

THE HON. H. C. STRICKLAND (Minister for Railways—North) I move—

That the House at its rising adjourn till 2.15 p.m. tomorrow.

Question put and passed.

House adjourned at 8.25 p.m.

Legislative Assembly

Wednesday, the 12th November, 1958.

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

QUESTIONS ON NOTICE.

No. 1. This question was postponed.

TRAFFIC.

Affixing Mud Flaps to Vehicles.

2. Mr. BRAND asked the Minister for Transport:

Referring to my parliamentary question of the 9th October, 1958, on the subject, will he inform me whether the expert opinion is available yet on the desirability or otherwise of making it compulsory to affix mud flaps or some similar device to minimise the danger to vehicles from stones flung up by other travelling vehicles?

Mr. GRAHAM replied:

Expert opinion has been obtained by consultation between the Main Roads Department engineers, technical officers of the Royal Automobile Club, W.A. Government Railway Road Service, Midland Road Service, Perth Technical School, Institute of Automotive and Aeronautical Engineers and officers of the Police Traffic Branch.

The consensus of opinion is that most damage is caused by the side pressure of tyres on stones, causing stones to fly up at a tangent. Vehicles passing each other in

opposite directions are more likely to sustain damage by striking the airborne stone at a fast speed. The provision of mud flaps, it is considered, would not prevent the side thrust of stones. However, the matter has been brought under the notice of the Australian Motor Vehicle Standards Committee.

OVERHEAD CROSSWALKS.

Cost.

3. Mr. BRAND asked the Minister for Works:

What is the cost of one of the pedestrian overhead crosswalks on the new highway to serve the Narrows bridge, between Canning Bridge and Mill Point?

Mr. HAWKE (for Mr. Tonkin) replied:

The contract for the construction of the pedestrian overways provides for the erection of five structures at a total cost of £89,347. The average cost of each structure is therefore £17,887 8s.

DISCONTINUED RAILWAY LINES.

Dates of Cessation of Traffic.

4. Mr. ROBERTS asked the Minister representing the Minister for Railways:

Will he give the dates on which traffic ceased on each of the sections of the State's railway system listed in the rail discontinuance motion?

Mr. GRAHAM replied:

Meekatharra-Willuna — 5th August, 1957.

Cue-Big Bell—1st January, 1956.

Malcolm-Laverton—26th June, 1957.

Geraldton-Ajana—29th April, 1957.

Wokarina-Yuna—29th April, 1957.

Burakin-Bonnie Rock—17th June, 1957.

Mukinbudin-Lake Brown—20th May, 1957.

Lake Brown-Bullfinch—20th May, 1957.

Boddington-Narrogin—6th May, 1957.

Busselton-Margaret River—1st July, 1957.

Margaret River-Flinders Bay—1st July, 1957.

Elleker-Nornalup — 30th September, 1957.

Brookton-Corrigin—17th June, 1957.

Lake Grace-Hyden—1st July, 1957.

Katanning-Pingrup—24th June, 1957.

Gnowangerup-Ongerup—12th October, 1957.

PRICE OF SUPERPHOSPHATE.

Check of Statement by the Hon. Member for Nedlands.

5. Mr. SEWELL asked the Premier:

(1) Has he had a check of the statement made by the hon. member for Nedlands in connection with the price of superphosphate as reported on page 1545 in Hansard No. 11?

(2) If so, with what results?

Mr. HAWKE replied:

(1) The increase of 12s. per ton included by the hon. member for Nedlands as being within the period since the enactment of the Unfair Trading and Profit Control Act actually took effect on the 1st July, 1956, whereas the Act did not come into operation until the 18th January, 1957. Therefore, the net reduction during the period between the cessation of price control and the enactment of the unfair trading laws was 4s. 3d. per ton and not 16s. 3d. per ton as stated.

This fact, therefore, increases the total price decrease since the Act came into operation by the 12s. in question. Therefore the figure of 14s. in this respect given to the House by the hon. member for Nedlands should have been £1 6s. per ton.

(2) See answer to No. (1).

TRANSHIPMENT OF GOODS AT KALGOORLIE.

Negotiations for "Take-over" by Commonwealth Railways.

6. Mr. EVANS asked the Minister representing the Minister for Railways:

(1) Are the Commonwealth Railways negotiating with the Western Australian Government Railways a "take-over" of the transhipment activities at the dock on the Kalgoorlie railway station?

(2) If so, is he able to state when the "take-over" can be expected?

Mr. GRAHAM replied:

(1) Proposals are under discussion for general transhipping to be carried out at Parkeston.

(2) No decision has yet been made.

WATER SUPPLIES.

Reticulation for Cuballing and Popanyinning.

7. Mr. W. A. MANNING asked the Minister for Water Supplies:

When will the water reticulation from the comprehensive scheme be completed for—

(a) Cuballing;

(b) Popanyinning?

Mr. HAWKE (for Mr. Tonkin) replied:

(a) Approximately mid-March, 1959.

(b) Approximately the end of January, 1959.

PINGELLY SCHOOL.

Tenders for Construction of Additions.

8. Mr. W. A. MANNING asked the Minister for Education:

When will tenders be called for construction of the additions to Pingelly school?

Mr. W. HEGNEY replied:

It is expected that tenders will be called about January, 1959.

NARROGIN AGRICULTURAL HIGH SCHOOL.

Additions.

9. Mr. W. A. MANNING asked the Minister for Education:

(1) What additions are planned for the Narrogin Agricultural High School?

(2) When will they be completed?

Mr. W. HEGNEY replied:

(1) Two classrooms.

(2) About the middle of 1959.

COUNTRY SCHOOLS.

Provision of Modern Toilet Facilities.

10. Mr. ROSS HUTCHINSON asked the Minister for Education:

(1) Has he noted that the Minister for Railways, despite the heavy demand on the funds available to his department, has agreed to the expenditure during this financial year of a sum of £20,326 on the important and necessary work of providing modern toilet facilities such as the provision of septic tank systems or conversion to deep sewerage at 22 railway stations, etc., in country and metropolitan centres and that, similarly, the Minister for Native Welfare, despite a no doubt equally heavy demand on the funds available to his department, has agreed to the expenditure of a sum of £6,280 on the provision of septic tank facilities on a number of native reserves in country centres?

(2) Is he aware that in at least two instances—the Main Roads Department and the Department of Agriculture—other Government departments are proceeding with the provision of these desirable amenities at their country premises?

(3) Does he intend to continue to refuse to allocate funds for the provision of these facilities at schools, particularly in centres such as Three Springs and Moorine Rock, where local parents have agreed to assist with labour, etc.; Glenorchy where, at one stage, pupils had to dispose of night-soil from their school; and Lake Gwelup, where the Perth Road Board is so concerned with the danger to the health of children attending the school that it is considering a loan to the Government to provide septic tank facilities from funds which are required for the discharge of the board's more direct responsibility to provide other amenities for the ratepayers?

(4) In view of the action taken by the Minister for Native Welfare and the Minister for Railways, is he prepared, as Minister for Education, to afford the same priority to the important work of providing improved sanitary systems at schools, particularly in country centres where outbreaks of the eye disease trachoma have been attributable to the fly menace from primitive toilet facilities?

Mr. W. HEGNEY replied:

(1) and (2) The hon. member's statements are not disputed.

(3) and (4) In view of the urgent need for additional classrooms, it is essential that first priority be given to this requirement, having regard to the funds available.

WATER SUPPLIES.

Shortage at Mt. Yokine.

11. Mr. OLDFIELD asked the Minister for Works:

(1) Is he aware that the residents in the Mt. Yokine area are experiencing a shortage of water?

(2) If so, what steps has the department undertaken to remedy the position?

(3) When will these residents receive some relief?

Mr. HAWKE (for Mr. Tonkin) replied:

(1) It is known that pressures have been poor.

(2) A high level tank has been constructed and pumping equipment installed.

(3) Within the course of the next few days.

Charges for Excess Water.

12. Mr. W. A. MANNING asked the Minister for Works:

What are the respective charges for excess water in all areas not covered by the answer to a question on the 28th October?

Mr. HAWKE (for Mr. Tonkin) replied:

The charges per thousand gallons prescribed by by-law for excess water other than for domestic use vary considerably according to the specific purpose for which the water is supplied, and range from 1s. 3d. to 4s. in the metropolitan area and 1s. 4d. to 10s. in country districts; and on supplies to property rated as country land 4s.

No. 13. *This question was postponed.*

OLD EAST PERTH CEMETERY.

Control and Authority for Excavation Work.

14. Mr. BOVELL asked the Minister for Works:

(1) Is the area near Perth Girls' High School where human bones are reported to have been uncovered in an area previously gazetted as a cemetery?

(2) Who controls the area now?

(3) Which Minister gave the instructions for the excavation work to be undertaken?

(4) Is it an area from which it was thought all human remains had been previously removed?

(5) If so, what is the explanation of the recent finding of human remains?

Mr. HAWKE (for Mr. Tonkin) replied:

- (1) Yes.
- (2) The Hon. Minister for Works.
- (3) The Hon. Minister for Works.
- (4) It was not known to the department that the area contained human remains.
- (5) See No. (4).

USED CARS.

Lack of Engine Numbers.

15. Mr. HEARMAN asked the Minister for Transport:

(1) Is he aware that at 11 a.m., on the 11th November, at a second-hand-car dealer's premises in Perth, there were two utility vehicles for sale of the same make, year and colour, bearing current licences on which there were no engine numbers shown?

(2) How many licences have been issued by the Traffic Branch, without engine numbers being shown, in the last 12 months?

Mr. GRAHAM replied:

(1) When an original licence is taken out for a motor vehicle, the engine number is invariably shown thereon, together with other particulars clearly identifying that vehicle with the licence issued, this being uniform practice throughout the State.

On renewal of the licence, such detail is omitted; but the department has, for some time past, been emphasizing by all available means the necessity for vehicle owners to retain the original licensing documents together with the renewal forms for the same, the latter being virtually receipts for renewal of the original licence document. In the instance referred to, it is obvious that the original licence document was not with the vehicle, but merely the receipt for the renewal of the licence.

(2) This is dealt with above. No original licences are issued which do not have the engine number shown thereon.

HOUSING.

Maintenance Work on Commission Homes and Flats.

16. Mr. COURT asked the Minister for Housing:

(1) Has there been a change, or is a change contemplated, in the method of having maintenance work done on State Housing Commission houses and flats?

(2) If so, does the new method involve individual contractors tendering for all maintenance in given zones?

(3) Will such contracts cover painting, carpentry, plumbing and other trades in one tender, or can each trade tender for its own section within a zone?

(4) Are there any known contracting organisations ready and willing to tender for all maintenance work within a zone or zones?

(5) What has been the procedure in the past?

(6) If no suitable tenders are received on a complete zone basis, what alternative is proposed?

Mr. GRAHAM replied:

(1) and (2) For minor work—yes.

(3) Tenders will still be invited separately for—

(a) Internal painting and general repairs.

(b) Licensed plumbing and drainage.

(c) Electrical repairs.

(4) Yes.

(5) Larger contracts by competitive tendering or quotations. Minor jobs placed with competent jobbing contractors usually operating in the area concerned.

(6) Continuation of present system.

ATTENDANCE MONEY.

Cost of Payment to Ship Painters and Dockers.

17. Mr. COURT asked the Minister for Labour:

(1) What is the Government's current estimate of the annual cost of attendance money and administration thereof in respect of ship painters and dockers under the Fremantle Harbour Trust Act Regulations?

(2) How much does this represent per estimated man hour to be worked?

(3) When is it proposed to review and amend the charge to cover the cost of attendance money?

Mr. W. HEGNEY replied:

(1) It is considered that the short period of time since the scheme commenced makes this difficult, but the original estimate of £12,550 is still the current estimate of the cost of the scheme.

(2) 1s. 8d. per man hour.

(3) The charge may be amended at any time by the commissioners; but, in any case, will be reviewed and amended, if necessary, after the scheme has been in operation for six months.

FLATS FOR THE AGED.

Naming of Block at West Perth.

18. Mr. ROBERTS asked the Minister for Housing:

(1) Is it correct as published in the issue of "The Sunday Times" of the 6th July, 1958, that the block of flats for the aged now under construction at West Perth is to be named "Graham" in his honour?

(2) If so, is not this decision in conflict with the policy of the Nomenclature Advisory Committee which, among other things, is to discountenance as far as possible the naming of streets, etc., after still

active members of municipalities and road boards, or persons still living in the locality?

(3) Was the Nomenclature Advisory Committee consulted before the decision to so name the flats was taken?

Mr. GRAHAM replied:

(1) Yes. The name was suggested to the commission by the Housing Advisory Panel, a committee comprising prominent representatives of the following organisations:—

Architectural.
Manufacturers.
Builders.
Trade unions.
Retail distributors.
Timber merchants.
Real estate.

Representations were also made to the commission by the Pensioners' League of W.A. (Incorporated).

Representations were considered at a meeting of commissioners who were in full agreement with the proposal.

(2) and (3) No. The deliberations of the Nomenclature Advisory Committee do not normally extend to names of homes, or buildings but rather to towns, suburbs, and street names.

An example would be McDonald House called after a previous Minister of Native Affairs. In the same way there is nothing to prevent anyone naming a house, commercial building, etc., without reference, and this would apply even to the hon. member for Bunbury.

HOUSING.

Homes Built by Commission.

19. Mr. ROBERTS asked the Minister for Housing:

How many houses were—

- (a) commenced;
- (b) completed;

by the State Housing Commission in this State under—

- (a) Commonwealth-State Housing Agreement;
- (b) State Housing Act;
- (c) War Service Homes Act;

during the financial year ended the 30th June, 1958?

Mr. GRAHAM replied:

	Com- menced.	Com- pleted.
Commonwealth-State Housing Agreement	872	1,138
State Housing Act	389	269
War Service Homes Act	625	966

BROWN'S LAKE.

Effect of Draining on Properties.

20. Mr. OLDFIELD asked the Minister for Works:

(1) Will the draining of Brown's Lake, Bedford Park, lower the water table of the properties situated at the corner of Walter-rd. and Russell-st., Morley Park?

(2) If so, to what extent?

(3) Will any such lowering of the water table permit the subdivision of these properties?

(4) If the answer to No. (3) is in the affirmative, will filling be insisted on by the departments concerned?

Mr. HAWKE (for Mr. Tonkin) replied:

(1) Yes, ultimately.

(2) This has not yet been determined.

(3) Yes, ultimately, as far as drainage is concerned.

(4) In general, no.

BELLEVUE-MUNDARING RAILWAY.

Royal Commissioner's Inquiry into Reopening.

21. Mr. OWEN asked the Minister representing the Minister for Railways:

(1) Can he indicate when Royal Commissioner Smith will commence his inquiries into the matter of reopening the Bellevue-Mundaring railway service?

(2) Will local authorities and district associations which have an interest in this matter, be called to give evidence?

(3) Will such organisations be given sufficient notice of the inquiry, to enable them to prepare their cases?

Mr. GRAHAM replied:

(1) At this stage of his inquiries it is not possible to fix a specific date.

(2) Yes.

(3) Yes.

GOVERNMENT DEPARTMENTS.

Carriage of Requirements by Rail.

22. Mr. BRAND asked the Minister for Transport:

(1) Has a Government direction been issued to all Government Departments and concerns that all Government requirements must be carried on rail where possible?

(2) If so, what effect is this edict having on—

- (a) the Education Department;
- (b) the Wundowie charcoal iron and steel industry;
- (c) the Electricity Commission;
- (d) the Water Supply Department?

Mr. GRAHAM replied:

(1) Yes.

(2) It is not practicable to state exactly the effect which usage of railways would have as regards individual departments but if there were any increased cost it would be offset by the gain of revenue to the railways.

QUESTIONS WITHOUT NOTICE.

SITTINGS OF THE HOUSE.

Suspension During Election Campaign.

1. Mr. BRAND asked the Premier:

Could he indicate, for the information of hon. members of this Chamber, what will be the hours of sitting next week?

Mr. HAWKE replied:

I have been making inquiries among hon. members as to the extent to which they desire to participate in the last week of the Federal election campaign. Quite a number of hon. members seem to think they would wish to participate actively in that campaign during its last week. The Government will therefore probably agree to submit a motion tomorrow night to suspend the sittings of the House over next week. However, I will advise hon. members finally on that point at tomorrow's sitting.

OLD EAST PERTH CEMETERY.

Avoidance of Further Disturbance of Remains.

2. Mr. BOVELL asked the Premier:

Following the answer he gave on behalf of the Minister for Works to question No. 14 on today's notice paper, will he give an assurance that every endeavour will be made to see that there is no repetition of what occurred, especially in view of the fact that this area is in close proximity to a school, where circumstances such as have arisen must have a bad effect on the minds of the young people? Furthermore, in view of the fact that the East Perth cemetery contains the remains of some of the earliest pioneers of the State, will he see that the position is treated with a certain amount of decency? It is abhorrent to me to feel that the bones—

The SPEAKER: Order! The hon. member is not permitted to make a speech.

Mr. HAWKE replied:

Presumably no-one had any knowledge of the fact that this particular piece of ground had at some time been used for burial purposes. Had such information been available, I am sure the occurrences of the last day or two would not have taken place. However, I give the hon. member for Vasse the assurance which he seeks.

"NORTH-WEST OF WEST."

Screening at Parliament House.

THE SPEAKER: I desire to inform hon. members that I will suspend the sitting of the House this evening at 6.5 p.m. and dinner will be served at that time. The reason for the early suspension is to enable hon. members to view a picture called "North-West of West." It is intended to show that picture in the dining room, where there will be more comfortable accommodation for hon. members than would be the case if it were shown in the corridor, and the picture will be able to be displayed to better advantage. I hope hon. members will co-operate by being on time.

Mr. NALDER: Can I ask you, Sir, what time it is intended that the picture shall start? I ask the question because it has been mentioned that party meetings will be held after dinner.

The SPEAKER: Possibly, the film would commence about 6.45 p.m. It is the intention to get dinner over as early as possible so that the stewards may clear the dining room to enable the picture to be shown. I did not have any knowledge that party meetings would be held this evening.

HOUSING LOAN GUARANTEE ACT AMENDMENT BILL (No. 2).

First Reading.

Introduced by the Hon. H. E. Graham (Minister for Housing) and read a first time.

