fact of a Bill containing a mass of technicalities adds any great significance to it so far as the House is concerned. Surely it is not expected of members that they should understand the technical points of a measure. That is not needed. What is necessary is a realisation of world

conditions and of the importance of ensuring that liquid fuel made from wheat shall be available for the many uses, and particularly war uses, for which it will be needed. So I shall join the great majority of members of this Chamber in voting for the passing of the Bill, and I shall await with some small interest the submission of the measure and shall be more than surprised if a division is taken on it.

The MINISTER FOR INDUSTRIAL DEVELOPMENT (in reply): I am considerably encouraged by the support offered to the Bill by the member for Swan. To the best of my knowledge, this is the first time he has ever supported a measure introduced by me. The most amazing of many amazing statements made by the member for Guildford-Midland was that the Bill is full of capitalistic ideas. I suppose the hon. member is so accustomed to getting away with general sweeping condemnations of that character that he feels the expression of it might be as effective here as the expression of it by him in other places might be. Let us have a look at some of the capitalistic ideas in the Bill! I would like the hon. member to refer specifically to one.

Mr. Sampson: What is wrong with capitalistic ideas?

The MINISTER FOR INDUSTRIAL DEVELOPMENT: Obviously, the member for Guildford-Midland is not able to refer specifically to one idea in this Bill which is capitalistic in nature.

Hon. W. D. Johnson: Don't be childish!

The MINISTER FOR INDUSTRIAL DEVELOPMENT: I am asking the hon. member to be manly.

Mr. SPEAKER: Order! The Minister cannot ask that question just now.

The MINISTER FOR INDUSTRIAL DEVELOPMENT: I suggest to the member for Guildford-Midland, through you, Mr. Speaker, that he by some means or other make reference to one capitalistic idea in the Bill.

Hon. W. D. Johnson: The Bill itself is capitalistic.

The MINISTER FOR INDUSTRIAL DEVELOPMENT: It is perfectly clear that the hon. member, when brought up with a round turn regarding his sweeping assertion that the Bill is full of capitalistic

ideas, is not able to mention even one small capitalistic idea as being contained in the Bill.

Hon. W. D. Johnson: The whole of it is capitalistic.

The MINISTER FOR INDUSTRIAL DEVELOPMENT: First of all, I point out that the Commonwealth Government—which is not a capitalistic concern, I imagine—is establishing these distilleries in several Australian States for the production of power-alcohol.

Hon. W. D. Johnson: That is news. I understood the Colonial Sugar Refining Co. was establishing them.

The MINISTER FOR INDUSTRIAL DEVELOPMENT: The member for Guildford-Midland would probably make a more effective speech, and a speech far more in accordance with facts, if he took a little more trouble to ascertain the facts.

Hon. W. D. Johnson: Earle Page would not give them.

The MINISTER FOR INDUSTRIAL DEVELOPMENT: The hon. member is never concerned about getting the facts if he feels that those facts will interfere at all with the pre-conceived ideas he has developed about any proposal. That remark is very applicable in regard to the present Bill. One almost feels like searching delicately for the nigger in the woodpile as regards the attitude of the hon. member towards this Bill. I may have a little more to say on that aspect in a moment or two. So the authority financing the establishment of these power-alcohol distilleries is not a capitalistic concern. It is the Government of Australia. I suggest that when the Commonwealth Government establishes a concern, one may reasonably describe that concern as being a socialistic concern in respect of its establishment and ownership, even if a portion of its operations, or a large portion of its operations, may under some arrangement or contract be handed over to some private company. That is No. 1 idea in the Bill that is not capitalistic, but is entirely socialistic; and therefore it is intriguing to find the member for Guildford-Midland condemning the Bill as being full of capitalistic ideas.

Another important part of the Bill provides for the licensing of persons and firms handling petrol or motor spirit of one kind and another. I have yet to learn that the system of licensing is capitalistic. I think that if we were to consult with the biggest

capitalists in Australia, we would find that they were against a licensing of this description, because licensing by a Parliament indicates that there is to be some public control over the business firm or business individual so licensed. Therefore I suggest strongly that a system of public licensing of business concerns and business individuals is not capitalistic, but the very opposite of capitalistic. I am disappointed here again to find the member for Guildford-Midland opposing something that is anti-capitalistic when I had anticipated, ever so confidently, that he would be one of the strongest supporters of the measure because of the important principle which it contains.

Hon. W. D. Johnson: You know me better than that!

The MINISTER FOR INDUSTRIAL DEVELOPMENT: I may know the hon. member far better than he knows himself.

Hon. W. D. Johnson: I do not blow hot and cold.

The MINISTER FOR INDUSTRIAL DEVELOPMENT: No; the hon. member blows cold all the time. Yet another important principle of the Bill is that of price-fixing; and the peculiar mind of the member for Guildford-Midland in connection with this Bill works it out that a system of price-fixing is a capitalistic idea. He would find it highly difficult to dig up or discover one real capitalist anywhere in the world who would agree with him. Therefore, it becomes crystal clear that the real opposition of the member for Guildford-Midland is not the opposition he has told us about this afternoon; it is some other opposition arising from some concern he feels and about which he has not told us. I am sorry he did not take us into his confidence.

Hon. W. D. Johnson: You can be clean in debate.

The MINISTER FOR INDUSTRIAL DEVELOPMENT: I am sorry he did not take us into his confidence and tell us why he voiced such strong opposition to the measure. I would not have had the slightest objection had he strongly opposed the Bill with reasons that had some logic and commonsense in them; but I object strongly to his rising in his seat and declaring rather dramatically that this Bill is full of capitalistic ideas, when the truth is that there is not one capitalistic idea in it from the first word to the last.

Mr. Thorn: Do you think there is a nigger in the woodpile?

THE MINISTER FOR INDUSTRIAL DEVELOPMENT: The member for Guildford-Midland told us there was no starting-point, or datum peg, in the Bill. Of course there is not! How could there be? The control of power-alcohol, substitute liquid fuels and motor spirits is for the duration of the war under the National Security Regulations. How then is it possible to establish a starting date for the Bill when we know it cannot commence to operate until the war ends and the National Security Regulations are no longer in force? If the member for Guildford-Midland can give us the date on which the war will end and provide an acceptable guarantee about that date, we will put a starting date in the Bill to be the date on which it will, if passed, come into operation as an Act of this Parliament. I suggest again that the argument of the member for Guildford-Midland that the Bill is dangerous because there is no starting date in it falls completely to the ground. It is an argument which no member of this Assembly can accept as being a valid argument against the Bill. It is impossible to put a starting date in the Bill, because no-one knows when the war will end, and consequently no-one can say when the National Security Regulations will cease to have effect.

Until the war ends and those regulations go out of existence, this Bill, if passed, will not come into operation as an Act. As soon as the war ends and those regulations cease to exist, this Bill, if passed, will come into operation as an Act. The member for Guildford-Midland seeks to cloud in confusion the question of how prices would be fixed by the committee to be set up under the Bill to fix prices for power-alcohol, substitute liquid fuels and the like. He indicated to us that there is no possible basis, that we are foolish to pass today a Bill which sets out that the prices of those fuels shall be fixed only when the measure comes into operation. The basis for the fixation of the prices which the committee will, if the Bill passes, recommend to the Government will be the production costs of the various fuels and motor spirits. Is not that the right basis, the only basis? What other basis can there be?

So the attempt of the member for Guildford-Midland to cloud that clear-cut provi-

sion is without justification. He said that the Bill is dangerous because it will bind the people for the future. Would not every Bill be dangerous on the same ground? Is not every Act which this and all other Parliaments in the world pass an Act binding on the people for the future? Are we to pass no Bill because we are not sure what might happen next year or the year after? That is a policy of frustration, negation and despair. It is an impossible policy, and I am surprised to think there is one member of this Chamber who would stand in his seat and advocate it. The member for Guildford-Midland told us that we cannot estimate the likely economic conditions of the future, nor the likely economic effects on the people if this Bill passes. Would not that be a valid argument against any and every Bill if it is a valid argument against this Bill? This Bill must be passed before the war ends; that surely is obvious to every member of this Chamber except one. If the war ends next year, the National Security Regulations will cease to operate.

Mr. Patrick: They will operate for 12 months after the war ends.

THE MINISTER FOR INDUSTRIAL DEVELOPMENT: Some legal doubt exists on that point. If the regulations go out of operation and there is no State legislation to deal with this question of power-alcohol, substitute liquid fuels and so on, we shall have no control of any kind over those fuels. It is obvious to me, at all events, that the world-wide powerful monopolies dealing in motor spirits would soon put out of existence any undertakings established in Australia which were producing substitute liquid fuels of one kind or another. It is essential, therefore, that the Bill be passed before the war ends. I should think it is not impossible for the war to end next year; consequently this Bill ought to be passed during this session. We all might have our ideas as to how long the war will continue. I might think it will continue for another five years, whilst some other member may be of the opinion that it will continue for ten years, but none of us can be sure.

Mr. J. Hegney: What does the member for Canning think?

THE MINISTER FOR INDUSTRIAL DEVELOPMENT: It might very well end long before we think it will.

Mr. Fox: That is pretty definite!

The **MINISTER FOR INDUSTRIAL DEVELOPMENT**: We should not hold the Bill up simply on the ground that we think, or feel, the war might not end for another five or ten years. The Leader of the Opposition asked if it was really necessary to establish a committee of control. In my opinion, there is every necessity for the small committee proposed to be set up. I think it is clear from the wording of this Bill and from the nature of the problem that a good deal of investigation will have to be carried out if the proposed legislation is to be made effective. It seems to me that a small committee of selected suitable men is the best organisation to ensure that the intentions of the Bill are carried out with the utmost possible effect.

The real reason for the establishment of the committee and the granting to it of the powers set out in the Bill is to ensure that substitute liquid fuels produced in Australia should be used. Unless we set down by law that they shall be used, unless we charge a committee with the responsibility of seeing that they are used in accordance with the provisions of the Bill, it is quite evident that most people trading in motor spirit in Australia would prefer to use imported motor spirit. They would not have the slightest hesitation in refusing to purchase any substitute liquid fuels produced in Australia. That would mean the sudden and complete end of every effort made during the war in Australia to establish these undertakings for the production of substitute fuels, and would place Australia entirely at the mercy of overseas supplies and entirely in the hands of the oil companies which are operating in Australia but whose headquarters are in other parts of the world.

It is necessary to license retailers as well as wholesalers or manufacturers in order to make sure that every retailer will accept his fair share of substitute liquid fuel. If every retailer is not licensed, the retailers will be more or less outside the scope of the measure. We would not have the same control over them as we would if they were licensed under the measure.

Mr. Watts: If it is unlawful to sell un-mixed fuel how could they sell it to the public?

The **MINISTER FOR INDUSTRIAL DEVELOPMENT**: If they are not licensed there will not be the same control over their

activities as would be possible if they were licensed. I am sure they would not take the risk of being delicensed as traders or dealers, if this principle of the Bill becomes law. If it does not they might easily take the risk of being fined £2 or £20, or even £50, for breaking the law.

Mr. Watts: I cannot make out whence they are going to get the fuel.

The **MINISTER FOR INDUSTRIAL DEVELOPMENT**: If we provide in the Bill that they shall get the fuel and not be licensed, they could take whatever steps were open to obtain ordinary motor spirit. All motor spirit will not be blended, and retailers might be in the position to obtain motor spirit which is not blended to the extent that some will be. If they could do that they would be able to place themselves in a very advantageous position compared with other retailers who might be doing what was considered a fair thing. We had better be careful to keep in the Bill the licensing provisions in respect of the retailers.

There was some discussion as to whether the establishment of a power-alcohol distillery in this State is a real attempt. There was some suggestion that the attempts made so far to establish the power-alcohol distillery might be camouflage, that we might never reach the stage when this power-alcohol distillery would actually produce power-alcohol. I give members an absolute assurance that considerable progress has been made in the establishment of the works in the South-West. Some criticism was voiced early in the session regarding the small number of men working at the site at Collie. Although that criticism was true in fact, it overlooked the most important phase of the early activities involved in establishing an industry such as this. The most important early work in connection with the establishment of an industry of this kind does not take place on the site where the industry is to be established, but in the workshops and the factories where the steel has to be fabricated and the netting and other wire has to be manufactured, where the various tanks required for distillation purposes have to be made.

Mr. Boyle: Would that not be a simultaneous job?

The **MINISTER FOR INDUSTRIAL DEVELOPMENT**: Yes. At the same time as only five or six men were employed at the site at Collie, upwards of 200 men were

employed in factories and workshops in the metropolitan area, assisting in the manufacture of the necessary steel required. Many men were employed in connection with activities associated with the processing of the timbers required. Most of the materials required for construction purposes are available today. The railway line has been put in, a water supply is in the process of being provided, and generally speaking the point has almost been reached where a start is to be made in the work of establishing the necessary buildings and other structures required in the South-West to enable this industry to be properly established and to begin the actual work of producing power-alcohol from wheat.

Mr. Seward: Could you indicate when it is likely to be in actual production?

The MINISTER FOR INDUSTRIAL DEVELOPMENT: It should commence within a period of from 12 to 15 months. There was some discussion about the schedule to the Bill. I approach the discussion of the schedule with some nervousness.

Mr. SPEAKER: I think the Minister had better not discuss it at present.

The MINISTER FOR INDUSTRIAL DEVELOPMENT: The schedule really provides the system by which the true flash-point of motor spirit and other liquid fuels is to be ascertained. Reference is made to the apparatus to be used, and to the test to be applied to the motor spirit and liquid fuels. There is reference to atmospheric pressure, temperatures and so on. But in essence the information or procedure set out in the schedule is designed to ascertain whether any liquid proposed to be used as a liquid fuel meets all the essential requirements of the most scientific test which can be applied to those spirits or liquid fuels. I admit that it is entirely technical but it has received the very careful and concentrated attention of the Government Analyst and his assistants, and has been developed as a result of the consideration they have given to the matter and also, to some extent, on the basis of what has been the practice in connection with this sort of thing over many years.

Although the schedule is technical and has a rather terrifying effect upon a layman who reads it with the idea of understanding it, it has behind it the full force of scientific and technical knowledge and experience and, I think, can be accepted quite safely by the members of this Parliament. It is not my

desire that the Bill should be forced through Committee; it is not my desire that it should be rushed through without members having reasonable opportunities to develop amendments and place them on the Notice Paper. In order that members can have that opportunity I am prepared to make the Committee stage of the Bill an order for the next sitting of the House if that arrangement is agreed to. I do hope, however, that members who have in mind the moving of amendments will give early attention to any that they propose—particularly if they are of a technical character—and, if possible, have them placed on the Notice Paper for the next sitting in order that they might receive the consideration of the technical officers of the Government.

Question put and passed.

Bill read a second time.

ANNUAL ESTIMATES, 1942-43.

In Committee of Supply.

Debate resumed from the 20th October on the Treasurer's Financial Statement and on the Annual Estimates, Mr. Seward in the Chair.