MARKETING OF EGGS ACT AMENDMENT (CONTINUANCE) BILL.

Third Reading.

Read a third time and transmitted to the Council.

NATIVE WELFARE DEPARTMENT FILES.

Tabling of Papers Concerning Inquiry.

MR. GRAYDEN (South Perth) [4.53]:
I move—

That all papers in connection with the inquiry made by the Public Service Commissioner regarding discrepancies and irregularities in the files tabled in the Legislative Council last session dealing with the Native Welfare Department, be laid upon the Table of the House.

I have moved this motion because I believe it would be a serious matter if an hon. member made certain allegations in this House; was widely attacked outside

the House for making such allegations; and, when an inquiry was held and the hon. member's criticism was proved to be justified, that fact was not recorded or made public.

Hon. members will recall that during last session I went to some trouble to have an hon. member of the Upper House ask that all papers—I repeat, all papers—in respect of the Warburton native reserve controversy be laid on the Table of the House. I did this because previously I had been to South Australia and a letter which had been written, whilst I was absent, by the Commissioner of Native Welfare in this State, had been shown to me.

I was extremely annoyed at the tone of the letter, and its contents, and was most anxious to see it on the departmental file so that I could raise the matter in the House. As a result of my request, the Minister in another place agreed to have all the papers in connection with this matter tabled. When that was done and I went to have a look at the letter which I presumed would have been on the file, I was astonished to find that it was missing. I therefore asked some other hon. members to accompany me to search the file which had been tabled in another place and we established that that letter was not on the file. Having made that discovery, we went a little further and found that other letters were not on the file; and, in consequence, I made certain allegations.

Following those allegations, I was criticised outside the house by church leaders; the Commissioner of Native Welfare himself; and the Civil Service Association. Subsequently, however, an inquiry was held, and it was found that the letters to which I have referred were indeed missing from the departmental files. As a result of that inquiry, three recommendations were made by the Public Service Commissioner. He recommended that steps be taken immediately to examine the internal workings of the department to ensure smooth working in the future, particularly in reference to correspondence and records.

He also recommended that the Commissioner of Native Welfare be directed in writing that he was not to communicate with the Press or radio stations or take part in public meetings without ministerial approval. Further, he recommended that other than purely personal correspondence must be passed through the record system for filing prior to distribution. The Public Service Commissioner then recommended that certain disciplinary action be taken against the Commissioner of Native Welfare for certain happenings in respect of one of the letters, particularly, which was missing from the files.

When I made the allegations that letters were missing, I did so knowing full well that they were missing. Immediately,

my allegations aroused a storm of criticism. For example, in the Press next day, the Commissioner of Native Welfare was reported as having said—

"A vicious and unwarranted attack on my personal reputation and integrity," was the way Native Welfare Commissioner Middleton yesterday described statements made in the Legislative Assembly on Wednesday.

He denied that the allegations could be proved in any particular fact.

The Press report then went on to state that, "he would welcome any investigation at any level into the department's administration." On the same day, the Commissioner of Native Welfare made certain statements to the A.B.C., in which he described the allegations that I had made as a malicious and unprovoked attack on his integrity.

A few days later, a prominent church leader—among several others who had criticised me—wrote to "The West Australian" on the 27th September, 1957, and said this—

Many people must have shared my concern on reading a report of proceedings in Parliament concerning the Commissioner of Native Welfare.

It is surely a gross injustice that a politician, under cover of privilege, should be free to make allegations against a high officer of the Civil Service without the latter having the right of public reply.

If the commissioner is in possession of facts which make the reported public statements of Grayden, or anyone else, appear "grossly exaggerated" he is obliged to say so. It would appear that Grayden's ego has been hurt by the presentation of information which conflicts with what he regards as irrefutable facts, and is determined to take it out on the person who is "impertinent" enough to oppose him. The community grapevine suggests that Grayden and his group are determined to get rid of Middleton. This savours of MacCarthyism, which is a violation of British justice.

Mr. Nalder: Who wrote that?

Mr. GRAYDEN: This was written by the Reverend John Bryant. Continuing to quote—

In his nine years as commissioner, Middleton has displayed a human concern and administrative efficiency which have been greatly appreciated by missions of all denominations. It is sincerely hoped that his services will not be denied both natives and whites, through the action of certain politicians who regard themselves above criticism.

That was from a leading churchman made, obviously, in good faith. Then the Civil Service Association of Western Australia came into the argument and the following is the incredible statement which that responsible body made:—

No member of Parliament had the moral right to make damaging statements about civil servants without proof, president Rex Ellis, of the Civil Service Association, said yesterday.

After an association meeting, Mr. Ellis criticised W. Grayden (Ind. Lib., South Perth) for recent attacks on the Native Welfare Department.

Specific charges which Grayden had been asked to substantiate had not been backed up by evidence, said Ellis.

The association did not object to the principle of attacks under privilege. Provided they were true they could have an improving influence on the efficiency of public servants.

What the association strongly disliked was irresponsible use of privilege. Over a period it could very seriously undermine the confidence of the public service.

That was the statement made by the Public Service Association. When I read it I immediately offered Mr. Ellis £100 if he could substantiate what he said. I heard nothing further from him. What I want to point out is that this statement was being made by the Public Service Association two weeks before the inquiry by the Public Service Commissioner was to commence. How much more unfair could anyone be? That was the tone of the criticism.

The Minister for Native Welfare made a very moderate comment on the whole issue. This is what he is reported to have said—

Native Welfare Minister Brady told the Legislative Assembly yesterday that Native Welfare Commissioner S. G. Middleton was entitled to an inquiry into allegations which W. L. Grayden (Lib., South Perth) had made about him.

Further on he is reported to have said—

The commissioner feels that if a full inquiry is undertaken, a report can be made to the House and members can satisfy themselves whether the statements made were correct, Brady said. "I think the commissioner or any other civil servant is entitled to that protection."

The whole tone of the statement is that I had made an unprovoked and malicious attack on the Commissioner of Native Welfare, and he was entitled to have an investigation. I say this: If he was entitled to have an investigation, then now

that it has been proved my allegations were correct, I too am entitled to have that fact recorded in this House, even though it might not be published to any great extent outside. I ask for that investigation in order to correct the impression which has been spread and used widely against me in South Perth in regard to the forthcoming election campaign. I have been described by leading church leaders, by the Public Service Association, and by others, including the Commissioner of Native Welfare, as having made lying statements about the commissioner.

As a consequence of all this, the Minister for Native Welfare agreed to a public inquiry. I was not very satisfied with it at the time, because I felt the Public Service Commissioner—who had some sort of obligation to officers in the service, and who was just about to retire from the department—would not relish the thought of an inquiry of that nature, in view of the fact that he has completed a long and honourable term of office in the Public Service. He would not want to go out of the service with that sort of thing hanging over him.

I was not very happy that it was not going to be a public inquiry, or that the evidence was not to be taken on oath. I had specifically asked that the inquiry be made public. That request was denied. Later the commissioner did agree to take the evidence on oath, and for that I was very thankful.

I prepared voluminous records. I made a series of allegations and I documented every one of them. I submitted them to the Public Service Commissioner. I was surprised to find at the inquiry that none of the allegations I had made was to be inquired into, except the one relating to the missing letters from the files. That was the only allegation to be inquired into.

I was also surprised to find that not one of the officers of the Department of Native Welfare who were called to give evidence attempted to deny that any letters were missing from the files. I recalled that the commissioner himself had made statements to the Press that my allegations were completely unwarranted, and that he would welcome any investigation into any level of the department's administration. He had denied that my allegations could be proved in any particular respect; therefore I thought the department would deny that letters were missing. That did not turn out to be the case.

The department said it did not know what files had been sent to Parliament House, and therefore could not possibly say whether any letters were missing. It remained for me to say what letters were missing, and to identify the files in front of officers of the department. I had to show that those were the two files concerned, and these were the missing letters.

In all, a sheaf of letters, possibly two inches high, was enclosed in a loose file and tendered as evidence to the commissioner. It was said these papers were loose in the department at the time and should have been on the files which had been laid on the Table of the House. So the department actually produced many letters which should have been on the files. That was one aspect.

The second aspect was that the Commissioner of Native Welfare gave evidence indicating that if a letter was sent to the department addressed to Mr. Middleton, the Commissioner of Native Welfare, Perth, and it dealt with native welfare matters, it would be taken to him and he would use his discretion as to whether it was to be filed subsequently. In other words, if any hon. member wrote to the department on an issue affecting the department, and made the mistake of using the term "Mr. Middleton", notwithstanding that the term continued "Commissioner of Native Welfare," then the commissioner could exercise his discretion as to whether the letter went on the file.

As a consequence, the inquiry was, to some extent, hopeless. First of all, there was no attempt to deny that letters were missing. For every letter we produced to prove that the copy was missing from the files, the commissioner simply said, "I used my discretion in that case. I regarded it as a personal letter". There were many letters of that kind.

One other event that occurred at the inquiry caused me much concern. I had a copy of a letter which had been written by the Commissioner of Native Welfare about me. He wrote it to a leading surgeon in South Australia on departmental notepaper which contained this file reference—SGM/JC. The letter was signed "Yours faithfully, S. G. Middleton, Commissioner of Native Welfare". The letter ended up on this note, and I would like hon. members to listen very carefully—

The less said about the Warburton controversy the better. The Select Committee was a travesty—it was completely dominated by one man whose political future is so precarious that he had to find something which would attract attention to himself.

Mr. Bovell: I can assure Mr. Middleton that the Select Committee was not dominated by any one man. Nobody dominates me.

Mr. GRAYDEN: I do not know how many similar letters were sent by the commissioner. He went on to say—

Now I hear he is going to America on a lecture and television tour using the specifically selected film subjects and the sensational publicity he has already stirred up presumably to ensure its financial success.

Here is a responsible Government officer writing to a person in the Eastern States in that vein, saying that I was going to America on a lecture and television tour, using the specifically selected film subjects and the sensational publicity I had already stirred up presumably to ensure its financial success.

Mr. Oldfield: You would look good on television.

Mr. GRAYDEN: That is a malicious libel. At no time have I ever contemplated going to the United States, the Eastern States, or anywhere else on a lecture and television tour. At no time have I ever made such a suggestion. I could not take one week off to go to the Moore River on a fishing trip as I have six children and all sorts of demands in South Perth. I have not the time, even if I had the inclination, to go to America on a lecture and television tour.

Why should an officer holding a responsible position be able to write of a member of Parliament in this fashion on departmental paper and quoting departmental file numbers? It is small wonder that I wanted to see that particular letter on the file. I asked an hon. member in another place to have the papers tabled so that I could see the letter in order to raise the matter here, and I ascertained the letter was not on the file, notwithstanding the fact that it contained file letters. That was the position which gave rise to the statements that I subsequently made. I found that not only was that particular letter missing, but others were also.

Mr. Bovell: What initials were on that letter?

Mr. GRAYDEN: SGM/JC. The letter was signed S. G. Middleton, Commissioner of Native Welfare.

Mr. Bovell: What does the JC stand for?

Mr. GRAYDEN: I do not know. It is a shocking thing that a responsible man should write a letter like this, because its contents were utterly untrue and, in actual fact, were a malicious libel.

When we went before the Public Service Commissioner's inquiry evidence was being given on oath. I asked the Commissioner of Native Welfare whether he could recall ever having written a letter of that kind, because I had a copy of it. Although the commissioner wrote this letter only a few weeks before the inquiry, he said he could not recall having made any statement or having written any article or letter of that kind. When one writes a letter of that nature about a person and has it typed in a department, one cannot lightly forget it. When I read those words to the Commissioner of Native Welfare he said on oath that he could not recall ever having made that statement.

Therefore, the Public Service Commissioner could not accept what I said as evidence on that matter; so I wrote to Dr. Duguid asking if he had the original letter. By some stroke of good fortune he did. I wrote another letter to the Public Service Commissioner and pointed out that Dr. Duguid had the letter, and the Public Service Commissioner got in touch with Adelaide and obtained a photostat copy. When the Public Service Commissioner saw what had been written, he apparently recommended that the Commissioner of Native Welfare be reprimanded, because when I received a letter from the Minister for Native Welfare, it contained this footnote—

A further report was made by the Commissioner consequent on your reference to correspondence with Dr. Duguid, South Australia. Arrangements were made to have a copy of the correspondence to Dr. Duguid available to the Commissioner. The Commissioner found that it was an official communication and should have been immediately filed. Mr. Middleton's explanation was that he was absent from home for some days and the letter remained unopened and it was private correspondence.

The explanation was not considered satisfactory and appropriate disciplinary action has been taken.

It is not my intention to labour this question, but I raised it in order to put on record, even if only in Hansard, that the statements I made were not untrue as described by, as I said earlier, a church leader, the Public Service Association, and the Commissioner of Native Welfare, but they were, in fact, actually true.

There is a story which circulates in connection with a man who apparently went to a parish priest because he had libelled or slandered someone. He asked the priest what he could do to atone for the damage or wrong he had done. Apparently the priest simply said, "Get a bag full of feathers and go about your village and put a feather on the doorstep of every home." The man did this and then asked the priest, "Have I atoned for the wrong I have done to that particular man?" The priest said, "No, go back and pick up every feather." The man said, "That is absolutely impossible, because some will have blown away and others will have disappeared in other ways." The priest turned to him and said, "You cannot atone for the damage you have done."

The same thing applies in this case. We have a church leader, the Public Service Association, and the Commissioner of Native Welfare all describing allegations which I made in this House as being untrue. Those allegations should have been made in this House, because the sanctity of public files is a serious matter. I made

the allegations, knowing what I said to be true in every respect. For that reason, I submit this motion.

On motion by the Hon. J. J. Brady (Minister for Native Welfare), debate adjourned.

ROAD TRANSPORT.

Restoration of Subsidies.

Debate resumed from the 29th October on the following motion by Mr. Perkins:—

That, in view of the public announcement by the Minister for Railways that the Government would be prepared to reconsider the policy of reduction by one-seventh each year of subsidy on road transport to areas not served by railways, this House considers that reductions already made should be restored and no further reductions made.

THE HON. A. R. G. HAWKE (Premier—Northam) [5.18]: The motion moved by the hon. member for Roe states, in effect, that the road transport subsidies should be looked at by the Government; that any reductions made in the subsidy to date should be restored; and no further subsidy reductions should be made in the future.

This matter was represented to me some two or three weeks ago by a deputation from the settlers concerned in what is known as the Lakes district. They presented a comprehensive set of arguments setting out reasons why they considered reductions already made in the road subsidy should be restored, and as to why no further reductions in the subsidy should be made. It is not necessary for me to go into the several arguments that they put forward. The major points they made related to the reduction in the price of wool which has taken place this year, and their considerable distance, firstly, from railway communication; and, secondly, from the metropolitan area and the port from which their products have to be shipped.

It is true that these settlers, in particular, are located geographically in difficult country. They are, I think, over 300 miles removed from the port of Fremantle, by rail communication; and some of them are removed more than 40 miles from the railhead. This naturally means they have to face up to substantial transport costs in connection with the goods they buy, which goods have to travel a considerable distance over the railway line, in the first instance; and, subsequently, over a considerable length of roadway. This applies, also, to the products which they develop from their farms and which they have to send either to the metropolitan area or to Fremantle for shipment overseas.

They made out an impressive case to me, and it was supplemented by the hon. member for Roe in the speech he delivered when he presented his motion to the House. The case submitted by the deputation, plus the arguments put forward by the hon. member for Roe, will be closely investigated by the appropriate officers of the Treasury, and by officers of other appropriate Government departments.

In addition, as I think all hon. members of the House are aware, the Royal Commissioner on railways (Mr. Magistrate Smith) proposes to go to the Lakes country for the purpose of investigating, on the spot, the transport costs, and the transport and other difficulties which beset those people. He will, in the reasonably near future, too, submit a report to the Government on the evidence he will take there, and on the personal observations which he will make. All in all, it could well be that these people, at any rate, will be able to prove their claim for practical consideration by the Government in regard to the problem of freight subsidy.

I assure hon. members that the Government will make a decision in this matter at the earliest practical date. This is not a general statement, but is an undertaking that the Government will, as soon as the necessary departmental investigation has been completed, and as soon as Mr. Smith's report is available, make a decision; and, without committing the Government at this stage, I would say again it is considered the settlers concerned have presented a case which has a great deal of merit in it; and which, together with other evidence still to be obtained, could finally convince the Government that action somewhat along the lines suggested in the motion, should be taken.

MR. HEARMAN (Blackwood) [5.25]: I am pleased the Premier has seen fit to lead the hon. member for Roe, at any rate, to believe that further serious consideration will be given to the question. The whole matter of transport costs, as the hon. member for Roe mentioned, is becoming increasingly serious in Western Australia; and it is one which has concerned me for quite a while. I still think this is a matter that we will have to tackle more realistically than we have in the past. The whole question of costs could well be the subject of much further research and investigation.

Some two years ago, I made an effort to have something in the nature of a test road set up. Unfortunately, I did not even get the support I required to have a Select Committee appointed to investigate the proposal. However, some hon. members might, if they were confronted again with the same proposal, take a different view. It is well known that the closure of certain railway lines has placed some people at a disadvantage, although it is difficult to

determine to just what extent they have been affected. Some people say they are better off without the railway, whilst others are most insistent that that is not the position.

There is no doubt that whatever the effect on the individual might be, the Government has made considerable savings as a result of rail closures. The longest line to be closed was the Meekatharra-Wiluna line—111 miles—over which, according to the Railway Department's figures, the operating cost was 2s. 2d. a ton mile; and, in addition, considerable expenditure was required for the rehabilitation of the line. With an operating cost as high as that, it seems it should be possible for the Government to maintain the road transport subsidy at the old rate, at least.

In this case, we have the rather ridiculous position that the Government would not have been actually out of pocket had it said to everyone in Wiluna, "You pay the rail rate to Meekatharra and we will close the line and cart your goods for nothing from Meekatharra to Wiluna." In that case the Government would obviously show a profit because it could cart the goods by road for much less than 2s. 2d. a ton mile.

In the light of the economies that must have been achieved, it does seem that a strong case in favour of the retention of the subsidy could be argued. However, I hope the Premier, when he has a look at the problem, will look at the overall position and not confine his investigations to any specific areas. I do not read into his remarks that he is prepared to look only at specific areas, but some anomalies arising out of the reduction in subsidy.