Vote—Legislative Council, £1,890:

MR. J. H. SMITH (Nelson) [114]: I do not propose to speak at any great length on the Estimates. To my mind the time is not opportune. I greatly admired the manner in which the Acting Treasurer introduced the Estimates, and the masterly way in which he placed the items before the Committee. I regret, of course, that we have not the Auditor General's Report with the Estimates so that we could dissect them more than we are able to at present. What I principally want to speak on today is post-war reconstruction. My mind now, and that of everyone else's in this Chamber, is concentrated on one object—the best ways and means to assist the war effort. Then again we have to concentrate on what we are going to do after this war terminates. Some of us get downhearted and think, perhaps, that it will never terminate. But when it ceases we will have to provide employment for the many thousands of men and women who will be returning to our shores. We do not again want to have the difficulty we experienced in the past. We do not want to have any more depressions if they can be avoided.

I would like to see a committee appointed from the House to deal with every phase of post-war reconstruction, not only in regard to land settlement and the opening up and development of our country but also in regard to secondary industries. If the Premier would take members into his confidence and appoint a committee for that purpose, we could do a wonderful amount of good. I know that I and my colleagues from the South-West portion of the State, where large land settlement will take place, know our electorates from A to Z, and we can be of wonderful assistance to any Minister or Government wanting advice in regard to settling people successfully on the land. We do not want any repetition of what occurred in connection with the group settlement schemes. We do not want thousands of people leaving the land after millions of pounds have been thrown away. We do not want these men and women to be forced, broken-hearted after years of hard labour, to leave their holdings. We want to have a proper spirit of co-ordination, and we must look forward in the future to building up in this State a population, not of 400,000 people, but of 5,000,000 or 6,000,000. Australia should have a population of 50,000,000 or 60,000,000. No wonder these Asiatic and other over-populated countries cast envious eyes on Australia.

The only way to do that, to my mind, and have the people properly fed, is to settle the whole of the South-West portion of the State. To do that we must build railways. The railway must extend to the port of Albany. That scheme has been approved for many years. It must also extend to Mt. Barker and so to the port of Albany. The Government of the day might say, "It will cost a tremendous amount of money to build these railways—perhaps £10,000 a mile or possibly more." That may be so; but if we build a railway to the port of Albany an enormous amount of money will be saved by reason of our having a harbour at the gateway of production. When we contemplate settling people on the land and giving them a living, we will hear people say, "Look at the miserly wage the farmer pays." That is because our economic system is wrong. We can do nothing until we give a minimum guaranteed price to the man on the land for everything he produces. To my mind grants, and the

giving of subsidies for butter-fat, only amount to a wasted effort. Until we can put the people on the land on the same basis as men working in secondary and other industries we will not have any success.

It is appalling to know that every time a man who represents a country electorate stands up in this Chamber, he has to plead for better conditions for those people. That state of affairs should not be. I am, therefore, hopeful that something may be done; that the Government will bring down a Bill this session to fix a price for everything that the man on the land produces. Until that is done, I can see no future for those people. In dealing with post-war reconstruction I am talking mainly to the Minister for Lands and to the Minister for Forests. It is today a fact that not one acre of land, whether it be timber land or otherwise, in the whole of the South-West can be selected or alienated from the Crown unless consent is first obtained from the Forests Department. I know that another 10,000 settlers could be settled and settled successfully in my vast electorate tomorrow; and goodness knows how many thousands of people could be settled in the South-West portion of the State, where there are no marginal areas.

Unfortunately, of course, we have thrown men out helter skelter into the Great Eastern districts, now known as the marginal areas, and broken their hearts. After years of labour and starvation they have come back on to the labour market. There is no risk of that happening in the South-West, for there we can grow anything and everything. Therefore I appeal to the Minister for Lands and the Minister for Forests to have further classifications made and to secure better co-ordination between the Lands and Forests Departments so that we shall be prepared for post-war reconstruction. The Government should avail itself of the knowledge possessed not only by members of Parliament but also of practical men who have made a success of their work on the land. Such people are prepared to assist and advise the Government regarding a great land settlement scheme for the South-West. That is the State's natural avenue for development. Other committees consisting of members of the House could be formed to ascertain what could be done to foster secondary industries. I admit that we have a Minister for Employment, but there are many men and women

in the State who could give the Government valuable advice.

I join issue with the member for Swan on his remarks regarding the Apple and Pear Acquisition Board. I say that the board has saved the fruitgrowing industry and, when I speak of the industry, I refer to the men who grow good quality fruit for export. Although the board has not given them very much, they have been enabled to maintain their assets and carry on.

Mr. Sampson: Two shillings per case.

Mr. J. H. SMITH: Doubtless the member for Swan is actuated by the best motives, but he is always unnecessarily concerned because growers are taxing themselves to preserve their own interests. I applaud their self-reliance in doing so. Had not they taken this step to combat the fruit-fly, black-spot and codlin moth pests, where would they be today? Their industry would have disappeared. I cannot understand the member for Swan, who is distinctly out of step with 95 per cent. of the growers in my district—men who normally export a million cases of fruit.

Mr. Sampson: Move amongst the apple-growers, and you will understand.

Mr. J. H. SMITH: There might have been some excuse for his remarks last year because there was a large demand for our produce. But for that demand, I do not know what the position of the growers would have been. However, the member for Swan is right out of step with the growers in my district.

Mr. Sampson: Check up your percentage again.

Mr. J. H. SMITH: I said 95 per cent.: I might have said 100.

Mr. Sampson: Are you sure it is not over 100?

Mr. J. H. SMITH: Settlers in my district were induced to grow tobacco. Practically the whole of the tobacco produced in Western Australia is grown in the Nelson electorate, though I believe there are a few experimental plots in the Sussex district. Tobacco supplies to consumers are very short. It is impossible to get pipe tobacco in Perth. Many people are going without it. I believe that it is not even being supplied to members of the Armed Forces. We have an appraisalment board, and I want to mention an instance of unfairness. The Minister is not responsible; so far as I can judge, nobody is to blame. The first

20 growers who put their tobacco on the appraisalment floor found the prices so unsatisfactory that other growers protested and withdrew their leaf from sale. The tobacco submitted by the first 20 growers, however, was sold but, after other growers had protested and withdrawn their tobacco, the price was increased by amounts of from 2d. to 8d. a pound.

There is no redress for the 20 or more growers who were in the first group. Definitely they have been robbed. The officials of the Department of Agriculture have done everything possible to remedy the injustice. The Under Secretary waited on the board in the Eastern States, but nothing could be done. The tobacco had been sold. We have had to use all our influence and persuasive powers to get growers to put in crops this year, especially the 20 growers concerned. They were so disgusted that they said they would not plant this year. You, Mr. Chairman, know how costs have increased but in every instance in which I have examined the accounts, I have found that the prices paid for tobacco produced this year were less than those paid last year, even taking into consideration the bonus of 10 per cent. Yet the price to consumers has increased goodness knows how many shillings per pound. Another matter I wish to refer to is the proposed Commonwealth referendum.

The Minister for Lands: What about the flax industry?

Mr. J. H. SMITH: The flax industry is buoyant; it is one of the bright spots. I wanted the Premier to visit the Upper Blackwood Show on Tuesday week, but the austerity loan opens on that day, and it is impossible for him to go. I would like members to visit my electorate and see what is being done in the flax industry. Excellent crops have been established, especially at Boyup Brook. Apart from the men working in the field, over 200 men are employed in the flax mills. Many girls are working in the flax, tobacco and apple industries, and are doing a wonderful job. The flax-growers are grateful for the assistance received from a sympathetic Minister. He has done everything possible to ensure that the industry flourishes and that the South-West benefits from it. I believe we are now producing more flax than is any other State of the Commonwealth, and I hope it will prove to be a permanent post-war in-

dustry. I believe we shall be able to produce it for about £100 per ton, which will make export possible. I wish to say a few words about the proposed Commonwealth referendum. I regret that the Commonwealth has decided to take a referendum at this stage and thus cause a serious division amongst the people. I cannot pose as an authority on the Constitution, but I believe the Commonwealth already has sufficient power. Yesterday the Leader of the Opposition, in speaking on this subject, gave the finest and most masterly address I have heard since I entered the Chamber in 1921, and I congratulate him upon it. I do not agree with the holding of a referendum; to do so would be to divide the people. The Commonwealth is taking away all our State powers. To a great extent we are now governed by National Security Regulations. Under the Financial Agreement we have to look to the Commonwealth Government for repatriation after the war, since we have no funds of our own. The work of repatriation should, however, be done through a committee of this Parliament.

I desire to express my great disappointment with the Government because of its failure to bring down a Bill for the postponement of the next general elections. November is close up, and an election is due in March next. Last February, just after Japan entered the war, we thought fit to postpone the general elections for 12 months, empowering the Governor-in-Council to cause an election to be held at any time if the war position became brighter. But we have never been in so precarious a position as we are in today. Instead of thinking of elections, every member of the community should be thinking of how he or she can assist to win the war. But now there is a proposal to split the people on election issues at a time when we should all be combined in one effort to win the war. I care not whether the Government is Labour, Country Party, or National, or even one comprising Independents. Many members, in my opinion, are looking for the emoluments of office; and in saying this I speak not of this place but of somewhere else. Those members are merely thinking of portfolios.

Will any sane person assert that the present is a fit time to go before the people and talk politics, Labour, National or Country Party? If I made such an assertion, it

would be proof that I was not thinking of the Empire. The Mother of Parliaments has extended her life for another 12 months, and extensions will go on until the war terminates. Many people are calling for a composite Government and suggesting that the Leader of the Opposition be included in the Ministry. As regards emoluments, in my opinion a Minister should not receive more than is paid to an ordinary member of Parliament. All should be on the same basis of remuneration. We should have enough to live on and look after our constituents, and the Commonwealth should receive the rest by way of compensation. We should be put on soldiers' pay. The main thing to concentrate upon today is to induce people to invest in war bonds. These are reasons why I regret that the Premier has not brought down a Bill to extend the life of this Assembly. Let me add that I do not know of one person in my electorate who is looking for a seat in Parliament. The contention is heard that the Labour Party is in disgrace and that therefore the present is the time for a general election.

But thousands of our men are away fighting for their wives and children and for their country. Are those men to be deprived of a voice in the election of this Parliament? It would be a shame to hold an election while thousands of our best are away, losing life or limb. Have they not a right to say who shall govern Western Australia? How can they exercise a vote? Are they to be practically disfranchised? Are we to take the stand of saying, "Never mind those fellows"? The time is not opportune in any respect for a general election. Any man or woman who advocates the dividing of our people on paltry political issues today is turning the minds of our people out of the right groove, and is a traitor to this country. I could speak at great length on various aspects of these Estimates, but I will conclude now.

Mr. CROSS: I move—

That progress be reported.

Motion put and negatived.

MR. WATTS (Katanning): I shall not say much on these Estimates, the financial aspect of which has been dealt with by my predecessor here in a manner which all agree was fully satisfactory. I do not intend to deal with the financial aspects at all, but there are one or two subjects on which I desire to offer a few remarks. First of all,

I am interested to ascertain what is going to be the exact position of Western Australian wheatgrowers, as a result of restriction and guaranteed price proposals which have been put forward by the Commonwealth Minister for Commerce, Mr. Scully. In conversation with other members I have frequently expressed the view that these proposals amounted not to a plan but only to a scheme. The distinction between those two words may not be clear to every other member of the Committee, but it is very clear to me. A plan, so far as I appreciate the meaning of that word, contains all details necessary for carrying it out, and those details are made known to the parties concerned in carrying out the plan and also in receiving the benefits of it. In this case we have not been supplied with details. We had ample evidence of that when the Minister for Lands spoke in this Chamber on one or two occasions, and also realised it from Press reports as well as from our own experience of the position in the farming areas. For my part I regard the proposal which gives 4s. for the first 3,000 bushels of wheat of every wheatgrower as substantially satisfactory.

The only difficulty in regard to such a proposal when first mooted was the absence of any guarantee of the price the producer would receive if he produced more than 3,000 bushels. We know—it has been pointed out here time and again and I need not repeat it—that this is a State in which there is a greater proportion of wheatgrowers who, in normal times, have produced more than 3,000 bushels per farm. Despite the fact that there has been a substantial decrease in acreage, I point out that the decrease applies only to Western Australia. Notwithstanding that decrease in acreage, in comparison with the normal, a substantial proportion of our wheatgrowers will produce more than 3,000 bushels per farm. Therefore, it was first necessary to try to find out what the Minister for Commerce proposed to do in regard to the surplus of each farm that produced more than 3,000 bushels, having, as I said, been satisfied with his proposition that for the first 3,000 bushels there would be a payment of 4s. per bushel.

A long time elapsed before any proposition of a definite character came forward from the Minister for Commerce. Repre-

sentations were made to him that the cost of production of the wheat should be ascertained, and some effort made to pay for the surplus over 3,000 bushels a price which approximated the ascertained cost of production on an average farm. That proposal appeared to be unsatisfactory to the Minister for Commerce. Finally, a proposal was made by him—I think the last one—to pay for this surplus wheat the sum of 2s. per bushel. I do not know what justification there is for that, particularly as regards a State like Western Australia. We have here, as I have said, a substantial reduction in acreage; it is really far more than one-third in a number of cases, because the one-third was deducted from the average acreage over a period of four years, and in many cases that resulted in a basic figure being used which was less than the acreage which might have been planted in, say, the fifth year. Nevertheless, we will not complain about that.

Our acreage was reduced by about one-third, and so the position of our wheatgrower who produces more than 3,000 bushels will become very difficult, as he will have to meet all his obligations calculated upon his old liabilities, with no reduction as far as his expenses are concerned. Therefore, I submit it was unreasonable to ask him to accept only 2s. per bushel for wheat in excess of 3,000 bushels, because by no stretch of the imagination can it truthfully be said at present that 2s. per bushel is equal to, or anywhere near, the cost of production of that excess wheat. We will suppose for the moment, however, that we are inclined to regard it as satisfactory. Then we come to the question of whether the proposal will actually be put into effect. I naturally assumed, when the statements were made by the Minister for Commerce, that he would put his proposals into effect, but doubts have been raised. A couple of days ago there appeared in the Press a statement by the General Secretary of the Primary Producers' Association. That gentleman is not accustomed to making statements in the Press without having some strong foundation for them. He contends that the total amount for which finance is likely to be found is, on the information before him, 90,000,000 bushels.

Mr. Patrick: Ninety-one million bushels.

MR. WATTS: Yes. Does that mean that the 4s. per bushel will be paid for only 91,000,000 bushels? If so, what effect will that have on the payments to be made to the Western Australian growers at a time when I understand the gross wheat production of Australia will be considerably more than was anticipated? It may easily run into 150,000,000 bushels. It has been said that in the Eastern States a large proportion of the farmers is unlikely to produce more than 3,000 bushels per farm. If that is the position, it would seem that if only 91,000,000 bushels is to be financed at 4s. per bushel, we should shortly come up against the argument that there will not be sufficient money to pay the wheatgrowers 4s. per bushel on the first 3,000 bushels, because all the 3,000 bushels added together will exceed 91,000,000 bushels. If that statement, which appeared in "The West Australian" a day or two ago, is correct—and I have no reason to doubt it—it seems to me to cast grave doubt upon whether 4s. per bushel will be paid.