I would like to instance what is going on in my electorate. In spite of any opinion to the contrary, the cost of transporting super over a relatively short distance is quite considerable. Actually, from Picton to Boyup Brook the cost of transporting super by railway works out at 5½d. a ton mile. That is not the rate quoted in the rate book. For every truck of super there is an additional charge of 9s. for shunting and 6s. 3d. for a sheet. By the time those costs are spread over 10 tons of super, for a distance of 68 miles, it makes a difference of approximately ¼d. a ton mile.

The normal haulage rate, which is 5½d. a ton mile, is high enough in any case without these additional costs. People at Boyup Brook who get their super by train are not getting cheap haulage; because, by the time their super is carted 40 miles by subsidised road transport, they are reaching the point where many of them feel they would be better off without the subsidy so long as there was a reconsideration of the road haulage restriction.

By the time one takes into account the terminal charge of 6s. a ton in the case of the subsidised hauliers, and the difference in the actual cost on haulage, which is about 6d. a ton mile, and the reduction in

subsidy, one realises that the subsidy really means very little to these people. If it is to be constantly reduced they will reach the stage where, amazingly enough, they will be better off without it. So it seems that some investigation of the anomaly that is developing down there, and into areas similarly situated, could well be made.

While on the job, I would like to mention another matter which I have taken up with the chairman of the Transport Board: I refer to the subsidy on superphosphate hauled in bulk. I think there will be an appreciable tonnage of superphosphate going into that area in bulk during the coming season; and there is some doubt as to whether the contract haulier is prepared to handle it in bulk, in which case, of course, some other carrier, who is prepared to handle it in bulk, will have to do the job. Also we will have to make sure that the subsidy is not lost to the farmer.

In addition, the terminal charge could be looked into. It seems ridiculous that there should be a terminal charge of 6s. merely for tipping a tip truck, because the truck will be loaded at the station for the carrier, and he will not have to do the work. I think the whole question could very well be reviewed, not only as it applies to the areas I have mentioned but also as it concerns those in the areas which are further out, for whom I have every sympathy. While on that question, we might also have to look at the effect of the reduction of the subsidy on the areas which are closer in.

Although presumably Mr. Smith will not be investigating the particular areas I have mentioned, at least the Treasury official mentioned by the Premier could very well take into account the difficulties that are being created as a result of Government policy. I trust that the matter can be ironed out, and that the people who are living in these areas—which were intended originally to be served by railways, and which have never yet been served by them—will continue to enjoy the benefits of a principle which has been accepted by successive Governments over a number of years, and which I think is a perfectly sound one and of considerable assistance in the development of the areas concerned.

This would be particularly so not only to the people on the Cranbrook road but also to the people in the whole of the Boyup Brook area and further afield, because they have supported their railway line very well over the last few years. The tonnage they have had transported over the line has shown an appreciable increase over the last four years; and where people are giving additional support to a railway line, I think they should be given the opportunity to continue to do so, and should not be forced into a position where it is costing them money to use the railway as compared with other means of transport. I support the motion.

MR. BOVELL (Vasse) [5.35]: I listened attentively to the hon. member for Roe, as I know every other hon. member did, when he moved this motion—because, on reading Hansard, one finds that no interjections were made. This is an indication that the hon. member's submissions received the full attention of the House. He was discussing the problem of increased costs to primary producers, mainly, and to businessmen in areas which were once served by railways, but which are now affected by the suspension of rail services over a distance of 842 miles.

Earlier in the session I raised the question of one specific case concerning the transport of oats from Williams to Cowaramup. The rail cost for 176 bags of oats over a distance of 147 miles was £19 3s. 1d., and the cost for the railway road service from Busselton to Cowaramup, a distance of 23 miles was £26 13s. 2d. The cost by comparison was ridiculous. The farmer concerned raised the matter with the department; and, after several months of negotiations, the department decided that the cost for transporting the 176 bags of oats from Williams to Busselton should remain the same—£19 3s. 1d.—and the cost of the railway road transport for 23 miles was reduced to approximately the same amount.

As he could not get any further with the matter, the farmer approached me, and I brought it up in this House, and also had some correspondence with the Minister for Railways, whom I must thank for his careful consideration of the difficulties involved. Subsequently a refund of some of the road transport costs was made to the farmer concerned. The Minister for Railways realised the ridiculous situation of the costs involved in this case, because of the closure of the railway, and the charge was adjusted accordingly. That was one instance; and there may have been others either in that or other districts, where the persons concerned have paid those heavy charges and have made no protest about it.

The system envisaged when these rail services were discontinued was that the carriage of "M" class goods was to be subsidised, and that subsidy was to be reduced by one-seventh each year for a period of seven years. But the closure of these lines has increased the transport costs to the communities affected.

I received a good deal of encouragement from the Premier's contribution to the debate. He referred to the deputation he had received from the Lakes district, and also to the submissions made by the hon. member for Roe. I am hopeful that the overall position will be reviewed, as the hon. member for Blackwood mentioned. I trust that Mr. Commissioner Smith will pay particular attention to transport costs in the areas he is investigating.

I support the motion because I believe it is timely, and because of the undoubted increased costs that have been imposed on the whole of the communities in areas which were formerly served by railways and which now have a road transport system. I believe that the sympathetic consideration which the Premier indicated would be given should be transformed into immediate action in order to give some relief to the people concerned. I support the motion.

MR. O'BRIEN (Murchison) [5.41]: I have listened very attentively to the hon. members who have spoken on this motion and to the remarks regarding the subsidy that was reduced two years ago by Act of Parliament. The country districts mentioned by the hon. members who have spoken are in a very good position as compared with the people in the Sandstone-Mt. Magnet area. The railway line between those two places was pulled up in 1948 despite the fact that many other lines should have been discontinued before that action was taken. The people affected are pastoralists who have their holdings in that area, and the prospectors who search for gold in the district. These people have been deprived of a subsidy.

It is all very well for hon. members to quote cases in the farming areas now that the price of wool has declined. But those people still have a stabilised price for their wheat. It is quite true that in my district people engaged in pastoral pursuits have received good prices for their wool over the years 1951 to 1956, but they have not had good seasons. It is also true that this year they are experiencing a very good season, but there has been a big decline in the price of wool.

Farmers have something to fall back on; but those in the remote areas—and I am referring to the people in my district who used to rely on the Sandstone-Mt. Magnet railway, which service was discontinued in 1948 by the McLarty-Watts Government—are not so well off. The Sandstone-Mt. Magnet line was discontinued on the understanding that the people affected would be subsidised to the extent that they would not suffer any hardship by the discontinuance of the service.

Today those people are in a very sad plight. If it were not for the goodness of heart of the present contractor, who tendered a price when wool prices were good, many of the pastoralists would be out of existence today. In fact, I am afraid that before long many of them will be out of existence anyway. To prove my case, I would like to point out that we have a goldmine known as the Black Range West. It is an old mine which was dewatered, and recently it crushed to yield 9 oz. of gold to the ton. That proves without doubt that we have in that area plenty of gold; it is still there.

Mr. Brand: Where is this goldmine?

Mr. O'BRIEN: It is at Sandstone. It is known as the Black Range West, and is owned by Mr. Tom Parkinson & Sons, who, off their own bat, have developed the mine by dewatering it, and by spending on it all the money they had. Great credit is due to them for that. Because of those men, and others like them, the outback is what it is today.

Mr. Evans: Hear, hear!

Mr. O'BRIEN: There are also railway lines that have been discontinued in the Murchison area. The people there have requested that they be given an open go, and they are having an open go so far as their transport arrangements are concerned. But so far as the Murchison area and the Murchison electorate are concerned, it is not fair to discontinue any subsidy to which these people are justly entitled.

Mr. Brand: Have you approached the Government in the matter?

Mr. O'BRIEN: The Government has been most sympathetic.

Mr. Brand: In what way?

Mr. O'BRIEN: But naturally it falls into line with the farmers who, as I have said, constitute a different case altogether.

Mr. Brand: Why?

Mr. O'BRIEN: The pastoralist has the wool; and with the decline in wool prices today, he has nothing to fall back on. The farmer, on the other hand, has his wheat, oats, and barley and similar products on which to fall back.

Mr. Brand: They are not bringing such a great price.

Mr. O'BRIEN: So when we hear from the farmers how they have been treated in regard to the reduction in the subsidy, we should not forget what some hon. members in this Chamber today did in 1948 to the Goldfields area, when they approved the pulling up of a railway line which was serving the people in the remote outback districts. They were not disturbed by the hardship which the people in the outback would suffer; they were not worried that these people would have to battle on, despite the pulling up of that railway line.

Today, however, it is getting so very hard for those people to exist, that it will be necessary for the Government to give them some special consideration. This consideration will have to be given to those people before consideration is given to any matter of a subsidy for the farming areas. Accordingly I ask the Premier, here and now, to give the people in the outback and goldmining areas—the prospectors and so on—every consideration, and every assistance, before granting the same to the farming areas.

THE HON. D. BRAND (Greenough) [5.50]: I was somewhat surprised at the rather off-hand manner in which the Treasurer dealt with a case that was very well presented by the hon. member for Roe, concerning this reduction in the transport subsidy. In short, the Treasurer said that his Cabinet would reconsider the position; and whilst we are hopeful that something will come of it, I look upon his promise with a great deal of suspicion, particularly when I refer to the record of last year's session, and find that the Treasurer indicated then that he would do exactly the same as he has promised to do now; namely, give further consideration to the matter.

Mr. Potter: Perhaps you are wrong.

Mr. BRAND: For the enlightenment of the hon. member for Subiaco, and others who have such implicit faith in the Treasurer's promises, I shall read the relevant extracts from last year's Hansard. They are as follows:—

Hon. D. BRAND: This item together with items 69 to 71, all relate to subsidies on road transport. Will the Treasurer explain the difference between each of those items, although I can understand item 70, which is an amount of £82,700 to be paid as subsidy for road transport in place of discontinued rail services?

The TREASURER: Item 68 provides for payments incurred by road transport of grain and fertilisers. Item 69 deals with road transport in relation to general goods; whether a separate item was justified in this case, as against road transport of fertilisers and grains, I cannot say. Probably they could all have been included under one item. Item 70 is more or less self-explanatory. Item 71 provides for a subsidised road service on general goods transported from various country centres to the rail head. It is applicable to areas which are affected by the decision to suspend certain rail services. It is a form of road subsidy which will be decreased by one-seventh each year after the first year it comes into operation. To that extent it relates to Items 68 and 69.

Mr. W. Hegney: What date is that?

Mr. BRAND: The 3rd October, 1957. To continue—

Hon. D. BRAND: The latter point, that the Government has decided to decrease the subsidy by one-seventh in each year over the next seven years, is a matter of really grave concern to the people who are directly affected. One can visualise that in seven years they will have to bear the full cost of transporting goods from those outback areas in which they

live. I would point out that the Treasurer would readily acknowledge that if they were to be encouraged to remain in the outback and to continue to produce primary products in fair competition, the Government should review its decision to reduce the subsidy.

As we all know, there has not been a very substantial increase in the price of wheat, or coarse grains for that matter. If there has been, it cannot be considered to be permanent. There has been a marked reduction in the price of wool, which represented a large proportion of the income of quite a number of farmers who live in that area. To continue—

This subsidy can be considered as a premium for the people to remain in the outback, particularly if they were to have reasonable water supplies. In time water could be made available to them. For the sake of a few thousand pounds subsidy which has been paid year in and year out, and in view of the proposed anticipated saving from discontinuance of rail services, I would ask the Treasurer to reconsider this item.

The TREASURER: The Government might be prepared to re-examine this proposal at a later date.

There certainly seem to be a number of "ifs" and "mights" and "maybes." To proceed with the extract—

However, at this stage I would impress upon members the fact that the Government cannot make this sort of subsidy available, and cannot carry out the thousand and one other things which members of Parliament wish the Government to carry out, unless the Government has, first of all, in its possession the financial resources to do those things.

Mr. Brand: That would apply to all things, of course.

Further on, the Leader of the Country Party interjected, querying whether there would be a reduction in the subsidy applying to the Lakes country. The hon. member for Roe then entered into the discussion and said—

I contemplated saying something in respect of road subsidies when speaking to the Transport Board vote, but seeing that the items relating to road subsidies have come under the vote of the Treasurer, I shall say something about them now.

Then he proceeded to point out just how difficult and embarrassing this reduction of the subsidy on road transport would be to the people who lived in that area.

I waited for some time before I took this matter up with the Treasurer, reminding him on the 31st January of his undertaking to reconsider it—just as he said

tonight that he would reconsider the decision to withdraw the subsidy over a period of seven years. Not having received a reply, I wrote again on the 11th March. That is why I am a little doubtful as to a worth-while outcome being achieved as a result of the Treasurer's undertaking to the hon. member for Roe in respect to the reconsideration of the case. My letter to the Treasurer reads as follows:—

I refer to my letter of the 31st January, regarding the statement made by you on the 3rd October last that the State Government might be prepared to re-examine at a later date the proposal to discontinue the road transport subsidy.

As I do not appear to have received your reply in this regard, your early advice would be appreciated.

On the 23rd May, 1958, under the heading of Road Transport Subsidy, I received the following letter from the Premier:—

In reply to your letters to me in this matter of 31st January and 11th March, I would advise that the road transport subsidy matter was discussed at a recent meeting of Cabinet when it was decided the existing policy should be continued for the present, with a re-examination of the position being made again after further experience had been gained of the nature of the effects of the reduction in the subsidy.

I want to know what further experience will be necessary. It was fairly clear if we measured it in terms of pounds, shillings, and pence; because transport costs certainly have not decreased in recent months. Then again, since we have met, various people have asked questions regarding this subsidy; and, finally, the hon. member for Roe—I should say in exasperation—decided to move a motion, following a deputation from those areas, to the Premier, in regard to the gravity and hardship that would be caused by the decision to remove this subsidy.

I believe that the Premier is merely putting off the matter. He says now that he will await Mr. Smith's advice following his investigations into the situation regarding the closure of lines. It would seem to me to be quite an easy matter for the Cabinet to make a decision right now on the question of subsidies which were paid before any decisions were made about closing the lines; and in view of the deteriorating income of the primary producer, I should say that the subsidy should be restored.

The hon. member for Murchison has got cracking on the problems of the people who live in the outback, and has made particular reference to pastoralists and mining companies.

Mr. O'Brien: That is so.

Mr. BRAND: And he made some reference to the effect that the previous Government had closed a line in 1948.

Mr. O'Brien: That is so.

Mr. BRAND: And he made great play on it. As the hon. member for Murchison is a member of the Labour Party and the Government Party over there and is very closely in touch with them, I am amazed that there was any support by him for the closure of any line, if he has seen that the effect of the closing of the line in 1948 has been so disastrous to the people he represents.

However, it is not a matter of subsidies for miners but a matter of reducing transport costs for people living outside the built-up metropolitan and coastal areas. If we are to encourage the people to live away from the built-up areas, and the export ports, then we have to do something about offsetting their transport difficulties; and it would appear to me that the subsidy was the most direct means of doing just that.

I am very pleased that the hon. member for Roe has raised this question once again. I have no great faith in the outcome of his appeal, because it is just 12 months since the Premier once before said that he would reconsider the situation. It is to be hoped, however, that if Mr. Smith, following his inquiries, is able to put up a more telling and convincing report in the eyes of the Premier, Cabinet will be influenced to pay these extra few hundred pounds per year to people who are really, I should say, producing a very large percentage of the wealth of this State.

Mr. Graham: If it is such a small amount, what difference would it make to the individual farmer?

Mr. BRAND: It is a small total amount, as the Minister for Transport well knows. It amounts to a few thousand pounds.

Mr. Graham: I thought it might be millions by the way you were speaking!

Mr. BRAND: Yes. One would think it was millions when one realises Cabinet's hesitancy and the amount of consideration it has given this matter. It does not mean a great deal to the overall cost to the State but it does mean a great deal to the individual farmer who is so isolated in areas such as Ajana, Yuna, and the like.

Mr. Graham: You have read what the people at Yuna said. They do not want the line reopened.

Mr. BRAND: I have heard about that, because I represent them. I am talking about—

Mr. O'Brien: You supported the motion for the discontinuance of the Sandstone-Mt. Magnet line in 1948!

Mr. BRAND: —the costs of transport outback and—

Mr. O'Brien: You supported the motion, but I didn't!

Mr. BRAND: —It is high time the Government gave—

Mr. O'Brien: The Liberal Party supported it but I didn't!

Mr. BRAND: —some careful consideration to the problem.

Mr. O'Brien: I repeat, I did not!

Mr. BRAND: I support the motion.

Sitting suspended from 6.5 to 7.30 p.m.

THE HON. H. E. GRAHAM (Minister for Transport—East Perth) [7.30]: My contribution to this debate will be exceedingly brief. I rise merely to make one or two comments. First of all, I am more than disappointed at the Leader of the Opposition—

Mr. Brand: Why?

Mr. GRAHAM: The Premier was most conciliatory and accommodating in his remarks, and virtually intimidated the acceptance by the Government of the motion submitted by the hon. member for Roe.

Mr. Brand: But with respect, he accepted the suggestion made here by hon. members last year.

Mr. GRAHAM: I think it should be said that those people—farmers particularly—who are affected by rail closures have not yet been called upon to meet any additional charges; because, for the first 12 months, the Government has paid the full subsidy. It has met any additional costs that there might have been on account of the closure of the railway lines; and this year's harvest, of course, has not yet been moved, and therefore any reduction is on paper and has not been felt by the farmers.

I think it is logical, also, to expect that a responsible Government would not, merely because something has been asked for, decide to distribute largesse—if I might use that term—but has the responsibility to have the position thoroughly investigated. I am emphasising that word "responsibility". In the past few weeks we have had the spectacle of the Opposition, with the most delightful irresponsibility, denying the Government £200,000 of revenue—

Mr. Brand: With full responsibility.

Mr. GRAHAM: If that is an example of the sense of Opposition responsibility, I think those hon. members are on the correct side of the House at present—and long may they remain there. The Opposition having denied the Government these moneys, which it feels are necessary in order to carry on the affairs of Government, we find that action hotly pursued by a resolution that will impose further imposts on Government finance.