The Minister for Lands: One might say that the total production of Australia will be 130,000,000 bushels. What then?

MR. WATTS: I am worried about this contract to pay 4s. per bushel for the first 3,000 bushels to the wheatgrowers of this State. I am not concerned so much about the other States of the Commonwealth, because of the fact which I have tried to impress on the Committee, that we have already suffered a substantial reduction in acreage under the National Security Regulations. Surely, we are not going to be doubly hampered now by a breach of faith which the action to which I have referred would amount to, in not paying our wheatgrowers the amount to which they are entitled under the scheme. Our Government may have done so already, but, if not, I hope it will take steps to clear up this position, if it can be cleared up, and inform members how our wheatgrowers will stand. If there is any substantial breach of faith with our wheatgrowers then every member of this Chamber—no matter on which side he sits—will, I feel sure, join in making the strongest protest that has ever been made in a matter of this kind.

Now I shall refer to another aspect of the wheat industry to which some attention ought to be paid by Western Australian citizens. An independent member of the Fed-

eral House of Representatives named Mr. Wilson, of Victoria, recently visited Western Australia, I understand at the request of the Commonwealth Government. He was accompanied by Senator Clothier and he investigated wheat problems in this State, including the existence of weevil in stored wheat. From the published reports of Mr. Wilson, I gathered there was a most serious state of affairs existing in regard to that matter. One would have imagined, from his statements in the Press and elsewhere at the time and shortly after his visit here, that a calamitous state of affairs had arisen regarding the destruction of our wheat by weevil.

Everywhere one goes—at least in the country communities—one is accosted and asked, "What is the use of growing more wheat when the wheat one has grown is being devoured by weevils?" I have been asked that question in the country a dozen times, and in the face of the reports published at that time, it was extremely difficult to provide an answer. One felt that considering the opportunity Mr. Wilson and his colleagues had of investigating the position themselves, it was hardly possible that the claims being made would be made if there were not some very substantial foundation for the allegations. By courtesy of the Minister for Agriculture, we were handed a few days ago a report to wheatgrowers by the Australian Wheat Board. At the bottom of the first page appears the following in regard to this matter:—

Weevil.—At one period the board was concerned with the possibilities of serious weevil damage in Western Australia, but now that the wheat in question has been removed, it has been demonstrated that the chief sources of damage were unsatisfactory flooring on two large buildings, which were perforce erected hurriedly to hold wheat temporarily awaiting mass shipment called for by the buyer. Unfortunately, the ships did not eventuate and, instead of a few weeks, the wheat remained for nearly two years in this extemporised storage. Later, standard type constructions, having iron floors, were erected, and have held wheat for similar periods with no perceptible loss. It would, therefore, appear that satisfactory storage of bulk wheat in the western State can be achieved by timely construction of standard type iron-floored bins and prompt railage of the wheat to them.

Weevil has not given the board so much concern in bagged wheat. It is true that in Queensland, weevil were very prevalent in the first year of the board's operations, but with

the help of officers of the C.S. & I.R., the State Wheat Board took up the task of preparation for weevil prevention with conspicuous success. That is a statement from a most responsible board which is fully acquainted with the circumstances concerned with wheat storage in Australia, and Western Australia in particular. The members of that board tell us that there has been no perceptible loss through storage except in two buildings, and that was due to circumstances that were definitely outside their control.

Mr. Fox: It was very bad last year.

Mr. WATTS: I am dealing with the report of the Australian Wheat Board, and it was during the last 12 months that most of this controversy took place. I feel sure that were there any substantial justification for the enormous losses we were led to believe were quite possible the Wheat Board would have made some other reference to the matter in its report than it has done.

I feel that the Government of this State is going to be placed in rather a difficult position in regard to the restriction of gold-mining in Western Australia. The gold-mining industry has undoubtedly been the salvation or partial salvation of Western Australia in a financial sense quite a number of times over the last 40 or 50 years. Today we find our goldmining industry, by comparison with what it has been and what I think it ought to be, in a very difficult position. I am wondering whether the revenues which the Treasurer expects to receive directly and indirectly as a result of gold-mining, and the extensive population in the goldfields areas of recent years, are going to be achieved.

Mr. Sampson: The position is very difficult for those engaged in the industry.

Mr. WATTS: I understand that in consequence of the restrictions imposed by the Commonwealth Government on account of its need for further manpower, some of those areas have only half the population they had a few months and years ago.

The Minister for Justice: The population of some areas has been reduced considerably below that.

Mr. WATTS: Maybe that is so. I want the Minister to understand I have not the slightest wish to see the goldfields areas depopulated. Quite the contrary! It is not because I wish to see them depopulated that I make some reference to this matter, but because I do not wish to see them in that

condition. I wish they could stand where they stood formerly and that, if possible, they could be placed in an even better position. But I know that at the present that is not practical politics. We have to face the position as we see it and that position is that the Commonwealth Government, which is in charge of the defence of Australia, has not been able to regard the gold-mining industry as one of such an essential character that it has been prepared to give it better conditions than those now available. The only thing that remains for me to add is that I think the effect on the State's finances is likely to be serious if there is going to be a decrease in population greater than has already taken place. I think that the decrease in revenue on account of the diminution which must take place in transport to and from those centres, and the loss of indirect revenue of one kind and another, will be much greater than the Acting Treasurer appears to indicate in the Budget he has presented to the House.

A word or two with the Minister for Railways. Six or seven months ago, when we had a special session of Parliament, I made some remarks on the distinct possibility that the railways would find themselves in grave difficulty in handling traffic before the year was out. I suggested that it would be as well for the Minister to open his mind, as it were, to Parliament and let us know the worst so that we, as members representing various constituencies could, in turn, point out that in all probability our people would have to face some restrictions in the services given to them in order that a certain proportion of the rolling stock and locomotives might be put in for an overhaul, and that the Railway Department might be given an opportunity to put its house in order. At that period we were not in exactly the same position as far as the railways are concerned as we are today. There has been more wear and tear on locomotives and on rolling stock, and I am assured that there have been difficulties in having them put in order.

The Minister for Justice: There has been a demand by the Commonwealth, also.

Mr. WATTS: Yes, I understand the Commonwealth has taken away some of the rolling stock. That is a position the Minister has to overcome. I am not without appreciation of the Minister's difficulty, but

unfortunately he is not taking advantage of the suggestion put forward six or seven months ago, a suggestion supported by other members than myself, that he should ask the public to face up to the position. His department is endeavouring to struggle along with overloaded trains, and with locomotives out of order, and the department is getting a reputation in the country districts which is—I find it hard to get the right word—anyway, its reputation is very bad.

The Minister for Labour: The Deputy Chairman could help you find the word.

Mr. Cross: Is there no difficulty in the other States?

Mr. WATTS: I know nothing about the other States. I suggest to the Minister there is only one way in which the difficulty can be overcome, and that is by his taking this Chamber into his confidence. I think we could help him tell the people we represent why it may be necessary to impose some restrictions on traffic so that an effort can be made to put the Railway Department's house in order. Every train on the Great Southern on which I travel is loaded these days to its maximum capacity, if it is not overloaded. We came on one occasion to what is known as the Cuballing bank, between Pingelly and Narrogin. It is about three miles long and the train requires 20 to 25 minutes to struggle along it. It seems to be fairly easy of negotiation by a normal train.

On the morning I have in mind I inquired from the train crew what the load was, and was told that it was 345 tons. That morning the train got about half-way up the bank and then proceeded for 200 yards in short jerks. I was in a top berth, and at each of these terrific jerks—for they were by no means slight movements—I was practically heaved out of the berth. Of course I was wide awake; sleep was impossible in that train then. After going about a hundred yards, the train stopped. We rested quietly there for about an hour-and-a-half while the front of the train went on to Narrogin. The locomotive returned for us, and in those circumstances we arrived at Katanning two hours late. I did not mind; I went to sleep again. I did think, however, of the people standing on the stations in the freezing cold of midwinter, waiting for their sons and daughters coming home on leave for a few days.

The Premier: What time of year was it?

Mr. WATTS: This happened on about four occasions between August and the present time. On one occasion we did get over the rise, but it was a terrific effort. I do not mind for myself, but I think it is hard on the people who are without a sleeper, and those waiting at the sidings. For months past these trains have been from one to two hours late on six out of ten occasions. I do not offer these criticisms to make matters harder for the Railway Department than at the present time, but I believe that if the Government were to apply itself more to the problem and take the public into its confidence and get down to brass tacks, it would be able to overcome some of these difficulties. At least, it would give people the impression that it was making some effort to do so.

I want to see the railways run at a profit, if that is practicable. I want to see them doing the best possible in the circumstances, but I am certain that they are not, and the same belief is held by persons who are obliged to travel by train now. It is only because they are obliged to do so that they travel by the railways. If the Government could hear the observations of these people it would understand why I make these complaints. If anyone who now travels by train could get enough petrol to travel by car to his destination, he would do so immediately. If we had fewer trains and ran them on time, or restricted the unnecessary traffic if the emergency is sufficiently grave, it would be a great deal better for the reputation of the department than for it to fall as low as it has. I am referring only to passenger traffic. The Deputy Chairman could possibly supply us with a great deal of information on the subject of the transport of goods, on which matter I will at this stage preserve a discreet silence.

The Premier: He cannot say "Hear, hear" from the Chair.

Mr. WATTS: I would also like to protest, although I admit it is no fault of the State Government, about the action taken by the Liquid Fuel Control Board concerning the installation of gas-producers. I am assured that the percentage of gas-producers in Western Australia is substantially higher than that in any of the other States of the Commonwealth, and that the regulations are being far more strictly enforced here than elsewhere.

Dozens of farmers and other people in the country districts with transport vehicles of one kind and another have received orders to instal gas-producers within a period of 14, or 21, days at the outside. I admit that on inquiry at the Fuel Board we find it is able to grant exemptions if it can be established that the particular person has not got the money to purchase a gas-producer. That means that the financial position of that person has to be ascertained, and he must make a declaration about it, and it has to go to the board; or alternatively it has been suggested to me that the officers of that department would accept a written assurance from the member for the district, or some other responsible person, in connection with the financial position of the individual ordered to instal the gas-producer. They would not then enforce the order. Only in rare circumstances is it that a responsible person can make such a declaration. It means, therefore, going to the person in question and his making a declaration and proving that he has not got the money. That position at present mostly applies to Agricultural Bank farmers. Dozens of these orders have gone out in instances where it is quite obvious to the bank that the farmer has not got the money. They were men working on sustenance allowances, and all their proceeds went to the Agricultural Bank. They definitely were not in a position to put on gas-producers.

Instead of any inquiry being made of the responsible authorities in this State, who might have disclosed the position, in 90 per cent. of the cases the people have to go to all this trouble in order, not to evade, but avoid, a responsibility they cannot meet. To go further than that, there has been brought under my notice the case of a woman doctor in a country district. She has been ordered to fit a gas-producer on her motorcar. It should only be in the last resort that such an order would be enforced. But no, the order was issued! She did not instal the gas-producer in the time prescribed and her petrol allowance was immediately cut in half. That woman is carrying on work in a district roughly 60 miles by 100 miles, where previously there were five medical practitioners but today there are only two. She is doing, nobly too, the complete work of one hospital and assisting at another 30 miles away if there are any operations of importance. Occasionally she has to go 60

miles to assist at still another hospital, where there is also some deficiency apparent when major operations have to be performed. Despite all this, she was ordered to fit a gas-producer, and when she did not do it, her petrol allowance was cut by 50 per cent.

I admit that representations have since been made, and I am hopeful that some other arrangement will eventuate. If, however, those are the principles on which the Fuel Board is working the position will become intolerable for people who are doing what is, after all, a substantial portion for war work. If five doctors were servicing a district and three left to join the services, surely the other two would be entitled to special consideration. They are carrying on all the work. They are not averse to giving assistance to those in the Army or other branches of the Forces, if their services are required. No fuel board, or other department, should in these circumstances be allowed to insist on such a woman fitting a gas-producer. She is a medical practitioner and, quite apart from the work she has to do, she is called out at 2 o'clock and 3 o'clock in the mornings. A gas-producer takes half-an-hour to start. It is an absurd position. A medical practitioner undertakes extremely delicate work, and should not be messing about with charcoal a few minutes before practising her profession. It seems to me that the gentlemen in Melbourne—I understand the officers of the department here are doing their best, and only carrying out instructions, and I do not attach any blame to them—

Mr. Patrick: They are not in the other States?

Mr. WATTS: These people are being ordered to do it almost daily. I know of two telephone calls made to Melbourne a week or two ago by an officer of the Fuel Board, in an endeavour to overcome some of these difficulties, but he was told to carry on with the regulations. Seemingly these gentlemen in Melbourne have no appreciation whatever of the state of affairs in Western Australia, know little about them, and care less. Surely it is possible to have the strongest representations made by the Government in regard to this matter. They are imposing unnecessary trials and tribulations on worthy citizens who are not out to evade their obligations or waste fuel, but who, for one reason or another, cannot comply with the regulations, and I think these people are being unnecessarily pestered and troubled for nothing.

They have no-one on their farms to assist them and are doing the work of four or five persons. If possible strong representations should be made by the Government to get some reason applied to these transactions.

The Minister for Works: You have two country representatives out of four members on the Fuel Board.

Mr. WATTS: I admit that the board is in a difficult position. My complaint is that the regulations are made in the Eastern States, and so far as I can understand, the local board is told to carry on according to the regulations, even after it makes representations to headquarters with a view to getting some relief from these orders.

Mr. J. Hegney: They enforce them more rigidly here than in other parts of the Commonwealth.

Mr. WATTS: I stated yesterday what I thought regarding the Eastern States. From time to time we have been assured by members of the Commonwealth Government that whatever deficiencies exist in the defence of Australia are entirely the responsibility of those who preceded them in office. Fair is fair in this world, and we do not want to lose sight of the fact that there are other people besides these gentlemen who have made mistakes in regard to the defence of this country. Only a few weeks ago I heard a speech by a Commonwealth Minister in which he strongly criticised the deficiencies in the defence preparations made by the two Governments preceding the present one—leaving out the Fadden Government whose term of office was very short, but including the Menzies Government which was in office somewhat longer. He would have led the people to believe that had the present Government been in office for the last ten years, when the Japanese attacked Australia, the state of affairs in the matter of the defence of the Commonwealth would have been so beautiful that the Japanese would have been driven back beyond Tokio and beyond Alaska for the rest of their lives. Those were not his words, but they represent the impression created by that hon. gentleman in his criticism of what he alleged to have been the inaction of the Governments before his time. Doubtless other members listen-in to these speeches and know perfectly well that they are made. If those statements were founded on fact, I would be

the first person—as I believe I am moderately fair-minded—strongly to criticise the preceding Governments. I do not criticise the Commonwealth Government very much, as members may have noticed. My attitude is that I believe Commonwealth Ministers have got into a jam and are doing their very best to get out of it, but I would give them more credit if they would believe that their predecessors, taking into consideration the circumstances that existed at the time and the situation as they saw it, also did their best. But they will not do that. Therefore I endeavoured to ascertain how much encouragement the members of the present Government gave to their predecessors in order that Australia's defence position might be put on a sound basis. I looked up the Commonwealth "Hansard" before the war, and found that on the 2nd November, 1938, a motion of no-confidence in the Government was moved by the present Prime Minister, Mr. Curtin. In criticising the actions of the Government up to that time, Mr. Curtin said—

The Government, as a matter of fact, has brought the country to the verge of war hysteria in order merely to provide the requisite atmosphere to enable certain changes to be made in the Ministry—changes which, when all is said and done, are not changes in the organic character of the Ministry and will merely have the effect of making scapegoats of certain Ministers.