It is true that the total sum involved would not be considerable. The difference between effecting the reductions and granting the full subsidy would involve a burden estimated at about £16,000 only, which means, as there are so many farmers affected, that the burden would not be heavy on any one of them; indeed, it could be that the relief from the payment of land tax would represent an almost equivalent figure and therefore, if the farmers were required to bear the additional cartage costs, they would be in no worse position than they were in last year.

Mr. Nalder: Is the £16,000 you referred to the total amount of the subsidy?

Mr. GRAHAM: Yes; that is to say, one-seventh of the total subsidy. As the amount of the subsidy is, under the formula adopted by the Government, being reduced by one-seventh of the amount each year, the figure is £16,000.

Some figures have been prepared by the Transport Board, and I think they might be of interest. Taking the average use of superphosphate and production of grain in the Ravensthorpe area, where there is a haul of about 84 miles, the added cost, with the one-seventh reduction, would be £26 per year. Surely nobody will suggest that an additional burden of £26 would mean the difference between surviving or collapsing; more especially when we have regard for the factor that I have already mentioned—that because of the majority against the Government in the Legislative Council, these same farmers have been relieved of the land tax.

Perhaps I should say that the last word has not been said in connection with that matter. I think, without divulging anything or suggesting directly, it will be appreciated by all hon. members that the Government is simply not in a position to lose £200,000; and accordingly it will no doubt be necessary for the Government to take some action, administratively, in order to recoup itself a sum approximately equal to that denied it by the Legislative Council.

Mr. Brand: Let more jobs by contract.

Mr. GRAHAM: Now we are getting the electioneering battle-cries, and no doubt we will hear more of them in a few months' time. There are also some figures that have been taken out by the Transport Board in connection with the areas affected by the cessation of rail operations. The hon. member for Roe would know full well, because I recall distinctly his making a point, several years ago, of how we could fall into error by taking averages, the average of course covering only a few individuals, the great majority being some above and some below that figure, that taking a reduction of one-seventh of the subsidy, based on thirty tons of superphosphate—the assumption is that the average farm uses that quantity, although it is

pointed out that some farmers use three times that tonnage and others considerably less—and having regard for the average production of grain from the farms in the various areas—I do not intend to weary the House with the detailed figures in each case—so far as the Lake Grace-Hyden area is concerned, the average total added annual cost on account of grain and super, and relating this to the one-seventh reduction, means an additional burden on the farmers, on the average, of £11 13s. spread over a period of 12 months.

In the case of the Katanning-Pingrup area, the figure is £17 14s. 8d.; for the Brookton-Corrigin area, it is £7 4s. 3d.; for the Burrakin-Bonnie Rock area, it is £16 18s. 6d.; and for the Mukinbudin-Bullfinch area, £8. In no case could it be suggested that those are intolerable burdens. For a farmer being required to find—I have not worked it out but on the average it would be about £12 spread over 12 months—that figure added to his total costs of the year on account of grain and fertiliser, that would be the effect if the one-seventh reduction in subsidy were to apply during the present financial year—

Mr. Brand: Yes; but when you complete the process and carry out your intention of reducing it by one-seventh, it is a considerable financial burden.

Mr. GRAHAM: It depends upon what is meant by "considerable". Of course it would be an easy matter to multiply the figures I have given by seven, and that would give the total burden after a period of seven years; but nobody has any idea of what money values or prices will be at that time, or indeed any other charges.

But again, in the Lake Grace-Hyden area the cost to the average farmer would be £81 11s. after seven years. There could be a host of other costs; that is to say, costs personal to the families concerned, or in connection with farming operations, for machinery, fuel, or anything else, which could reach figures far higher than that. My reason for mentioning these figures is to indicate that, while it is true that an additional burden will be placed on the farming community, it is not to a tune of many hundreds of pounds—which admittedly has not been mentioned, but which one might gather from the sentiments expressed by some hon. members opposite during their contributions to this debate.

To continue with the figures: In the Katanning-Pingrup area the sum involved would be £124 3s. That would be the burden on the average farmer if the subsidy were totally reduced. In the Brookton-Corrigin area it would be £50 9s.; in the Burrakin-Bonnie Rock district, £118 6s.; and in the Mukinbudin-Bullfinch area, £56. I repeat that these figures have been taken out on an average basis, and I think that quoting them brings the whole situation back into a proper perspective.

I will conclude on the note upon which I opened. First of all, the two sets of propositions to some extent laugh at each other. The Opposition quite lightheartedly denied the Government £200,000 of revenue; and then a few days later, we find here a proposition from the same source that the Government should expend additional moneys by continuing 100 per cent. the subsidies that have been paid; and that, indeed, it should turn the clock back—

Mr. Brand: But both issues relate to the increased financial burden on the farmer and others in the country.

Mr. GRAHAM: The action of the Opposition members, who are in a majority in the Legislative Council, has relieved the farmers of a burden of £200,000.

Mr. Brand: Exactly.

Mr. GRAHAM: Having denied the Government that £200,000, in order to assist the farming community, some of the same people now come forward with their hands stretched out for an additional £16,000.

Mr. Brand: No; we are asking you not to continue with the reduction of the subsidy.

Mr. GRAHAM: The motion goes further than that, and asks that the subsidy at present being granted to farmers in the Lakes district and certain other areas not affected by the suspension of railway operations be continued and that any deductions be reinstated so that the full subsidy may be made available to them.

Mr. Brand: Their transport costs are very high.

Mr. GRAHAM: Of course. But they have the economic privilege—if one likes to put it that way—of not paying land tax. In other words, the Opposition wants it both ways.

Mr. Brand: No thanks to you.

Mr. GRAHAM: What is meant by that interjection?

Mr. Brand: No thanks to you that they have no land tax imposed on them.

Mr. GRAHAM: I have said this twice already, and I will have to say it a third time. We have the spectacle of the Opposition, which has not the responsibility of government or of safeguarding the finances of the State, being instrumental in taking £200,000 from the pocket of the Government and then, immediately afterwards, asking the Government for additional financial assistance to be granted to the very people who have been saved from contributing towards this £200,000 land tax.

Mr. Ross Hutchinson: It is a sectional tax, though.

Mr. GRAHAM: It is not a sectional tax. It is a tax that would have been paid by everybody. In other words, all owners of land, including the humblest of workers

in East Perth, are required to pay land tax. Whether a worker owns his own cottage or is even paying rent, he is called upon to pay land tax. On the other hand, a farmer, even if he be in the most comfortable circumstances, should not, according to the hon. member for Cottesloe and others who sit with him, be called upon to make any contribution towards land tax.

But now, the farmer, irrespective of how comfortable he may be, is invited to help himself to a proportion of this £16,000 which would be the sum total of the one-seventh reduction in the subsidy which the Government is paying at the moment at a rate of something in excess of £100,000 a year. That figure this year is higher than the one last year on account of the greater harvest.

The prime purpose of my rising to my feet was to quote some figures as reliable and as authoritative as can be prepared from the data available to Government departments in order to put the whole matter in its proper perspective to show to what extent the farming community will shoulder this burden. Secondly, I rose to my feet to illustrate the point I have mentioned on three occasions—namely, the attitude of the Opposition in connection with financial commitments—and, thirdly, to stress the point that the Government—through the words of the Premier—has virtually accepted the motion, because the head of the Government has said that an examination is taking place at the moment; that the Government is sympathetically disposed to implementing the resolution, more particularly, of course, on account of certain conditions pertaining to farmers.

In respect of that, it is extremely difficult for the Government to be able to hand out even justice to all concerned. Some figures were prepared several years ago by a technical expert who had access to some documents—if I may use that term—but his information was not in respect of any individual farmer, but merely of a group of farmers. I cannot recall the figures off-hand; but they showed that, in certain farming areas—I am not speaking of the better wheat lands and others of that nature—a considerable proportion of the farmers had net incomes in excess of £2,000 a year—I stress net incomes—and of them, quite a handy proportion had net incomes in excess of £5,000 a year.

There are, of course, others who are at the other end of the scale, which everybody appreciates; that is, those farmers who are at their wits' end to meet their commitments. I say that with feeling, too, because I still have recollections of the struggle my parents had.

Mr. Mann: I am very glad you have!

Mr. GRAHAM: I have. So if there are concessions, on account of the circumstances granted to farmers in a particular

area, or where farmers are beset by a certain set of circumstances en masse, we have the position of where the average farmer might require some assistance; there are some who are in a healthy position who require no aid whatsoever, and others who are struggling desperately. Unless the Government, in the minutest detail, were in liaison with the Taxation Department with a tremendous administrative staff for the purpose of helping those who need help most, it has to be done on a general basis.

The Premier has been extremely fair and generous in connection with this matter; and those who know him will appreciate that when he gives an undertaking it is not lightly given, and he would have no intention of going back on his word. All that he desires is that a little more information be made available to the Government than is available at the moment. I am satisfied that there will be general satisfaction expressed by those who represent the affected country districts and the farmers who reside therein.

I think that perhaps the motion moved by the hon. member for Roe has served a good purpose. He submitted it in temperate language, when there might have been some justification for his waxing hot in the extreme because of pressures that have been brought to bear on him. Also I pay him the personal tribute that he made approaches to me which, for certain reasons, I deferred; and I think the hon. member for Roe showed a proper appreciation of the circumstances by being patient and tolerant.

I feel now that although there have been some delays, it has all been worth while; because if the hon. member cannot see some distinct writing on the wall now, he is not the discerning member of Parliament that I imagine him to be. I am intimating, in other words, that the Government is raising no opposition to the proposal contained in the motion moved by the hon. member for Roe.

MR. PERKINS (Roe—in reply) [7.53]: I am grateful for the way in which hon. members have received this motion. They have appreciated, I think, that it deals with a most important question, which has a bearing on a large portion of the electorate which I have the honour to represent. I am pleased, too, at the way the Premier dealt with the question. I have no quarrel with the principle that a proper investigation has to be made so that the Government can act on full information.

I have no doubt that whatever Treasury officers are assigned to make this investigation, and whatever inquiry Royal Commissioner Smith conducts, it will prove the facts that have been submitted to the Premier by members of a deputation who reside in a portion of the area

I represent, as well as other information that I presented when introducing the motion.

However, I would stress how undesirable any long delay will be in dealing with this question. The Minister for Transport is correct in saying that last year there was no reduction of subsidy in the areas where rail services were discontinued. But a decision will have to be made in the near future, because the same position will not apply this year. From the 1st July, 1958 onwards, the one-seventh reduction in the subsidy will apply, and the harvest and the super for next year's crop will bear that one-seventh reduction in subsidy unless the policy of the Government is altered in the meantime.

As I mentioned when introducing this motion, I did not envisage that it would apply particularly to the areas where the rail services have been discontinued. At present, Royal Commissioner Smith is conducting an investigation into the justification for reopening some of these rail services. I am hoping that, as a result of the report made by him, we will find a number of these grain lines—if I may call them that—will be reopened. If they are, the question of subsidy in the areas served by them will not apply.

This motion has particular application to those areas which are not served by a railway. There are, of course, areas where the application of the one-seventh reduction in subsidy is already in operation. Whatever investigation is carried out by the Treasury officers and by Royal Commissioner Smith will prove, no doubt, and the report to the Government will be, that increasingly serious effects will follow unless the policy of the Government is altered and the terms of this motion are put into effect.

I have tried to word the motion in such a way that it will have the widest possible application and will not be too parochial. I realise that many areas of the State are affected, and I would like the hon. member for Murchison in particular to realise that whatever portion of the State we represent we still do not ignore the difficulties experienced by people living in other areas. I think the hon. member for Murchison will realise that if he is able to show that the districts which he represents are experiencing difficulty, those who represent other country areas will lend a sympathetic ear to whatever case he submits.

I do not wish to labour this question. As I have said, I am grateful for the way the motion has been received by hon. members generally: I am very pleased to think that the House will carry this motion as a general indication of its attitude towards this question. From then on it will be a matter for investigation by the Government; and I hope the result will be that, in the not too distant

future, the people living in those areas not served by a railway, will revert to the position where they will not suffer as a result of the railway not being extended to serve their transport needs.

That is the kernel of the question. A number of these districts, particularly the Lakes area, were originally settled in the belief that a railway line would be built. Some hon. members may recall the Teakle report and the difficulties which arose during the depression, and as a result of which the railway line was not extended to serve that area.

I am asking this House to agree to the principle that settlers who have developed areas in good faith should not suffer from a subsequent change of policy on the part of the Government. If this motion is passed, then people living in districts not served by the railways will receive a transport service at a cost no greater than the rail cost, if a railway line had been provided. I commend the motion to the House. I thank hon. members for their sympathetic reception of it. I hope it may play some part in bringing about the restoration of the full subsidy in the transport services serving the areas I have mentioned.

Question put and passed.

BILLS (2)—RETURNED.

1. City of Perth Parking Facilities Act—Amendment.
2. Wheat Industry Stabilisation.
Without amendment.

WOOL.

Inquiry into Cost of Production.

Debate resumed from the 29th October on the following motion by the Hon. A. F. Watts:—

That this House requests the Government to submit to the Agricultural Council at its next meeting the urgent necessity for an authoritative inquiry into the cost of production of wool in Australia, including separate consideration of the several States in—

- (1) agricultural areas;
- (2) pastoral areas.

THE HON. L. F. KELLY (Minister for Agriculture—Merredin-Yilgarn) [8.3]: Some little time ago this House dealt with a motion which was very closely related to the one before us. The earlier motion highlighted to a great extent the various disabilities which wool producers are facing because of the depressed state of the wool market.

After some discussion in this Chamber a motion was eventually passed, which embodied that very principle, as well as

others, and it was resolved that that motion be forwarded to the Agricultural Council for consideration at its next meeting. Steps were taken to notify the Federal Minister concerned of the intentions of the Western Australian Parliament, and to seek his concurrence in placing that motion on the agenda for full discussion. On the morning following the day the motion was passed I wrote to the Minister for Primary Industry in the following terms:—

As you are aware, there is considerable concern amongst all sections of the community, but principally growers of wool, at the severe fall that has taken place during the last two years. The following motion was agreed to in the Legislative Assembly of the Western Australian Parliament last night, which is forwarded verbatim for your information, as it would explain the general thinking in this State as to what immediate action might be taken towards any measure to avoid a short term severe fluctuation in wool prices.

Then follows the motion which was passed. I said finally—

I should be obliged if you could arrange for an item to be placed on the agenda of the next meeting of the Agricultural Council which will afford an opportunity for members to discuss the proposal for an investigation into the aspects of wool production and marketing, and which may lead to greater stability in the industry.

Copies of that resolution were forwarded to all the mainland States as well as Tasmania. They were all asked in the interim—in the 2½ weeks prior to the next meeting—to give thought to the matter in order that a resolution could be discussed and a decision made at the council meeting, to put into effect the wishes of the Western Australian Parliament.

The item was placed on the agenda and an opportunity was given for a full-scale debate. As hon. members realise, the outlook of Western Australia was placed fully before the Agricultural Council meeting. All the existing circumstances in Western Australia were reviewed. As a concluding portion of that approach, the assembled Ministers were asked for their full support. That support was not forthcoming.

I am not disclosing any secrets of the Agricultural Council when I say that the matter was not regarded as urgent; it was not regarded as having any great importance in the other States. The opinion was that the present reduced price for wool is beyond our control, and that this feature would not be with us for very long.

Mr. NALDER: Was that the view expressed at the meeting?

Mr. KELLY: That was the feeling of those present at the meeting. They did not regard the current situation in regard to wool in as serious a vein as we do in Western Australia.

Mr. Nalder: I wonder why the Federal Minister has been highlighting the fact that many millions of pounds are lost to the Australian overseas income.

Mr. KELLY: I could take the hon. member aside and tell him why. Apparently the situation is entirely different in most of the other States.

Mr. Perkins: Wool production is more payable there than here?

Mr. KELLY: If the hon. member will bear with me I shall tell him why that is the position. The conditions in most of the other States are different from those in this State. Their lands are more developed than ours; their conditions of production are different from the conditions here; and in this State we are in a developmental stage. Consequently they operate under more settled conditions. Their properties are smaller and more concise. Their transport difficulties are not as great as ours. All the contingent features which are so evident in Western Australia are not, up to the present, having any effect on wool production in the East. From a developmental point of view, their outlook is entirely different from ours. Their costs are much lower. Their developmental costs are in most cases nil because their properties have already been fully developed. Thus they are in an entirely different category from the farmers in this State. Those factors might prompt the feeling that all is not as black as has been painted in Western Australia in regard to wool production.

Mr. Perkins: Do you think their cost of production is less than ours?

Mr. KELLY: The majority of their properties are more developed. They are considerably closer to markets, and in all other respects their costs of production are lower. Their position would not be as delicate as the position of producers in 85 per cent. of cases in this State. Those factors bring about what appears to be an apathetic approach to the difficulties surrounding wool production in this State.

Mr. Nalder: They are closer to the central bank, and they can get better financial arrangements.

Mr. KELLY: That could have a bearing. I would not be married to that idea, but it could have some merit. The Agricultural Council was given a full opportunity to debate this motion and to discuss all the circumstances surrounding the production of wool not only in Western Australia but in all the States. The request for a high level committee to be appointed to investigate all the matters that are causing so much concern in this State fell on deaf

ears. That is easy to understand. If one is in a very good position, it is often a case of "I am all right; hang you."

Mr. Nalder: They have adopted an attitude of "wait and see."

Mr. KELLY: I say they have adopted that attitude. They agree that wool production is a very important factor in the Australian economy, and that the depressed prices are responsible for a reduction in the export income of anything up to £160,000,000. The need to overcome the difficulties besetting the industry does not seem to be driven home to as great an extent in the Eastern States as in this State. If we have a total disregard by them for a certain set of circumstances, it takes a tremendous jolt to get out of a feeling of that kind.

Mr. Bovell: I should say that they should be prepared for a tremendous jolt.

Mr. KELLY: That could be. A point of view freely expressed was that although conditions were low, in so far as the outturn from wool at the present time was concerned, they compared better than the period when we got from 10d. to 15d. per lb., because of the cost of production at that time as against now. The general contention was that we are better off at 40d. per lb. than when we were getting 10d. or 15d.

A feeling of that kind could undoubtedly be promoted by the fact that their conditions of development and cost of production could be better than ours. I cannot see any other reason. Whether in Queensland or in Western Australia 40d. is 40d.; and that factor should not debar thinking along the lines of there being a dire necessity for some bright element to intrude itself into the wool industry. They agreed that the position was not healthy and should be watched carefully; but that does not overcome any of our contingent difficulties at the present moment.