A little later on—this is far more interesting to me—there is a statement by Mr. Ward, who is a Minister of the Crown at the present time. Speaking on the same motion, he said—

How does the Government propose to finance its enlarged defence programme? Its only idea, apparently, is to continue the old policy of raising loans and thus burden the people of Australia with a heavier national debt than they now have to carry.

May I interpolate that I do not see much change.

Mr. Hughes: Give him his due; he said something on the same lines the other day.

Mr. WATTS: And then Mr. Ward went on to say—

The Government has made an appeal to the patriotism of the unemployed people of this country in connection with defence. It has said that, if these works are put in hand, work will be found for people who are today without a job. But the work will finish some time, and the people will then find that they have a heavier national debt than ever before.

Further on, and this is the point I particularly desire to bring under notice, Mr. Ward said—

It is amusing to hear people say that we shall not give up New Guinea. To those people I would say that, if it should become necessary to defend our Mandated Territory, they should defend it themselves. As far as I am concerned, all I can judge about the necessity for retaining New Guinea is that a handful of exploiters have got hold of the country, some interested in aerial transport, some in goldmining, and some in the search for oil which, according to reliable reports, has already been found. These people want to retain New Guinea in order to preserve their own commercial interests.

At that time Mr. Ward thought that if we wanted to defend New Guinea, we should allow the people in that territory to defend it themselves. I am very glad to know that Mr. Ward and his friends have since changed their opinion.

Mr. TRIAT: But at that time Singapore provided for the defence of New Guinea.

Mr. WATTS: Let me now quote Mr. Brennan, a one-time Labour Minister. Mr. Brennan had had time to reflect on the previous speeches and, on the 3rd November he said—

From my point of view, it is ridiculous to expend money in amounts which increase by millions of pounds with every flow of hysteria from the swash-bucklers. From my point of view it is ridiculous, but from the point of view of the diseased sensationalists, it is the acme of perfection.

Just one more quotation, this one by Mr. Holloway, who, speaking on the 3rd November, said—

I do not charge the Government with not expending enough money on defence.

This is the piece de resistance—

I make it clear at the outset that I think it is expending too much. When a government begins to expend on defence money which should be used for the internal development of a country, then, in my opinion, it is doing wrong. There is no need to sacrifice the living standards of the people for the sake of this panicky defence scheme. The Government is spending much too rapidly on defence. It is making plans for more than the adequate defence of Australia.

The Minister for Lands: That would have been the opinion of 70 per cent. of the people of the British Empire who, at that time, were pacifists.

Mr. WATTS: I do not mind that; what I am concerned about is the suggestion being made today that the Governments which preceded the one in office at present are

now being charged with having done practically nothing for the defence of Australia. At that time, as I have shown, the Government was told that it was doing too much. That is the current running through all those speeches, and substantially for that reason, a motion of no-confidence in the Government was moved by Mr. Curtin. And so I only wish to introduce that remark in order to indicate to the present Commonwealth Government that there are a few people who know what its members said when they were, in the past, members of an Opposition. There are a few people who would not criticise Federal Ministers today because, as I have said, they are believed to be in rather a difficult position; but we want them to remember—and if they will not remember we propose to make them remember, so that the public may be aware of it—that there were times in the past when they held entirely different views and did their best to obstruct other people who were compelled, by force of circumstances, to hold then the views they hold today.

Vote put and passed.

This concluded the general debate.

Votes and items discussed as follows:—

Votes—Legislative Assembly, £3,120; Joint House Committee, £4,865; Joint Printing Committee, £5,982; Joint Library Committee, £265; Premier's Office, £15,603; Treasury, £30,658; Governor's Establishment, £2,170; Executive Council, £5; London Agency, £10,192; Public Service Commissioner, £1,580; Government Motor Car Service, £2,323; Audit, £16,250; Compassionate Allowances, £1,647; Government Stores, £17,382; Taxation, £10,000; Workers' Homes Board, £5; Superannuation Board, £2,486; Printing, £73,900; Tourist Bureau, £2,318; Literary and Scientific Grants, etc., £11,550; Miscellaneous Services, £1,111,428—agreed to.

Vote—Forests, £54,090:

MR. McDONALD (West Perth) [5.26]: Are we to have a word or two about the revenue of the Forests Department? The Conservator of Forests is away. I have been listening to these votes going through, and I do not know whether the Committee will pass them on that basis. At a time of considerable disturbance such as this, I take it we should have some information on the Forests Department.

THE MINISTER FOR FORESTS: The Conservator, as members are aware, is occupying an important and responsible position in the public life of Australia. An introductory speech could have been made regarding the attitude and operations of the Forests Department, but only this week the Conservator's report was laid on the Table of the House. The document is fairly full, and deals with the general activities of the department. It is placed on the Table for the information of members, giving as it does a resumé of the actions of the department. In the circumstances I did not think it advisable to take up time by making remarks which would be almost similar to those contained in the report. However, the supply of firewood to the metropolitan area is topical. The Government undertook that work in absolute defiance of a statute, because everyone would agree that a supply of firewood is indispensable to the people of the metropolitan area during the winter months.

We have an Act which prohibits the Government from embarking on anything in the nature of business enterprise without first obtaining from Parliament authority to do so. We did not find this out exactly at the time when firewood first became short; but in January of this year a firewood difficulty was foreseen in the ensuing winter. Accordingly steps were taken by the Forests Department to obtain supplies of firewood for the metropolitan area. But for this, supplies would have represented an even greater difficulty. When we found there was something to be done for the benefit of the people, we did not hesitate but did all we could, though perhaps we did not do as much as everybody would have liked us to do. The Government does not seek to establish a State Trading Concern in firewood, but the Forests Department may do something towards organising the somewhat precarious firewood industry.

One aspect is that firewood becomes more expensive from year to year, because the cost of procuring it rises as the distance over which it has to be conveyed extends. Moreover, when the Government enters into something of that type, it is worried with conditions and difficulties immediately. Because we pay full award rates it costs the Government more to do certain work than it costs for the work to be done by the haphazard method of private suppliers of firewood.

Some men on reaching the age of 50 or 60 get a firewood permit and take a truck into the bush and there obtain firewood, and they are satisfied if they make £2 or £3 a week. Such men supply firewood at comparatively cheap prices.

In dealing with the position on an organised basis the Government was confronted with manpower considerations. All this meant additional cost and thus the provision of firewood was correspondingly affected. The supplies in the immediate vicinity of the metropolis had been cut out, and it became necessary to go much further afield. Some wood was procured from as far as Holyoake. That involved additional railway charges amounting to upwards of 4s. per ton, which money had to be found by the department. The Conservator of Forests has always been most anxious to do what he could to assist the Government in furnishing firewood supplies, but at the same time has been most keen to conserve the interests of the industry. Naturally it is the function of the Conservator to safeguard the revenue side of the departmental activities so as to provide for reforestation and silvicultural operations generally. He is not anxious to spend money on a losing proposition such as the supply of firewood, particularly if he were asked to furnish it at a cost less than that involved in procuring the wood. Notwithstanding that phase, the firewood supply for the metropolitan area has been well maintained. Even though there may be some slight revision of the prices charged, the Forests Department is already preparing plans for the supply of firewood during next winter on an improved basis.