Mr. Nalder: They wanted Western Australia to keep an eye on it.

Mr. KELLY: It would not be the first time they had wanted Western Australia to do that; we have often done it before. I think that quite possibly we will have to face up to a position of this kind.

It was perfectly evident that the system of auction is not causing any concern at all. I think that in speaking to this House on the occasion of the first motion which was debated, I expressed the opinion that the auctioning system has proved its value over a period of years and there has not been anything conclusive to show that we should scrap that system for any other form at the present time. I have been given about 15 schemes founded on a different basis that would mean scrapping something already in existence, simply because all of a sudden prices got below what

we were accustomed to receiving; and, in many cases, below what we feel is the cost of production.

On that score, and for good measurement, I also included the necessity for an Australian approach at arriving at a cost of production in this industry. We have a cost of production in the wheat industry. I do not think it is the actual cost of production, but it is said to be somewhere near it. I consider it would be quite possible to get down to somewhere near a cost-of-production figure from a wool point of view. The moment I started to speak on that score, I was reminded that machinery has been in operation for quite some time to examine just that position, in conjunction with all the other factors that go to make up wool production cost prices.

Mr. Nalder: Is that operating in all States?

Mr. KELLY: Yes, on an Australian-wide basis.

Mr. Nalder: Have you any figures to give an indication of what the position is, especially in Western Australia?

Mr. KELLY: I will give some. To give the lot would keep hon. members here for much longer than I think they should be kept. I have a publication here prepared by the Commonwealth Bureau of Agricultural Economics, Canberra, which shows that this survey has been going on since 1954. The Minister assured the Agricultural Council that this investigation has examined every facet of the industry. I think the investigation started in 1954 and covered a period back to 1952-53. It is continually being brought up to date.

After reference to his officers, the Minister said that he did not think it was necessary to set up machinery to examine the cost of production; to examine any other factors governing the cost of wool production generally, and everything else that goes to make up the industry. He said no good purpose would be served by embarking on a new method or new angle in the matter of the cost of production.

I was assured, and have found out since, that a very comprehensive survey of each State was begun in 1954 and is still continuing. However, the point was made that this survey was not originally instituted for the purpose of specifically determining the average cost of production, but that aspect has developed over the years, and has been taken on a separate State basis.

Mr. Nalder: Do they make an annual report?

Mr. KELLY: Yes. I was told that it should be in our parliamentary library. I do not know whether it is, but if the hon. member would like a copy, I can procure one for him. At all times, the idea behind the compilation of these

figures was to arrive at a cost structure without specifically undertaking a cost-of-production examination.

The field work in connection with this inquiry was brought up to date two or three months ago in Western Australia, but these figures are not available at the present time. They are being compiled and will be included in another one of the journals issued by the Bureau of Agricultural Economics.

To give an idea of the form this inquiry has undertaken, I will read one or two extracts from the bureau's publication entitled, "The Australian Sheep Industry: Western Australia." This will give some idea of the coverage that has been attempted. It reads as follows:—

The Bureau of Agricultural Economics in 1954 undertook a survey of the sheep and wool industry in all the major sheep and wool growing areas of the Commonwealth. It was the first step in a continuing study of the industry, and was designed primarily to obtain details of the financial results of sheep and wool properties for the year 1952-53. At the same time information was collected on certain physical aspects of the industry to provide a background for the financial results.

The present report deals with the properties in Western Australia. The sample consisted of 129 properties; 37 in the high rainfall zone, 59 in the wheat-sheep zone and 33 in the pastoral zone.

There is a lot of detail in this publication which I do not intend to read, but I will give an idea of the type of inquiry that has been promoted. The article continues:—

When interpreting the results the following point should be borne in mind: Referring to the financial year 1952-53, when rainfall was slightly below average, the average price obtained for all greasy wool sold in Australia was 81.80d. per lb.; this is close to the average for wool sold in the current season which, to the end of February, 1957, was 80.03d.

Mr. Nalder: That is all Australian.

Mr. KELLY: Yes. When this publication went into print in 1957, there had only been a drop of .87 of a penny per lb. in wool. Prices for wheat and other cereals were considerably higher than at present. That remark was the final reference in the quotation which I have just been reading. The principal aims of this investigation are as follows:—

- (1) to establish the relationship between costs and returns, the structure of costs, the returns to capital and management and the capital structure of the industry

in each of Australia's three main sheep zones; the high rainfall zone, the wheat-sheep zone and the pastoral zone;

- (2) to establish within each of the three zones the interstate and the inter-regional differences in the financial structure of the industry;
- (3) to examine the effect on the financial structure and performance of sheep properties of the scale of operations and associated pastoral or farming enterprises, e.g. beef cattle or wheatgrowing;
- (4) to examine the effect on financial performance of various practices in management, e.g. pasture improvement, and in sheep husbandry, e.g. Merino woolgrowing, fat lamb production, crossbred woolgrowing etc.;
- (5) to discern general trends in the industry, e.g. any widespread and increasing preference for cross-breds or non-Merinos;
- (6) to examine the industry's capacity for expansion, and any circumstances which might restrict it.

The article continues:—

To meet all these objectives data for more than one year are required, and the Bureau is continuing its economic study of the industry by means of a series of follow-up surveys.

Officers of the B.A.E. visited each of the sample properties, interviewed its owner, and obtained from him information about the physical features of his property, its production, capital investment, costs and returns. When necessary the owner gave authority for information on wool production and sales to be collected from his wool-broker, and for financial data from his accountant.

For the purposes of the survey, a woolgrowing property was taken to be any which

- (i) ran 200 sheep or more during 1952-53,
- (ii) provided fulltime occupation for one man,
- (iii) was not a stud (as the principal enterprise), a multiple holding, or a property used principally for dealing.

In various places, this publication shows where surveys were actually taken, and it gives a long list of the districts and each of the categories that were covered by the survey. I gave the quotations from this book, because the survey has been very complete and there has been a full approach to try to find out just what the cost of production was.

Mr. Nalder: Let us have some of the figures which have been compiled for each of the States as a comparison.

Mr. KELLY: The hon. member can have a copy of this publication, if he desires, as it contains pages and pages of figures.

Mr. Nalder: That would be the basis of your argument; that they have already investigated this point and have arrived at some cost for the production of wool in various parts of Australia.

Mr. KELLY: No. I think that if it was so desired they could probably cut it off at some point and give a cost of production up to that point. They do not define it here separately—

Mr. Nalder: They are missing the point altogether.

Mr. KELLY: I do not think so. They have issued a publication which is entitled "The Sheep Industry Survey", a summary of the physical and financial results. It shows the three zones, as I previously indicated, and says, "These tables summarise results of the continuing study of the Australian sheep industry". The survey was initiated in 1954 and the areas were revisited early this year. It goes on to show the table but does not get down to the cost of production per lb.; and that is the point I am trying to make—that it can be determined from these figures.

Mr. Nalder: That is what we want.

Mr. KELLY: I will leave the hon. member to get the figures out for himself. This shows the full examination that has been made of the different properties and in the different categories. It shows, over the various years, the average returns and it illustrates exactly what the 36 properties in this zone have as an out-turn in pence per lb. It gives the lbs. per sheep production for the individual properties. It gives, in cases of mixed properties, the yield per acre. All that detail is here, but they have not at any point cut it off and said, "That is the cost of production." However, I have no doubt that if they desired to get to that point in any particular State or area that could be achieved, without setting up any new type of organisation to examine the position throughout Western Australia.

I make the point that although this motion seeks to have the whole position put into the melting pot, in an endeavour to get down to a cost of production price, I do not think that is necessary. Rather do I think it necessary to ask for a delineation at a particular time; to cut off operations at a given stage so as to be able to say, at the 1st of June, 1958, for the sake of argument, that with all these figures compiled up to that period and covering the properties as they do, in the different categories, it is then possible to get down to a determination of the cost of production. They tell me that even with all these examinations that have taken place, and all these statistics,

it is almost an impossibility to get down to a fine cost of production. Why that is so, I could not say; because if it is possible to get near it in the case of wheat, it must be possible also to get near it in regard to wool.

With all the background that there is in connection with the cost of production and with the scant appreciation in the other States of the difficulties here—and with all those factors leading up to an examination of the motion previously taken from this House—I feel that for this motion to go forward would be more or less flogging a dead horse. There is nothing new that we could pass on to alter the minds of those who have the say as to whether or not any further examination shall be made.

I would have no serious objection to reiterating what I have already stressed so fully with the council, if I thought it would have any effect. I am not opposed to the motion, because, in the light of what has transpired up to the present, it is somewhat innocuous and it is not very specific, and if it will ease the minds of hon. members opposite, I am agreeable to it.

Mr. Nalder: Could you not ask them to take a period of time and establish a cost of production as nearly as possible on the figures you have given?

Mr. KELLY: I think that would be possible.

Mr. Nalder: I would suggest that, as Minister, you use your authority and ask for that.

Mr. Johnson: Why doesn't the hon. member do it for his own farm?

Mr. Nalder: I could find the cost of production nearly enough for my own farm but that would not cover the whole industry in Western Australia.

Mr. Johnson: It would cover one farm.

Mr. KELLY: I have nothing further to add, as I think I have given the House an indication that what this motion seeks has been receiving the attention of the bureau over a period of years; and I feel that the cost of production could be determined from the statistics available, without calling for any fresh investigations to be undertaken in the matter of getting down to a basis of costs.

MR. HALL (Albany) [8.35]: I rise to speak in this debate as I think the matter dealt with by the motion is one so serious that it requires research. The Minister's reference this evening to the Agricultural Council seems, to me, to show a slight apathy towards the seriousness of the position. Apart from one portion of it, I feel that the motion is quite sound and that it is necessary there should be an inquiry into the costs of the wool industry. The

only portion of the motion with which I cannot agree is the spreading of the consideration over several States—

Mr. Nalder: That means to get the cost of production in each State as nearly as possible.

Mr. HALL: I think it is a Commonwealth matter, and that it is most urgent is borne out by an article in today's copy of "The West Australian," where the Commonwealth Bank chief warns about the trade balance. The article says—

Australia has survived its economic difficulties reasonably well in the last two years, but at the expense of its overseas reserves, the Commonwealth Bank Governor, Dr. H. C. Coombs, said in Perth yesterday. Dr. Coombs, ending a week's visit to Perth and Albany, was answering questions on the state of the nation. It was fairly clear that the current economic problem centres on maintaining the balance of overseas payments. Internal expenditure in Australia had been maintained very successfully in the face of two poor seasons, lower wool prices and a collapse in metals.

I will not delay the House long, as I am well aware of the urgency of the situation as regards the primary producer. I feel that if we were able to spear a bale of wool as we can stick a spear into a whale, and follow it all the way, we would be more than startled with the result. Even if we spend a lot on research it will save a great deal in costs in the long run, and I feel it is necessary to trace the wool from its sale to the hidden markets and the people who are purchasing it—also those who are abstaining from purchasing it although they used to be the biggest buyers; and here I refer to the U.S.A.—and find the trend of what is happening.

If we can remember back a few years we can recall that America was a very strong bidder in our wool markets, and used to bid about £1 a lb. for wool. But the synthetic manufacturers in that country decided that their dollars were not going to leave America and, as time has gone by, that trend has persisted.

If we were to trace the passage of our wool through one country in particular today we would find that with the drop in bidding by America our wool is now going through the backdoor via Japan. It is not only going through that way in its raw state but also as tops. That practice has been going on for many years. All this has had a big effect on the price of our wool. Some hon. members might ask how.

The depression in the price of wool caused by the big manufacturers of synthetic fibres has meant that they have been able to introduce textile fibres made with synthetics. This is the only way they

can place these goods before the purchasing public. That is part of the nigger in the woodpile.

Perhaps the disturbances in France have had a bearing on the matter, but if we get down to the facts of the matter we can get somewhere near the truth. We come back to an article which I read in the "Textile Colorist" of December, 1936. The articles in this journal are of particular interest. There is one headed, "Why Textile Research?" and part of it reads—

Certainly we cannot know too much about the materials with which we are working, or the processes through which we put them. How much really do we know about cellulose? And how much about wool? The fact is we know very little. As we learn more about the materials and their behaviour under varying conditions our processes often change. Perhaps some processes should be radically changed and possibly others omitted altogether.

This is not done in a moment. Invariably there must first be Fundamental Scientific Research, the results of which lead to Applied Research and then finally reduction to actual mill practice. Time and money are required. No one mill organisation can afford the financial burden.

I believe that it is a Commonwealth responsibility. The article continues—

Co-operatively, the burden can be light. If the textile industries of other nations go after the fundamentals in this way, how can the American industry expect to hold its place if it neglects the opportunity?

In 1938 there was another article in the same magazine, the "Textile Colorist," which is headed, "New Synthetic Fibre from Casein," and therein we find one of the striking dangers of today. In America they are producing a new fibre with a very high casein content. A good deal of research has been carried out on this new fibre, and the manufacturers may have in mind something along the lines of the products which have been manufactured in England and America, but with the use of this casein product. However, it has yet to be proved. This article reads—

A synthetic fibre having the appearance of wool can be manufactured from casein, a milk by-product, by a procedure devised by Stephen P. Gould and Earl O. Whittier of the Bureau of Dairy Industry, it was announced by the Department of Agriculture. The process is similar to that used in making a viscose rayon from cellulose. Public service patents, applied for by the bureau, are pending.

Further down the article states—

Synthetic fibre produced in this manner has a chemical composition almost identical with wool except for a lower sulphur content. The fibre is faintly yellow in colour and closely resembles best grade thoroughly washed and carded Merino wool.

I can see the hon. member for Kataning smiling, but it is obvious that the danger lies in the fact that the big synthetic manufacturing firms overseas are making synthetic fibres with stable fibre in length, but perhaps lacking the elasticity and warmth of wool. The synthetic fibre has a lower sulphur content, and that seems to be the only difference between the synthetic and the natural fibre. It is the sulphur content that gives the value. I think I have given sufficient warning in that regard.

We should endeavour to study the costs of production of wool as we are endeavouring to conduct research into the making of fibre into good quality cloth. I have here an article from "The West Australian" which is headed, "Synthetics hit Wool in U.S." and it reads—

Speakers at the annual meeting of the American Carpet Institute yesterday said that the importance of wool in their industry was waning steadily before nylon and acrylic fibres.

Herbert Shuttleworth, chairman of the board, hailed the trend as emancipating the carpet industry from the price fluctuations of wool.

So hon. members can see that people like that are feeling the effects of synthetics, even in overseas countries. It is obvious, as they are able to purchase our wool at a reduced price, that they are able to introduce synthetics, particularly if those manufacturers continue to exploit Asiatic labour, as they have done. If we look at the advertisements in the Press we find a very big advertising campaign being introduced, and that brings me back to the motion. If we are to compete with synthetics we must study costs.

If I heard aright, I understood the Minister to say that he intended to accept the motion. I hope he will, because I think costs in the wool industry are worth looking into; and we must also look at the backdoor methods by which our wool is leaving the country, and the effects of synthetic fibres on our wool industry.

MR. BOVELL (Vasse) [8.48]: Owing to the decline in wool prices over the past few years the attention of growers has been directed to the problems which face them. The Minister, in speaking to the motion moved by the Leader of the Country Party, said that the Agricultural Council generally was somewhat complacent and apathetic to his proposal that an inquiry should be

made into the wool industry, which inquiry should include a survey into the cost of production.

Mr. May: What is the cost of production of wool?

Mr. BOVELL: We know that today the price of wool is equivalent in money value to what it was in 1931-32, during the depression years. In speaking to a previous motion moved by the Leader of the Country Party, also in connection with the wool industry, and the need for action to be taken by the Agricultural Council, I paralleled the price in 1931-32 of 10d. a lb. with the present-day price for top fleeces of 40d. to 43d. a lb. Money values have changed so much that 40d. today is the same as 10d. was in 1932.

The position was so alarming during the depression years that the Prime Minister of the day was responsible for appointing a tribunal to inquire into the costs of wool production. It was found that the costs varied between each district. I think that, in New South Wales alone, the producers in the pastoral areas in the western portion of the State showed that the actual cost of production of their wool was approximately 3½d. to 4d. The cost of production in the agricultural areas in New South Wales—this includes only the actual working expenses—was approximately 7d. So, even in one State, where wool is produced in both pastoral and agricultural areas, there is a variation in the cost of production; and therefore I say that no industry, either primary or secondary, can operate successfully without its members knowing what it costs to produce their products.

The motion is designed particularly, I think, to assist woolgrowers in Western Australia where we have a marked division; in other words, where we have a large pastoral area in which the producers are confronted with problems somewhat different from the ones met by those who produce wool in agricultural areas. I have no doubt that if a comprehensive survey were made of the cost structure of wool production in Western Australia—separating the pastoral and the agricultural production—we would find that there would be a difference in the production costs, as was found in 1932 when an inquiry was conducted by the Prime Minister of the day.

The Minister should not be discouraged by the action of other members of the Agricultural Council. I am surprised to know that at least the South Australian and the Queensland representatives have not been fully seized with the difficult position that confronts woolgrowers today. The production problems in Queensland and South Australia would be akin to those experienced by producers in this State. If the members of the Agricultural Council are lethargic in their attitude, I believe that they are falling in their

duty. The impact on the Australian economy of the fall in wool prices is generally appreciated by every thinking Australian. We all realise that we must assist the wool industry to the greatest extent possible.

The principle involved in this motion is that we will ascertain how costs have risen in comparison with present-day prices. During this Parliament legislation was introduced to increase the amenities enjoyed by shearers. That Bill was passed and, generally, it had the support of hon. members who represent the agricultural districts, because they felt that the industry could stand the added cost of these amenities on the then existing price of wool.

However, these amenities that are granted to shearers must be maintained, and the cost of them must be taken into account when considering the cost of production of wool. The shearers have the right to enjoy whatever amenities, privileges, and increased rates of pay the industry can afford; but all these costs have risen as a result of the buoyant years when wool prices have been far in excess, by comparison, of the receipts obtained for other primary products.