Apparently at the outset the work was unorganised, but with the facilities available to the Forests Department the task of maintaining firewood supplies can be successfully carried out. The report of the department has been on the Table of the House for some few days and, if members so desire, I can go through it and detail the various activities undertaken. The department has a difficult task but has achieved remarkable results. It has exported many thousands of tons of timber for use in connection with the nation's war effort in various theatres of war, including the Near East, and has provided sleepers for the railways necessary for the despatch by rail of supplies to Russia. That in itself has been

a large undertaking. Furthermore, it has made available timber to take the place of millions of feet of softwood formerly imported from North America and Sweden. We have an opportunity to build up a trade in Australia that will tend to make the country more self-reliant from the standpoint of timber supplies than ever before in its history. I am aware that there is a prejudice against the hardwoods of Western Australia because of their weight. They are not like oregon, for instance, which is easily transported and easily worked. But tensile strength and general characteristics make Western Australian hardwoods much more durable than is imported timber.

In the munition factories of Adelaide I saw Western Australian timber used in connection with the construction of pontoon bridges and other such-like requirements. Certainly it is fortunate that we have a man of the calibre of Mr. Kessell, the Conservator of Forests, who has established not only an Australia-wide, but a world-wide reputation for his knowledge of forestry matters. He has been placed in charge of the timber conservation and supplies throughout Australia during the war period, and he is doing an excellent job. From what I could gather the Commonwealth authorities are extremely satisfied with his services. With his extensive knowledge of the industry generally he has been able to carry out a difficult task in the face of rather severe opposition from certain directions. As I have remarked, the departmental report has been on the Table for two or three days and, if members desire to peruse it and deal with aspects of administration, I shall have no objection to reporting progress at this stage. It will be recognised that the Forests Department carries on year after year doing excellent work and contributing appreciably to the revenue of the State.

Members should be constantly reminded that it is not a department that takes all it can from the State assets under its jurisdiction. It will be recollected that three-fifths of the total departmental revenue goes back into reforestation and silvicultural operations so as to ensure an asset that will last for all time. The policy of the department is aimed at preserving the State's timber asset in perpetuity. The timber industry, which is worth at least £1,000,000 a year to the State, will be carried on forever. Before Parliament passed

the Forests Act 20 years ago that asset was being literally butchered. Had that legislative action not been taken at that particular period, I think by now our timber resources would have been cut out. Because of the policy Parliament wisely adopted in past years, that possibility has been obviated. In earlier days State Treasurers used to grab all the revenue possible from the timber industry, but now three-fifths of the departmental revenue is diverted for the purpose of conserving our forest resources. Thus we now have an asset that will continue for all time to the immense advantage of the State.

As to softwoods, many years ago plantations were established in different parts of the State and we are now reaping the benefit of what was done 20 years ago. We have pine plantations here and there. Adjacent to the Mundaring Weir, the trees which have attained a height of between 60 and 70 ft. are reaching the stage when they will be utilised for commercial purposes.

Mr. Doney: Have you any comment to make on the reforestation work at Narrogin?

The MINISTER FOR FORESTS: I know what has been the effect on the manufacture of boots and so on. The Minister for Lands could tell the Committee how, by the use of flax grown in Western Australia as well as in other States, all the boots supplied to the Military Forces have been sewn with flax grown within the Commonwealth whereas it formerly had to be imported. All the tannin extract—I think it is termed industrial extract—used in Australia and, to a great extent, in New Zealand, is procured from Bodington—I presume that is what the member for Williams-Narrogin mainly refers to—and also from another centre at Belmont. Experience shows that hides can be treated throughout to the stage of the manufactured article with which the Military Forces are shod, and that would have been extremely difficult but for the development of the industry in Western Australia. The member for Williams-Narrogin also referred, presumably, to the mallet bark industry which is making great progress. The trees are now reaching a stage of maturity. Members will appreciate the fact that forestation is an industry in which those associated with it must look well ahead.

Although such work was undertaken by private enterprise in New Zealand, usually private enterprise does not engage in the

industry because returns have to be awaited for upwards of 70 years or more. Normally that would not suit people who subscribed money for investment purposes. In the circumstances such work is usually undertaken by the State which is able to make long-term investments, mostly out of revenue received from Forests Department operations. With the advantage of the contribution of three-fifths of the departmental revenue, which amounts to between £70,000 and £80,000 a year, the timber industry in this State is being built up consistently. That is indeed a very creditable performance. Sometimes we hear members speak of waste and lost revenue, but here we have an example on the credit side, which is evident in the forestry policy of the State and the conservation of the timber industry. As I have informed the member for Nelson, the timber industry provides the most remunerative traffic for our railways. We hear much said about the wheat traffic and that, were it not for our wheat, the railways would lose a lot of money; but more revenue is received by the railways from the timber industry than from all the wheat grown in the State. In our national economy, timber is a most important feature. I do not wish to delay the passage of the Estimates. I thought I would give members some information on the subject; if they desire anything further, it will be found in the report of the Conservator of Forests.

Progress reported.

House adjourned at 5.42 p.m.

Legislative Council.

Tuesday, 27th October, 1942.

	PAGE
Bills : Public Authorities (Postponement of Elections), 3R.	1008
Jury (Emergency Provisions), 3R., passed	1008
Collie Recreation and Park Lands Act Amendment, 3R., passed	1008
Administration Act Amendment, 2R., Com.	1008
Main Roads Act (Funds Appropriation), 2R., Com. report	1009
Industrial Arbitration Act Amendment, 2R.	1009
Goldfields Water Supply Act Amendment, 2R., Com. report	1018

The PRESIDENT took the Chair at 2.15 p.m., and read prayers.

BILLS (3)—THIRD READING.

1, Public Authorities (Postponement of Elections).

Returned to the Assembly with amendments.

2, Jury (Emergency Provisions).

3, Collie Recreation and Park Lands Act Amendment.

Passed.

BILL—ADMINISTRATION ACT AMENDMENT.

Second Reading.

Order of the Day read for the resumption from the 22nd October of the debate on the second reading.

Question put and passed.

Bill read a second time.

In Committee.

Hon. J. Cornell in the Chair; the Chief Secretary in charge of the Bill.

Clauses 1 to 3—agreed to.

Clause 4—Amendment of Section 138:

The CHIEF SECRETARY: I move an amendment—

That a new paragraph be added as follows:—

(b) by adding a subsection, to stand as Subsection (2), as follows:—

(2) Where any such executor or administrator is a member of His Majesty's Naval, Military, or Air Force (including a member of any medical corps nursing service attached to any of the Forces aforesaid) and is a prisoner of war or posted as missing or otherwise is unable or able only with great difficulty to appoint an attorney, the Court may on the application of a co-executor or a beneficiary or a creditor or any next of kin appoint such co-executor or some other person resident in the State to have and exercise all or such of the powers, duties and discretions of such first-mentioned executor or administrator and for such period or periods as the Court shall deem proper.

This amendment was suggested in another place too late for inclusion in the Bill at that stage. The Minister in charge of the measure at the time gave an undertaking that the amendment would be submitted in the Legislative Council. It makes provision for any person who may be a prisoner of war or who for other reasons is not able to carry out the duties that are rightly his.