It is all very well for the members of the Agricultural Council to be complacent regarding this matter. The Minister would be failing in his duty if he did not, on every occasion, impress upon the members of the Agricultural Council the urgent need to ensure that the cost structure of the wool industry is known and recorded. There may be ways by which economies can be effected, but if the cost structure of the industry is not known, steps cannot be taken to bring that about. The Minister has received the motion in a somewhat sympathetic manner, but he did not appear to be over-enthusiastic. If we are to get anywhere with this question, we must be imbued with the need for prosecuting the case ourselves.

The Minister for Agriculture has an important brief to place before the members of the Agricultural Council, and I ask him to pursue enthusiastically his efforts to have this cost structure established in order to give the wool producers in the agricultural and pastoral areas an opportunity to know how their costs of production are compiled and thus be enabled to effect economies wherever possible. I repeat that if one does not know how the costs of production are assessed, one has no opportunity to prune them in the right direction.

MR. MAY (Collie) (8.57): After listening to most of the speakers tonight, I have come to the conclusion that they have based their arguments on the cost of production. So far, however, no-one has suggested what the items in the cost structure would be.

Mr. Nalder: We have left that to you.

Mr. MAY: I have my own ideas about them.

Mr. Nalder: Let us have them.

Mr. MAY: Probably the hon. member has, but so far no speaker has been game to list the items that help to make up the cost of production in the wool industry.

Mr. Bovell: There are the working expenses of the property; there are interest, depreciation, and so on.

Mr. MAY: There are other factors besides working expenses. In nearly all the States there are two classes of wool producers. There is the man who produces nothing else but wool. His costs of production will be vastly different from those of the man who produces primary products other than wool. For example, the costs of production of the wheat farmer would be much less than, say, those of the pastoralist who produces nothing else but wool.

Mr. Bovell: I think that in the agricultural districts they are mainly grain producers.

Mr. MAY: If any hon. member is going to interject, may I ask him to speak up? I think the hon. member for Vasse is trying to say something about which he knows nothing. Before the hon. member tried to interject I was saying that there were two classes of wool producers. Most of the farming representatives in this Chamber are well aware that the cost of wool produced by a farmer who produces other commodities besides wool is much less than that incurred by the sheep farmer who produces nothing else but wool. It follows naturally. I know that the cost of production of wool on a wheat farm is very low indeed compared with that where wool alone is produced. Nobody can say that is not true, because it is a statement of fact. I am speaking from experience.

Mr. Mann: I think that is very debatable.

Mr. MAY: Most things are debatable. At times we even find the hon. member for Avon Valley debatable. The wool producer who produces nothing but wool is far more interested in the cost of production than the wheat farmer who grows wool as a sideline. There is no doubt about that. The wheat farmer who grows wool in conjunction with wheat is on a much better wicket than the man who produces wool only.

Hon. members know as well as I do that most of the sheep stations in this State are in the drier areas; and if they have a bad year so far as rainfall is concerned, it means that the cost of production of their wool would increase, because it would be necessary to feed their sheep. Similarly if they have a good rainfall year, it will not cost them nearly as much. The

wheat farmer, on the other hand, has the advantage of a more or less assured rainfall.

As an example, let us take the present season and see what it would cost to feed sheep all the year round. The season has been a very good one, and the cost would be very small indeed. The only time the wheat farmer produces anything with which to feed his sheep is towards the end of the summer, particularly if it happens to be dry. He must then grow something to feed his sheep. On those occasions it would cost much more to produce wool than it would during a season like the present.

I well remember the time when the Federal Treasurer took 22½ per cent. off the farmers' wool cheque. He said the wool grew on the sheep's back overnight, and the farmers had nothing to do with it. He added, in effect, that so far as the wheat farmer was concerned the profits from wool were all buncie.

Mr. Bovell: Who was that? Chifley?

Mr. MAY: It was Artie Fadden. I read that in "The West Australian", so it must be true. He did not know, however, that he was not far wrong. He nearly hit the nail on the head so far as the man who grows both wool and wheat is concerned. The arguments I have heard in this Chamber tonight have got us nowhere so far as the cost of production is concerned. Not one of the hon. members interested in this matter, who has spoken to the debate, has attempted to announce the items that make up the cost of production so far as wool is concerned. All have left it to the Minister. The Minister is not a sheep farmer. Hon. members who have spoken are men who speak from experience. They know as well as I do what items go to make up the cost of production. Why do they stall the whole business? Why do they try to place the onus on the Minister in regard to what they call the cost of production?

MR. OLDFIELD (Mt. Lawley) [9.6]: I did not intend to make any contribution to this debate; but after having heard the hon. member for Collie, I feel I might be qualified to do so.

Mr. May: Let us have your qualifications!

Mr. Tonkin: Did you say qualified or certified?

Mr. OLDFIELD: If the hon. members on the Government side would give us a go, as we do them, we might be able to proceed with the debate. The hon. member for Collie put forward a certain theory whereby the wheat and sheep farmer should not charge any cost of production to the woolgrowing side; that, he said, should be borne by the other activities on the farm. Some farmers who engage in cereal and sheep growing take the opposite view to that expounded by the hon.

member for Collie. For instance, they claim the cost of fences should not be charged to the growing of wheat, when they are growing wheat alone. They contend that wheatgrowing does not need a fence.

Mr. May: You see how you get on without a fence!

Mr. OLDFIELD: This was put to me by a practising farmer who was on the advisory council set-up during the war to arrive at the cost of production of wheat. He claimed that the price of fencing should not be charged to the cost of production of wheat, but to the cost of production of wool, because wheat can be grown without fences. That was his opinion.

Mr. May: You would be a great farmer!

Mr. OLDFIELD: I know a bit about farming. I know that fences are not required to grow hay. If there are no stock on the property it is not necessary to have internal fences. Boundary fences may be needed, but not internal fences, when stock are not going to be run. Accordingly, why should the cost of fencing be charged to wheat or cereal growing?

The theory expounded by the hon. member for Collie tonight runs off at a tangent from that expressed in the opinion I have quoted. The two theories agree to the extent that the two operations shall be separate; but the hon. member for Collie wants to charge all the cost to wheat, while the other fellow wants to charge it all to stock. Accordingly, I feel that the hon. member for Collie, myself and other hon. members had better carry this motion and leave it to the experts to work out.

MR. MANN (Avon Valley) [9.9]: I am rather bewildered at all I have heard about price-fixing, and woolgrowing, quite apart from the ramblings of hon. members who do not grow any wheat at all.

Mr. May: What about pigs?

Mr. MANN: I might be out of order in dealing with that. Having read the motion, and then having listened to the various discussions, all I can say is that some most extraordinary remarks have been made. I am one of those humble farmers who live by what they grow.

Mr. Nalder: It is a free-for-all.

Mr. MANN: It is a very good idea indeed; and I am sure that had I brought in a number of farmers to listen to this debate, they would have been most delighted to hear the discussion that has occurred. I know that a keen interest is being shown in the farmers, but I also know that an election is brewing. I have been here for a long time. There is an election brewing and there is the throwing out of a bait.

Mr. Nalder: The Minister for Transport thought the farmer was a parasite.

Mr. MANN: I am surprised to hear that, because I knew his father. He went through the same tough times as I went through during the depression. The crux of the question before us is how can the price of wool be stabilised or fixed in accordance with the cost of production? It is beyond the human element to decide that. We can have all the economists in the world agreeing or disagreeing.

A great number of farmers in this State and in Australia have been putting forward a plan to stabilise the wool industry; but I, myself, have never been a believer in stabilisation. How is it possible to stabilise a commodity like wool at present? We did have a chance to do so when the price was high, and when £25,000,000 of the woolgrowers' earnings were held by the Commonwealth Government. A referendum was held, and the money was on hand, but the producers did not agree. I think they were very wise. I say that the woolgrowers of Australia showed wisdom in not agreeing to the stabilisation scheme at that time.

The first world war gave a lift to wool prices. Shortly after the war I became established on the land, and I know the hardships of farming. I know the penalty of settling on the land. I had enormous arrears of land rent to make up. I have overcome the difficulties, and I own the property; but I also know the hardships of farming.

The incidence of the last world war brought about a big increase in wool prices. We would have experienced a depression long before this had it not been for the Korean war, which gave wool another boost. Likewise the Suez crisis gave it a boost.

The recent crisis in the Middle East did not, however, bring about an increase in the price, because it is not a question in these days of armies facing each other. It is a question of total extermination, so no economic boost will be given to wool in any future crises.

One of the problems in this country is that we produce wool, but we do not publicise the commodity overseas. This country, its potential, and its industries are not publicised; and in this respect I suppose the Minister for Works will agree, because he was overseas recently on a trade mission.

The important point is: How are we to solve the problem? I sold my wool at the recent sales, and the price I received was 40 per cent. below the price I received last year for the same number of bales. The difficulty is that in Western Australia we did not have many rich farms—with the exception of a few which have been established for a long time, and into which past profits have been used to build up the properties.

Let us not make the mistake of thinking that farming is not a very costly proposition. I am one who has established a very modern farm and spent a lot of money in so doing. I say that not as a boast, but because it is true. Some farmers have not been able to do the same as I have, and they have the job of making their farming proposition pay.

The remarks of the Minister for Agriculture concerning properties in the Eastern States are quite true. Their land is richer than ours. They have well developed properties and therefore their cost structure is not as high as ours. With the price received for wool, our worry is to continue with improvements on farming properties. In this State that seems to be impossible for a great many of the farmers who are forced to cut down on their improvements. The cost of fencing is £300 a mile today, and it is rising. At any time I expect an increase in rail freight.

Mr. Bovell: Do not be pessimistic!

Mr. MANN: That is something which is brewing.

Mr. Brand: Did not the Minister for Transport make reference to it?

Mr. MANN: I did not like his style tonight. The problem today is to build up the farming properties in order to face the future with confidence. While the price of wool remains low, the cost of shearing is still high. A move has been made in the Arbitration Court for a reduction of shearing charges. I am sure that if a reduction is brought about, the Queensland shearers will strike and refuse to accept it. The cost structure seems to be rising and rising. Even the growing of crops is costly these days.

There has been much talk about the establishment of industries in this State, but I have no faith in industries coming from overseas. For many years to come, this State will have to rely on primary production. Any man trying to build up a farm today is faced with a tremendous cost.

Getting back to wool, even if this motion is passed, how can the problem be solved, and who can solve it? I have known for a long time that the Agricultural Council has had available material, and has made a research into the production of primary commodities. This was done not only under the Menzies Government, but also under the Chifley Government.

This is a question affecting the economy of Australia. It is not a question of party politics, and for that I am thankful. How to solve the problem is beyond this Parliament. We can talk as long as we like, but nothing will be achieved. The only hope is a reduction of costs. There again, if the basic wage falls and the "C" series figures are reduced, it will take two years before the man on the land derives any advantage from such reduction.

The cost structure is what worries me. As the hon. member for Roe knows, a tremendous number of farmers are not at present sufficiently established on the land. In my area, perhaps the farmers can stand the setback better than the farmers who have gone out with about £10,000 of capital into new areas. Many of them have spent all their capital and cannot obtain credit. They are in the doldrums. Their money has been spent, and it is not possible for them to raise more money without security.

This motion, if carried, will only be another pious move. In saying that, I am not casting a reflection. I have known of many motions to be passed in this House. It seems to be a game of politics. Under our democratic system we have the right to bring these matters before Parliament. But after all is said and done, I fail to see how this motion can be of any help.

What I am really concerned about is the high cost of production. If I wanted to build a hay shed on my property at present, I could not do so because I could not afford it. It seems that the wool industry of Australia collectively contributes mostly to our overseas credit. As Dr. Coombs pointed out, the danger facing Australia today is the low price obtained for wool. I do not expect any Government, whether it be under Mr. Menzies or under Dr. Evatt, to agree to pouring millions of pounds into the wool industry to keep it going.

I am supporting this motion for what it is worth. I am glad an opportunity has been given to discuss the wool industry generally. My only hope is that the position facing the industry will right itself. The Minister for Transport knows something about farming, because he went through the depression on his father's farm. Those who went through the depression know the sting and pain of farming in those times. It was really tough. Many hundreds of settlers walked off the land; but those who survived appreciate the conditions existing today. What is really important is the effect of wool prices on the economy of this great State of ours.

On motion by Mr. Nalder, debate adjourned.

ESPERANCE LAND.

Re-negotiation of Agreements for Development.

Debate resumed from the 28th October on the following motion by the Hon. D. Brand:—

That in the interest of maintaining confidence in the land development at Esperance and in the absence of any evidence of a plan to ensure the required progress by the Chase Syndicate of the development of the land held by them under the agreement, this

House calls on the Government to take immediate steps to re-negotiate the agreement with members of the syndicate or any other interested persons, in order to take advantage of the present keen interest in land in this area.

THE HON. L. F. KELLY (Minister for Lands—Merredin-Yilgarn) [9.20]: The Premier dealt very fully with this motion. I think he made some comment in regard to the fact that it could be considered as somewhat suspect, and that it looked far from genuine in so far as its motive was concerned. Listening to the Leader of the Opposition, I felt that he had his tongue in his cheek when he introduced the motion.

Mr. Brand: Why?

Mr. KELLY: The Leader of the Opposition had the attitude of one wanting to boot folk, yet trying to give the impression that he was behind them and they were all good scouts. That was an impression that could be easily gained from his remarks.

Mr. Ross Hutchinson: He met the situation.

Mr. KELLY: To my way of thinking, this motion is not likely to achieve anything worth while.

Mr. Brand: Not unless the Government shakes itself up.

Mr. KELLY: If passed, it could easily have an adverse effect. During my period overseas, a motion debated in this Chamber was the subject of headlines in the United States within 24 hours of its being introduced. That is a remarkable thing, but unfortunately it is true. For that reason, I say that a motion of this kind could do far more harm than good, seeing we are passing through what might be termed a very liquid or transitional stage concerning Esperance.

Mr. Brand: In what paper were the headlines?

Mr. KELLY: This happened two years ago, and I do not remember.

Mr. Brand: I thought you said this motion.

Mr. KELLY: No: I said that when I was in the United States two years ago, a motion was introduced in this House; and within 24 hours, details of it appeared in the American Press. That will demonstrate how easily news of this kind will travel; even 10,000 miles away.

Mr. Ross Hutchinson: The Leader of the Opposition was not destructively critical.

Mr. KELLY: I think he was.

Mr. Ross Hutchinson: I think you are wrong.

Mr. KELLY: I think he was off the beam in quite a number of remarks which he made.

Mr. Potter: They were ill-timed.

Mr. KELLY: That could be, too. The Leader of the Opposition had conversations with some of the American men concerned in this project and was given a very full and detailed account of just what was transpiring. Therefore, he knew very well that an unfortunate set of circumstances surrounded the whole of the activities of the Chase Syndicate.

Mr. Brand: Everybody knew that, if you are referring to the season.

Mr. KELLY: I am not only referring to the season.

Mr. Brand: What are you referring to?

Mr. KELLY: The original intention of the Chase Syndicate was to rapidly expand and develop this area of Esperance; and at that particular time the scheme it was undertaking in Western Australia not only hit the world headlines, but had headlines 2½ inches in size in some parts of England and America. The whole of the world was agog with the possibilities of what could take place if the Esperance project went according to Hoyle. Of course, it is history that things did not go according to plan; and it is common knowledge that the project is passing through a very difficult and transitional stage so far as its future is concerned.

Initially, financial Americans were very enthusiastic about the scheme at Esperance. In 1956 I had the opportunity of attending a function at which 40-odd of these people were present, and they wanted to know more about Esperance and Western Australia. They had a vague knowledge of Australia and a little about Western Australia. However, a tremendous interest was focussed upon the Chase Syndicate at that time.

The bracket of people who had their lot tied up in the expansion and development of Esperance Downs were the same people, almost to a man, who were interested in Humpty Doo. What happened at Humpty Doo is history, too. I pointed out to this House that a great deal of the finance for Esperance was to be made available by way of tax remission in order to give the syndicate a return on its outlay. Humpty Doo was ahead of Esperance, and practically a season's development had taken place before money began to flow to Esperance.

Therefore, the natural corollary was that when Humpty Doo suffered an almost complete failure, the amount of available finance that was to have been divided between the two projects effectively dried up, and Esperance immediately felt the pinch. In other words, Esperance got caught up in the backwash that was promoted by the failure at Humpty Doo. That

was the second thing that helped put a stop to the great intentions of the Chase Syndicate in regard to Esperance.

The third reason was the syndicate's method of approaching the problem of development in that area and the type of person it brought in to assist. The people brought in were undoubtedly unskilled in regard to that area, and they were quickly in difficulties in the matter of development. And, of course, following what could be termed poor methods and management, there were the seasonal conditions prevailing in that particular year. These were very wretched conditions, and it was probably one of the worst years Esperance had experienced. Any of these circumstances would have been enough to bring about a major setback; but with each following in quick succession, there is no doubt that they succeeded in shaking the Chase Syndicate's operations to their foundations.

With an adverse start under the conditions I have enumerated, it was only to be expected that there would be a loss of confidence on the part of many of the shareholders who were interested in that company. The availability of capital is no different in America from what it is in any other country, once there are indications that all is not right. The situation becomes insupportable in the minds of some, and the available capital—to some extent, if not to a very large degree—dries up.

Mr. Brand: Is not the failure to obtain finance the result of the fact that no tax remissions are allowable under this agreement?

Mr. KELLY: That is not the case. When they embarked on the scheme it was found the circumstances were different from what they had expected in so far as their own taxation laws were concerned. Under these laws, remission was not available to them as a company but was available only to individuals who were developing their land. That, of course, altered the circumstances very considerably.

Mr. Brand: So what I say is true.

Mr. KELLY: I understand that that situation has to some extent been resolved by virtue of some understanding that makes it possible for them to redevelop on a big scale.

Mr. Brand: That is a very recent arrangement, isn't it?

Mr. KELLY: Not so very recent. But there has been an easing off of a situation that appeared almost insurmountable, as it were, therefore this project became more or less starved for finance; and under those circumstances, search for new capital has been very slow. Quite a number of attempts have been made to interest other companies in a large-scale development programme; but because of previous failures, this has not been quite as successful

as we would have hoped, and the result in this regard could be termed quite disappointing.

In the meantime, whilst these negotiations have been taking place, the original No. 1 area which was transferred to the company has been very considerably developed. I think it was transferred in the category of something like 31 holdings, and the amount of development capital that has gone into that 61,500 acres is somewhere in the order of £350,000. That in itself is a very considerable amount of money to be put into that area in a matter of 12 months.

I would point out, in answering one of the queries that was raised by the Leader of the Opposition, that the transfer of these 31 holdings does not in any shape or form release the company from its obligations. The development of the land must continue in accordance with the agreement. That is very definite.

Another point made was that the transference of this 61,500 acres has almost completely been to people within the Chase Syndicate; and they, in turn, are obliged to continue the development of the land. This does not relieve the company from its obligation, and it is still incumbent on it to honour the agreement in its entirety.

Mr. Brand: Can the individual take up any section of that 61,500 acres?

Mr. KELLY: That has all been allotted and transferred to the 31 allocations.

Mr. Brand: If, in the event of their taking up a second parcel, for which they have applied but not paid, can individuals buy from Mr. Chase land from any section?

Mr. KELLY: On the same basis as the first division was subdivided and sold, yes.

Mr. Brand: They could buy the choicest land and leave the rest?

Mr. KELLY: No. I will come to that point a little later. I will follow the sequence of the remarks of the Leader of the Opposition. I will deal with that particular point because, although I do not say the Leader of the Opposition endeavoured to mislead the House, it would seem that he is not fully informed of the circumstances.

Mr. Brand: I am all ears now.

Mr. KELLY: The company applied originally for three parcels totalling 170,549 acres; but the Crown Grant was issued, as I have already explained, on one parcel only; and I would say, too, that we have had indications in recent times which illustrate that the Chase Syndicate as such is still completely optimistic in regard to its possibility of obtaining finance to carry on the project within the foreseeable future. How soon this will be, I do not know; but as I say, there is still a very

optimistic feeling that it will succeed, notwithstanding the very major and substantial setbacks that the syndicate has received up to the present time. I believe we should extend every opportunity to it to make good and to enable it to honour the obligations it has undertaken.

The Leader of the Opposition called for a re-negotiation of the agreement. I do not think he gave any indication as to how he proposed that should be accomplished; but I believe a move of this kind at the present time would completely nullify the possibility of interesting other major capital in the United States; and there is undoubtedly substantial American capital available if investors could be interested in the right degree, in land within Western Australia.

Either the Leader of the Opposition or the hon. member for Roe spoke of the classification of land, the cost, and who had borne such cost in that area. The classifications of land and road construction carried out in anticipation of the huge development expected to take place will not be wasted, as the land is there in its original state, except that it has been classified and divided up. The possibility of putting in roads and so on has received considerable attention; and if it is found eventually that Lots 2 and 3 are not availed of by the company and revert to the Government, everything is ready for the continuation of development in that area. It will undoubtedly facilitate the smooth and speedy settlement of any land which would be divided up, if interest in the land is maintained.

In that area, even without Chase, but with a good wool price, I do not think there would be any lack of applicants to take over whatever land became available. There is sufficient Eastern States capital forthcoming to keep the development at Esperance moving on a considerable scale. Much has been said about the treatment Esperance has received because of the delay in the development of this project; but I have here some figures that have been taken out and I have divided them into three categories. The first deals with the pre-Chase era, the second deals with the particular year of Chase interest, and the final one is the later period after the allocation by the Government of the 1,500,000 acres of land in that area.

This scale shows the allotment of Crown blocks in that district. In 1953 there were 31 locations selected, totalling 51,778 acres. In 1954, 40 areas were selected, of a total of 68,586 acres; and in 1955, the year before Chase interest began, 16 locations were selected, of a total of 14,965 acres. In 1956, during a good portion of which we were receiving the benefit of the interest being shown in the development likely to take place in the Esperance district, 98 areas were

selected, totalling 205,910 acres. The picture unfolds further and from that period onwards there was not a great deal of land available which was considered to be of the same order as that contained in the 1,500,000 acres. Whether that was so or not I do not know, but in 1957 only 23 areas were selected, of a total of 33,957 acres.

I submit that it was because of the fact that there was not quite as much land easily accessible and available at that time, and because the Chase development was beginning to get under way during that period, that the figures were as I have given them. In 1958 a further 20 allocations, totalling 37,704 acres have been made; that is up to the time that these figures were compiled, and that includes half of the year only.

Mr. Brand: What area of land is available for interested people at the present time?

Mr. KELLY: There are two areas at present where the land has been thrown open and the department is receiving applications. One of those areas covers 16 locations which have been previously allocated, in much closer proximity to Esperance than any of the Chase land but which, for various reasons, have not been developed, as the original applicants who were granted that land have not, for some reason, done any improvements. There are always circumstances under which some people allocated land are not satisfied with it, or for some reason or other they are deterred from developing the areas allocated to them. In all there are 19 blocks of that type, totalling 42,500 acres.

Besides that there will also be open for selection another 50,000 acres that have been returned to the Government by the syndicate, so it will be seen in the Esperance area during those five years 307,900 acres have been allocated for various purposes, outside of the Chase holdings. I maintain that Western Australia, and Esperance in particular, have gained a tremendous advantage from the publicity given and the interest shown by this American company. I have no doubt that the general development of the State has been accelerated considerably—and that of the Esperance area in particular—owing to the great demand for land generally which has been prompted. To a large degree I think the interest in land in Western Australia has been sustained because of the happenings at the time when the Chase Syndicate first showed interest.

The Leader of the Opposition stated that Chase was selling the choicest land and leaving the lightest land for the Government, but that is completely incorrect as the land was allocated by the Surveyor-General and was not chosen specifically by the company in the first place. I refer to areas 1, 2 and 3. The

50,000 acres returned to the Government was selected by the Government and it was not a question of Chase or his management saying they would give back to the Government any particular area.

We chose the land we wanted; and I would point out that within the 50,000 acres to which I have referred is included some of the best land in the area. I therefore hope my remarks to the Leader of the Opposition a few moments ago are completely clear. This land was chosen by the Government when it decided to take back 50,000 acres and we chose it with a far better knowledge than the Chase people have of the land in that area. It was taken out with a view to the fact that it was contiguous to another area we had thrown open for selection, and which will be the second portion in that particular part.

The Leader of the Opposition concluded his speech by saying that land development in Western Australia is not progressing, and that confidence is declining. What an extravagant statement to make! It cannot be borne out by facts or statistics. The hon. member could have obtained all the information he wanted by asking half a dozen questions in this House. There was no need for him to make a statement of that kind. Far from confidence declining, over the years from 1953 to 1958, interest in land in Western Australia has increased. The following figures will answer the hon. member's query in that regard:—

In 1953, 4,209,594 acres of land were made available for selection.

In 1954, 5,746,862 acres of land were made available for selection.

In 1955, 11,437,278 acres of land were made available for selection.

In 1956, 5,615,938 acres of land were made available for selection.

In 1957, 9,609,721 acres of land were made available for selection.

In 1958, 13,664,901 acres of land were made available for selection.

So, far from interest in the State having declined more interest has been taken in land selection during those five years than at any previous time in its history, including the earlier stages when a greater amount of first-class land was available in this State.

During the past two years, a total of 3,391,044 acres of virgin land has been classified in close detail by officers of the Lands Department. Much of the land I mentioned in the previous figures referred to broad acres in a pastoral sense, whereas the figure I just quoted refers to the closer settled areas, and has much more significance because of the amount of work which had to be done.

In addition to land at Esperance this figure includes approximately 1,500,000 acres between Jerramungup and the

Phillips River, the survey of which has been commenced. Not fewer than 80 holdings in this area will be made available for selection early in 1959. Preliminary reconnaissance for road location has been undertaken in the area between the Hay River and the Great Southern Railway, and early in the new year some 50,000 acres in this locality will be subdivided. Investigations are proceeding in connection with the South Coastal Plains westward from the Donnelly River.

So it will be seen that there has been a great deal of land development in Western Australia. I can assure the Leader of the Opposition, and those who sit with him, that no opportunity is lost in endeavouring to place at the disposal of people so inclined, particularly those with the necessary finance, land which needs to be developed.

THE HON. D. BRAND (Greenough—in reply) [9.55]: The motion I moved called on the Government to take immediate steps to re-negotiate the agreement with members of the Chase Syndicate, or other interested persons, in order to take advantage of the present keen interest in land in the Esperance area. If we have done nothing else, at least we have obtained a great deal of information about the actual situation in that area. It is true that our light lands, particularly at Esperance, have been given a great deal of publicity through this agreement. The matter was publicised not only throughout Australia but also in other parts of the world.

But we on this side, and many other Western Australians, were becoming anxious because of the recent adverse publicity being given to the project; because of the doubt; and because of the reluctance of the Government or anyone else to tell us what was happening. We could see much of the value of this publicity and propaganda being lost.

Mr. Ross Hutchinson: That is the point.

Mr. BRAND: It is the Government's responsibility, and no-one else's to advise the people as to what is going on. If all is well at Esperance, and the Government is satisfied with the progress being made, it should have no hesitation in telling the people of Western Australia what is being done. But it is not very satisfactory to see members of the Government sitting by complacently and saying that all is well when, in fact they know that all is not well with the whole project. At present the project is at a standstill because of a lack of finance necessary to develop the land. The Minister told us that he was quite satisfied with the way things are going at present. We on this side are not satisfied with the progress and development that has been made under this agreement.

I think we have allowed sufficient time for the Minister and the Government to tell the people that they are quite satisfied that the syndicate can honour its undertakings; and that it is justified in maintaining a blanket control over the 1,250,000 acres, the subject of the agreement. During his speech this evening the Minister said that he was quite satisfied that there were people in the Eastern States who had finance readily available to continue to develop the land at Esperance on a considerable scale for some time to come.

That is the point which interests us all, because we believe that there is such an interest, and that there is the finance available which is necessary to develop this land. Thus no stone should be left unturned in order to make the best land available to these people—land which is nearest to the port and all other lines of communication such as the railway and the roads. These people want to develop the land immediately, and we should enable them to do so rather than carry on as we are at present, groping in the dark because no-one seems to be able to make a decision on the future actions of the Chase Syndicate.

Mr. Kelly: If you were the Government would you cancel the agreement?

Mr. BRAND: If we were the Government, and we had the inside knowledge which is available to the Government, the first thing we would do would be to call upon Mr. Chase, or his representatives, to give an account of their actions to date.

Mr. Kelly: Would you cancel the agreement? That is what I asked.

Mr. BRAND: It makes no difference what the Minister is asking me.

Mr. Kelly: It has a great bearing on it.

Mr. BRAND: The first thing we would do would be to ask these people whether they were able to carry on and whether the necessary finance is available, and to satisfy the public of Western Australia that the agreement could be honoured.

Mr. Graham: How long have you been Deputy Leader of the Opposition?

Mr. BRAND: I know it has nothing to do with the Minister for Transport; but it is something to do with you, Mr. Acting Speaker, and you were kind enough not to embarrass me. However, now that I am back in my place I will say—

Mr. Bovell: The Minister has been caught out similarly on occasions.

Mr. Kelly: That is quite right.

Mr. BRAND: I have wondered why the Ministers on the other side of the House do not often get into the wrong seats since they are so seldom in the Chamber. On a question of whether we, if in office, would cancel the agreement—I would say that, first of all, we would have to ascertain the

facts. Surely we would be justified in calling upon Mr. Chase or any other member of the syndicate to indicate whether he was able to carry on with the development of the land according to the terms of the agreement; and, in fairness to the people of Western Australia generally and to those who are interested in land development referred to by the Minister tonight, we would, perhaps, have to renegotiate the agreement and suggest to Mr. Chase that perhaps it would be a good idea if we held in reserve for him a lesser number of acres.

Surely this syndicate, no matter how fair or liberal we desire to be in following the terms of the agreement, could not expect the State to continue to hold this blanket reserve over many thousands of acres in order that some day something may turn up. This motion was moved with the prime object of endeavouring to press the Government into some action to give to Parliament this session—

Mr. Kelly: Don't you think that is going on all the time?

Mr. BRAND: I do not know, because we have never been told.

Mr. Kelly: You have been asking, on an average, 26 questions every day for the whole of the session, so it is a wonder that you did not ask a question on this subject.

Mr. BRAND: The Opposition often has the role of asking questions without any results or with very little satisfaction.

Mr. Tonkin: It was ever thus.

Mr. BRAND: It should have been the responsibility of the Government in regard to this major agreement—it is the only major agreement in connection with primary industry that it has made during the five years it has been in office—in view of the fact that the whole matter appears to be at a standstill, to explain to Parliament the reasons for the hold-up.

The Minister implied that certain members of the syndicate had discussed these matters with him; and one of the points that he made was that money was not available, as a result of the difficulty which arose following the decision made by the American taxation department—or whatever it may be called—that no tax remissions or rebates would be made to the syndicate, but only to individual holders of land.

The agreement still exists between the Government and the syndicate as such or its representatives in Western Australia. Unless, of recent date, the American tax authorities have changed their minds and allowed a tax rebate to the syndicate on the development of land, the position still remains that unless a parcel of land is held by an individual no tax rebate can be made by the American taxation authorities. It was on this basis that Mr. Chase was to obtain the necessary millions of dollars which were to be provided from year to

year if the agreement was to be honoured during the next 10 years at least. The Minister knows that.

During the debate on this motion, I asked the Premier if he would consider bringing forward for discussion in this House an amendment to the agreement in order to take advantage of the American tax laws if the syndicate were to succeed in its operations. To that extent we thought that the agreement was being renegotiated with the members of the syndicate, as I mentioned in the motion.

Mr. Kelly: What did the Premier tell you?

Mr. BRAND: The Premier said—as he has said on so many occasions lately—that he might do something; he would have a look at it; or something of that sort.

Mr. Kelly: This 5s. each way principle is somewhat contagious.

Mr. BRAND: It may be. The Government should be prepared to face up to the question of whether it is prepared to amend this agreement so that any individual, including Mr. Chase, may take advantage of the American tax laws which encourages land development, either at home or abroad, by granting a rebate on any income derived from such development.

Mr. Kelly: The Government will face up to its obligations.

Mr. BRAND: The Government is taking a very long time in doing so. Not only the general population of the State is interested in this question, but also the people at Esperance have now reached a stage where they feel that something should be done about the overall position. They consider that the Esperance district is beginning to lose face; that its reputation and its possibilities are being prejudiced to some extent by the vagueness, the inactivity and the doubts surrounding the future of the Chase Syndicate.

Mr. Kelly: It is only a small minority down there that thinks that way and that is the minority that you are playing up to.

Mr. BRAND: It is just as well that a minority does think that way. All of us believe that undoubtedly there is a great future for this coastal plain district at Esperance. Over the years it has been proved that light lands such as that can be successfully developed. However, as one person has described the situation, the baby will require a great deal of costly feeding before it reaches adulthood. We should recognise that it is a costly business to develop light land whether it be at Mingenew or Esperance.

Mr. Kelly: And it will be more costly with wool at its present price.

Mr. BRAND: That is obvious, and that is what the Opposition has been trying to tell the Minister for Agriculture through several motions which have been moved in this House. In this letter received from

Esperance, there is a clear indication that local residents are anxious to have the whole situation clarified. On that major point alone, it is the responsibility of the Government to call upon the syndicate to give a full account of its plans for the future; of what it believes it can do according to the provisions in the agreement; and, if it cannot honour them to the letter, to make this land available to the many people to whom the Minister has referred as being greatly interested in land development.

The Minister made great play on what I said in regard to the decline of land development in Western Australia. It is a fact that, at this stage, land is not being developed as rapidly as it was in the past. All the first-class land has, in the main, been taken up. In that regard, of course, in the various districts, farms of 1,000 and 2,000 acres are being developed; but when it comes to the lighter land, large tracts are held by the individual. It cannot be denied that the rate of land development in Western Australia has slowed.

We moved this motion to draw attention to the fact that we should not miss any opportunity, if money is available for land development in Western Australia. It is incumbent upon the Government to make land available, and have it surveyed and subdivided so that any investors or farmers in Western Australia and in the Eastern States may be given an opportunity to obtain for themselves some land for development in the immediate future.

It was suggested by the Premier that I should withdraw this motion, or allow it to go to the bottom of the notice paper. The hon. member for Roe, when speaking to the motion, suggested that a vote should not be taken. But I feel we are calling upon the Government, and only upon the Government—where the responsibility lies for the stalemate that has occurred and for the doubt that has arisen in the minds of the public. Accordingly, I propose to ask for a vote to be taken.

Question put and negatived.

ELECTORAL ACT AMENDMENT BILL (No. 4).

Second Reading.

MR. W. A. MANNING (Narrogin) [10.11] in moving the second reading said: This is a Bill to amend certain portions of the Electoral Act, because we feel there is a great necessity to right what is at present a wrong. This measure comes in two parts, and it has two main objectives. Firstly, it seeks to alter, in the country areas of the State, the application of the new postal voting system introduced in 1957. Secondly, it seeks to secure to the electors in the scattered areas the right to apply for polling places, and the right to know where those polling places are.

Those, briefly, are the objects of the Bill. Hon. members will recall that by the Act of 1957, the system of voting through postal vote officers under the old Act was done away with. It provided for a system of centralised control, and the issue of votes on written application. Mainly owing to the great distances of this State, and the widespread areas and infrequent postal services, that system proved to be quite wrong and unfair.

Under this Bill it is proposed to operate both the old system of postal vote officers, and the new system of centralised control by using them where they serve best. The new system would still operate in the metropolitan zone as defined in the Electoral Districts Act of 1947. In the metropolitan area, postal services are of daily frequency, and the system appears to be most effective and to work very well. It is proposed that the old system of postal vote officers throughout the State shall be applied where that system worked well, and efficiently.

If we turn to the measure before us we will notice that Clauses 2 and 3 deal with the repeal of Section 93. Section 93 provides that—

A person enrolled as an elector for a province or district constituted in the North-West area or any other part of the State declared by proclamation to be a remote area may at any time lodge an application in writing with the Chief Electoral Officer to be registered as a general postal voter.

That is the crux of Section 93. The Bill seeks to do away with that section, because it would be entirely unnecessary. I suggest that the very presence of that section in the Act of 1957, proved that the system was not a very happy one from the point of view of country electors, because it recognised the fact that in many areas it could not possibly work, because of the distances, and because the postal service would not render it feasible.

Accordingly, as I have said, the very presence of that section in the Act proves we were aware at the time that there was not much chance of the Act working efficiently. I suggest the difficulties that have been acknowledged are not confined to such areas as Section 93 covered, but, in varying degrees, it applied to all country districts of the State. Hence this Bill. Instead of persisting with a system that does not work, we propose to revert to the system that has proved to be workable.

Mr. Graham: I'll say it worked!

MR. W. A. MANNING: The Minister is implying there was malpractice under that system, but there could be malpractice under any system. We must protect the electors who will be deprived of a vote. Take for example a place with a weekly or more frequent mail service. The elector must first apply for a form; that form has to be sent to the elector; he must fill in

the form, have it witnessed and then send it back to the Electoral Office before the close of the poll. If there is a weekly mail service there is no chance of that happening. If the service is more frequent, it might be possible for the elector to be in time if he acts promptly. But if sickness, or any other unforeseen circumstance occurs within a week of polling day, that elector has no chance of securing a vote.

I claim, therefore, that it is time now for us to revert to the old system in the country areas. It may be said that we should first of all give the new system a further trial, but I submit it would be a waste of time, and a delay, if we gave it any further trial, because we know by the very system itself that it cannot work, as time does not permit it to work in a State such as ours. It is useless delaying the matter in an endeavour to discover whether it works or not, because if we reason it out we will see how impossible it is.

Clause 4 proposes the addition of a new section 95A (1) which defines the area, which is to be continued as at present. This is covered by Sections 90, 92, 94 and 95. In the metropolitan area there will be no change whatever, and that is specified in proposed Section 95A (1). Proposed Section 95A (2) provides that all areas outside of the metropolitan area shall operate under proposed Sections 95B to 95H.

I would point out that the size of this Bill does not indicate the amount of change, because proposed Sections 95B to 95H are worded exactly the same as the old provisions which applied to the whole State prior to 1957. They are being reinstated in the Bill so that they will apply to areas outside the metropolitan area. The idea of this measure is to revert to the old system in respect of districts outside of the metropolitan area and to retain the new system in the metropolitan area.

Mr. Graham: Do you think it would be possible for the Country Party to win any seats from the Liberal Party if you got this Bill through?

Mr. W. A. MANNING: What I am concerned about is this: Electors should have a clear opportunity of recording their votes.

Mr. Graham: It is a fair opportunity to record a fair vote.

Mr. W. A. MANNING: That is so, Electors should not be deprived of an opportunity to cast a vote because of the lack of postal services.

I now turn to the second portion of the Bill which involves new proposals. The first deals with the time of the advertising of polling places; the second with the appointment of polling places. That is covered by proposed Section 100A(1). Section 65A of the principal Act provides that before any warrant is issued under the hand of the governor, fourteen days' notice

of intention to issue same shall be published in the "Government Gazette". This amendment provides that at this particular time and in the same manner, there shall also be published a list of the polling places. So, when notice of a general election is given, notice of the polling places has also to be given, so that country electors will have an early opportunity of knowing the polling places. I mention that in respect of general elections only, but the procedure is altered slightly for other elections and operates when the writs are issued. That is only a minor matter. The principle is the same; that is, polling places shall be advertised early.

One can imagine the confusion of country people who receive infrequent mail and paper deliveries and who have no opportunity of knowing where the polling places will be established. They may drive 20 miles or more to what they think is a polling place, but find none when they arrive.

Mr. Jamieson: That clause applies to general elections as well as biennial elections?

Mr. W. A. MANNING: Yes, with a slight variation which I mentioned. To illustrate what I mean I shall give some figures relating to the number of polling places provided at the elections in several provinces. The number of polling places in 1958 was 62; in 1952, there were 81. In the Midland Province, there were 32 polling places in 1958; at the biennial election in 1950, there were 63. In the North-East Province there were 19 in 1958, and 25 in 1956. In the South-East Province there were 24 in 1958, and 47 in 1956.

It is noticeable that the reduction of polling places has taken place in country centres, and not in the metropolitan area. There may be good reasons for that, with which I am not just now concerned. What I am concerned with is that some country centres have suffered a reduction in polling places by as much as 50 per cent. If polling places are to be reduced by any number at all, let alone by half, the people concerned should know where they are. Hon. members will realise it is futile to have an election when the electors do not know where they can vote. That is happening in the country, because the people do not know. The proposition I am putting forward is very reasonable. I am not asking for special concessions. I am asking that people be given the opportunity to vote.

Mr. Cornell: The trouble with Legislative Council elections is that the electors do not seem to want to vote.

Mr. W. A. MANNING: We cannot remedy that in the Bill, but we can give them the opportunity to vote if they so desire. The rest is up to them. I am concerned that they be given the opportunity to vote and be told where the polling places are established.

The final clause of the Bill deals with proposed Section 100A(2). After reading the list of proposed polling places, it is suggested, where the electors find there is no satisfactory polling place and 20 of them reside within a radius of seven miles, on the written request of 10 or more, the Minister shall in the case of a townsite, or may in the case of any other place, provide a polling place for that district.

Mr. Jamieson: Doesn't that provision put an impost on the Crown?

Mr. W. A. MANNING: I do not think so, because the elections are already provided for in the Act. The Bill is merely an instruction for a variation in regard to polling places. By no stretch of the imagination can it be taken as being an impost on the Crown. The amendments in the Bill are intended to right wrongs which exist at present.

Mr. Jamieson: If this Bill were going the other way you would reckon it was an impost.

Mr. W. A. MANNING: It is not going the other way. I say it is going this way.

Mr. Tonkin: It will be going some way.

Mr. W. A. MANNING: If hon. members on both sides of the House are fair minded they will agree to the provision of a method to rectify what is inadvertently depriving many electors of their right to vote. I cannot imagine that any hon. member in this House would wish to deliberately deprive people of the opportunity to vote. After all, that is the right of people who are on the roll; and if, by some means, they are deprived of that opportunity, the position should be rectified. Therefore, I hope this Bill receives the reception it deserves. I move—

That the Bill be now read a second time.

On motion by the Hon. J. T. Tonkin (Minister for Works) debate adjourned.

TRAFFIC ACT AMENDMENT BILL.

Second Reading.

MR. CORNELL (Mt. Marshall) [10.31] in moving the second reading said: The purpose of this Bill is to correct a position which obtains at the present time in respect of the parking of motor vehicles on private areas. Power to deal with this problem appears to be contained in some of the statutes dealing with trespass; but both the Cattle Trespass, Fencing and Impounding Act and the Criminal Code under which, I understand, some power to redress this matter is provided, are particularly involved and cumbersome, and do not give adequate protection to the public against people who park without authority on private lands.

As hon. members know, at the moment it is possible for a motorist to poach private parking space more or less with impunity; and, with the advent of parking meters, I think the custom to poach has grown a good deal. Hon. members are also aware that in and around the city of Perth there are a number of private car parks which make space available for parking purposes on a weekly-rental basis. In the main, these parking areas are unattended. Other parking areas are solely private, being available only for private individuals such as the tenants and employees of the building served by that particular parking area.

Without authority or payment, persons are avoiding the facilities provided by the City of Perth, and are chiselling in on these private parking areas. This is quite a convenient and cheap method of parking for these people and, as I have said, it is difficult to deal adequately with the position under existing legislation.

This legislation will I hope, achieve a degree of effective redress to the owners of land where trespass is occurring so that the offenders may be dealt with more adequately than is possible under the present legislation. The problem is a growing one, and I think it should be tackled as soon as possible to curb the proclivities of people who are unauthorised users of parking space.

The Bill was introduced in another place by my colleague, the Hon. L. C. Diver, and was amended in that House. It may be that further amendments are necessary in the light of experience available to hon. members in this House, and in that respect I have no objection whatever, providing a workable piece of legislation does emerge.

The fact is that this Bill is one which could be more conveniently considered in Committee than at the second reading stage. At the Committee stage I will probably introduce a comprehensive amendment in the hope of tidying up the Bill a little. It was amended several times in another place, and it differs to a degree from when it was originally introduced.

Before that tidying up process can take place, the second reading stage has to be dealt with, and to enable that to be done as expeditiously as possible, I move—

That the Bill be now read a second time.

THE HON. H. E. GRAHAM (Minister for Transport—East Perth) [10.35]: I am taking the somewhat unusual course of speaking immediately instead of taking the adjournment of the debate on the Bill. It is a measure that has been before the Legislative Council, and the debates are available to us. Also, the Bill has been on our files for some time.

The hon. member for Mt. Marshall has explained the Bill, which is quite simple. It deals with the growing problem of unauthorised persons parking on open spaces or, more particularly, in laneways behind business premises, especially in the city of Perth. There is both a weakness in the existing legislation or alternatively cumbersome processes if motorists are wilfully obstructing free ingress and egress of vehicles on private property.

Surely, there should be some legislation to enable the people offended against to meet the position with a minimum of inconvenience. I might say that I had discussions with the hon. Mr. Diver, as well as with the hon. member for Mt. Marshall. It is not intended, even if it be the wish of the majority, to proceed with the Bill tonight in Committee, because the hon. member for Mt. Marshall has forecast some amendments which will be placed on the notice paper and which will virtually redraft the machinery clause of the Bill.

I am speaking now in order that the debate can take place on what will be the proposition, rather than spend needless hours in discussing the measure now before us which will, when it is amended by the hon. member for Mt. Marshall, be in a different form. However, the principle will still be there and the gravity of the penalties will still be there; but, as I said earlier, in a different form. I do not think there is any occasion for hon. members to be perturbed about it; and I would suggest that we could, without fear of any consequences, agree to the second reading now, for the purpose of expedition, and then, if there be any points of difference, discuss them at the Committee stage.

I am merely making that as a suggestion. Naturally, any hon. member has the right to adjourn the second reading if he so desires, but I think, that as there has been general agreement on the principle by the Legislative Council; by a member of the Opposition; and by a Minister of the Government in this House, the position as outlined could be accepted. The debate can then ensue when we know the terms of the amendment which, as indicated, will virtually redraft only the machinery part of the measure as introduced. I support the Bill.

Question put and passed.

Bill read a second time.

ELECTORAL ACT AMENDMENT BILL.

Second Reading—Defeated.

Debate resumed from the 22nd October.

THE HON. J. T. TONKIN (Minister for Works—Melville) [10.40]: This Bill seeks to facilitate in some ways the taking of

postal votes in a form that I do not like. Postal voting is a method of voting which is very much open to abuse of all kinds. The hon. member for Bunbury does not believe that there is any necessity for keeping a watchful eye on postal voting because he expressed the opinion in this House that, so far as he is concerned, there is no real necessity to have an application for postal voting witnessed.

If we permit applications for postal votes to be submitted without the signature of a witness, we are going to create a situation where interested parties will obtain large numbers of application forms and fill them in on behalf of electors who they know will not take the trouble to make an application themselves. Having completed these application forms, and realising that the ballot papers are to be forwarded to an address, they will be able to give a very safe address to which the papers can be forwarded; and having received them, they will fill them in very nicely to the advantage of their particular candidate.

I am not going to be a party to permitting a practice of that kind, or facilitating it; and that is what the Bill will do. Therefore I am recommending that the House defeat the Bill because it is most inadvisable that it should become law in its present form.

MR. ROBERTS (Bunbury—in reply) [10.42]: I am surprised at the Minister for Works—

Mr. Potter: You do not sound it!

Mr. ROBERTS:—because I never for one moment indicated to this House that there was no necessity for a witness.

Mr. Tonkin: You read page 1356 of Hansard!

Mr. ROBERTS: I pointed out that on a number of other forms there is no necessity for a witness's signature. However, it is very difficult for an electoral officer to trace the signature of a witness on an application form for a postal vote, especially when that application is made in the Eastern States. There is then no check at all as to the signature of the witness.

Mr. Tonkin: That is the reason for specifying certain types of witnesses; to prevent the very thing you are referring to.

Mr. ROBERTS: But it does not do that. I cannot follow the reasoning of the Minister for Works for one moment. Anybody being an elector in an electoral district can witness the application for a postal vote form. Anybody within the State can do that.

Mr. Tonkin: And you would do away with that.

Mr. ROBERTS: I am not doing away with it!

Mr. Tonkin: You said so. You said, "I am of the opinion that it is not necessary."

Mr. ROBERTS: The Bill does not do that. The provision is in the section. I cannot follow the Minister's reasoning at all. The provision is on the statute book now for a witness to be an elector of an electoral province.

Mr. Tonkin: And because it is difficult to trace a witness in the Eastern States, you want to make it more difficult?

Mr. ROBERTS: That is not the point at all.

Mr. Tonkin: Yes, it is.

Mr. ROBERTS: The point is that in this State if a husband and wife—might I say in Kalgoorlie—make an application for a postal vote, the husband can witness the wife's signature and the wife—being an elector—can witness the husband's signature.

Mr. Tonkin: Not outside the State!

Mr. ROBERTS: But when the husband and wife go outside the State, they have to obtain—to make it perfectly clear for the Minister's information—

Mr. Tonkin: I know what is there.

Mr. ROBERTS: Apparently the Minister does not.

Mr. Tonkin: Don't I? You want to provide that outside the State the same provisions will prevail with regard to witnesses as exist in the State.

Mr. ROBERTS: Yes.

Mr. Bovell: Why not?

Mr. ROBERTS: It is fair enough.

Mr. Tonkin: No, it is not. You have already said that it is difficult to trace a witness and to find out whether he is a reliable one, and you want to make it still more difficult.

Mr. ROBERTS: The Minister is arguing, but I do not know on what basis, because it was his Government which, last year, introduced the Bill that is now on the statute book. That measure provides that within the State any person who is enrolled as an elector on a roll for a district may be a witness; and that outside the State and within the Commonwealth of Australia—any Justice of the Peace for any State of the Commonwealth; any member of the police force of the Commonwealth or any State; any officer of the public service of the Commonwealth or any State of the Commonwealth employed in any State or Commonwealth electoral office; any legally qualified medical practitioner; any minister of religion; any postmaster or postmistress; and any commissioned officer of the navy, army or air force of the Commonwealth, may be a witness.

Mr. Tonkin: And you want to wipe all that out!

Mr. ROBERTS: I do not want to wipe it out at all. If the Minister would read the Bill he would see the position quite clearly.

Mr. Tonkin: You want to make it possible for any elector to be a witness.

Mr. ROBERTS: I will read the Bill because apparently the Minister has not done so.

Mr. Johnson: They don't prepare it too well for you.

Mr. ROBERTS: Clause 2 of the Bill reads as follows:—

Section ninety-four of the principal Act is amended by inserting after the word "postmistress" in line twelve of paragraph (b) of subsection (1) the words "any person who is enrolled as an elector on a roll for a District;"

Now, in addition to those people I have just mentioned, it is going to afford the same opportunity, as is provided in the Act at present on the statute book, for an elector to become a witness to an application for a postal vote within the State.

Mr. Tonkin: It is throwing the door wide open to fraud. That is what it is doing.

Mr. Jamieson: Anybody in Victoria can sign it!

Mr. ROBERTS: Anybody who is an elector enrolled on the roll for a district. If that is not clear enough, I do not know what is.

Mr. Jamieson: Haven't they any electoral districts in Victoria?

Mr. ROBERTS: Yes; but look at the definition in the Act.

Mr. Jamieson: You look at it.

Mr. Bovell: Have a look at it yourself! It is a district within Western Australia!

Mr. Brand: You know very well it is a district within Western Australia. What rot!

Mr. ROBERTS: However, it would appear that the hon. members of the Government in this Chamber have not given consideration to this Bill. I include the Minister for Works in that as he did not mention the fact that the second provision was placed in the Bill by the Government. If he read my comments he would see that the Chief Electoral Officer, the Minister for Justice and the Government are keen that the measure should go on the statute book.

Mr. Tonkin: You will not be kept long in doubt on that score.

Mr. ROBERTS: At page 777 of Hansard, for 1958, on the 16th of September the Hon. H. C. Strickland—

Mr. Brand: A member of the Government and now a senior member.

Mr. ROBERTS: —at present Leader of the Legislative Council, said—

Clause 2 of the Bill seeks to amend Section 94 of the Act. The Chief Electoral Officer agreed with Mr. Griffith and so does the Minister for Justice and the Government, that this amendment would be an improvement.

Further—

The Government is prepared to accept the amendment in Clause 2.

So, if there is not a split in Cabinet, I will eat my hat.

Mr. Jamieson: They had not then seen the nigger in the woodpile.

Mr. ROBERTS: I would ask the hon. member how many applications would be made in the Eastern States for postal votes.

Mr. Jamieson: If the Liberal Party were handling it there would be plenty.

Mr. ROBERTS: They could be counted on the fingers of one hand. This is purely to facilitate applications for postal votes—

Mr. Tonkin: To facilitate fraud.

Mr. ROBERTS: If the Government is going to depend on postal votes received from people in the Eastern States, it should not be called a Government.

Mr. Brand: Mr. Williams thinks he was misled.

Mr. Johnson: He is president of the bank officers. He will have a go at you any day.

Mr. ROBERTS: The Minister for Works dealt only with Clause 2 and did not mention Clause 3, which was inserted in the Bill in another place by representatives of the Government. I am amazed that the Government tonight opposes the Bill, which would assist the relatives of sick people who wish to make application while in hospital.

Mr. Marshall: All paid agents of the Liberal Party.

Mr. ROBERTS: The hon. member should have proof before making such statements as that. As I am confident the Bill warrants a place on the statute book, I recommend the measure to the house and trust the Minister for Works will not wield the big stick, but give members of his party an opportunity to vote according to the dictates of their consciences.

Question put and a division taken with the following result:—

Ayes—13

Mr. Bovell	Mr. Mann
Mr. Brand	Mr. W. Manning
Mr. Cornell	Mr. Nalder
Mr. Crommellin	Mr. Owen
Mr. Hearman	Mr. Roberts
Mr. Hutchinson	Sir Ross McLarty
Mr. Lewis	(Teller.)

Noes—22

Mr. Bickerton	Mr. Marshall
Mr. Brady	Mr. Moir
Mr. Evans	Mr. Norton
Mr. Graham	Mr. O'Brien
Mr. Hall	Mr. Oldfield
Mr. Heal	Mr. Potter
Mr. Jamieson	Mr. Rhatigan
Mr. Johnson	Mr. Rowberry
Mr. Kelly	Mr. Toms
Mr. Lapham	Mr. Tonkin
Mr. Lawrence	Mr. May

Majority against—9.

Question thus negatived.

Bill defeated.

House adjourned at 11 p.m.

(Teller.)

Legislative Council

Thursday, the 13th November, 1958.

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