

Legislative Assembly.*Tuesday, 28th October, 1941.*

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way Department for haulage of water for the ten years, 1931-1940, inclusive, were:—

To—	Narrogin. £	Wagin. £	Katanning. £
1931-1935	Nil	Nil	Nil
1936	Nil	Nil	1,900
1937	Nil	200	2,100
1938	1,800	1,800	2,700
1939	1,700	2,700	Nil
1940	1,100	600	Nil
	4,100	5,300	6,700

ASSENT TO BILL.

Message from the Lieutenant-Governor received and read notifying assent to the Municipal Corporations Act Amendment Bill.

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

QUESTION—BUTTER.

Mr. SAMPSON asked the Minister for Industrial Development: 1, Is the production of dehydrated butter practicable in Western Australia and, if so, has it been used in the northern parts of Australia and with what result? 2, Is its use as popular as that of canned butter? 3, If available, is it considered that its supply would supplant the use of other forms of butter and margarine?

The MINISTER FOR INDUSTRIAL DEVELOPMENT replied: 1, Experiments are being conducted by the Council for Scientific and Industrial Research with a view to ascertaining whether dehydration of butter can be utilised in Australia as a means of reducing the refrigerated shipping space for butter exported and also as a means of utilising low quality butter. Dehydrated butter, as far as is known, has not been used in the north of Australia. 2, See 1. 3, It is not considered that dehydrated butter will replace other forms of butter. It may, however, replace certain types of margarine.

QUESTION—RAILWAYS.

Water Haulage, 'Great Southern Towns.

Mr. DONEY asked the Minister for Railways: Can he now supply, as promised, the information sought in my question to him on the 14th October, with reference to the cost of hauling water to Narrogin, Katanning, and Wagin railway centres?

The MINISTER FOR RAILWAYS replied: Yes. The information is as follows:—The approximate costs incurred by the Rail-

AUDITOR-GENERAL'S REPORT.

Mr. SPEAKER: I have received from the Auditor-General a copy of his report on the Treasurer's statement of the Public Accounts for the financial year ended the 30th June, 1941. It will be laid on the Table of the House.

BILL—FACTORIES AND SHOPS ACT AMENDMENT.

Second Reading.

THE MINISTER FOR LABOUR (Hon. A. R. G. Hawke—Northam) [4.37] in moving the second reading said: The Bill proposes to amend the Factories and Shops Act in several particulars. Most of the amendments are not very important but are desirable from many points of view. Two or three of the amendments embodied in the Bill are very important and will require much consideration. It is proposed to amend the definition of "factory" for three purposes. Under the present definition any building in which a person of the Chinese or other Asiatic races is engaged is regarded as a factory. The Bill proposes to extend that portion of the definition by setting out that any building in which any unnaturalised person is engaged shall be regarded as a factory for the purposes of this legislation.

There are some buildings in which manufacturing operations are carried on where one, two or even three unnaturalised persons are employed. By virtue of the fact that four or more persons are not employed, the buildings in question are not factories for

the purposes of the Factories and Shops Act. Such places, therefore are not subject to any investigation or control. It is considered highly desirable that such buildings should be under supervision and control in order that places in which, in some instances, foodstuffs are produced should be under such supervision as will ensure protection to the public, and the establishment of a reasonable basis of competition as between those persons producing such goods for sale on the one hand and persons in larger factories producing similar goods for the public on the other hand. The Bill also aims to alter the definition of the term "factory" for the purpose of including any building in which lead processes are carried on, or in which paint is manufactured or mixed, or applied by the spraying method.

Another part of the measure aims to insert in the principal Act a definition of the term "paint." These last two mentioned amendments are related, and the main object behind them is to allow the special regulations for which the Act makes provision in respect of special industries to be applied to the painting industry and to buildings in which paint is manufactured or mixed, or applied by the spraying method. Members will know that the manufacture of paint, the mixing of paint and the spraying of paint all constitute conditions which can be extremely unhealthy to the workers concerned unless those activities are under special control. Some of our industries are already covered by the special regulations for which the existing Act provides. Those regulations allow of the closest supervision of the operation of those industries. They aim at the establishment of the best possible preventive methods in order that the health of the workers concerned may be safeguarded to the utmost possible limit. And so these two particular amendments have been framed for the purpose of allowing activities associated with the manufacture, the mixing and the spraying of paints to be brought under the special health regulations contained in the principal Act, regulations which have already been applied with success to other industries.

The Act at present provides for the maximum working hours per day and the maximum working hours per week for factories, warehouses and shops. The maximum working week for factories, warehouses and shops is 48 for male workers, and the maximum

number of working hours per week for females and for boys under 16 years of age is 44. "Woman"—the word used in the Bill—is defined in the Act as being a female irrespective of age. It will, therefore, be clear that every female employed in a factory, warehouse or shop can be worked for no longer than 44 hours per week, except under special overtime provisions. It will also be clear that every male worker over 16 years of age can now be worked to a maximum of 48 hours per week in any factory, warehouse or shop, and may be worked more than 48 hours per week under the special overtime provisions. The proposal in the Bill aims to establish a uniform maximum working week of 44 hours in factories, warehouses and shops for all employees, irrespective of sex or age.

The maximum working week of 44 hours has become generally established in Western Australia. It is the basis upon which the Industrial Arbitration Court works. Upwards of 90 per cent. of awards and industrial agreements provide for the maximum of 44 hours. It may be advisable at this stage to point out that the Factories and Shops Act in respect of this particular question of maximum working hours per week or per day does not override any award of the Arbitration Court. The provisions of the Factories and Shops Act are operative only in respect of those factories, warehouses and shops where no award or industrial agreement is operating. It will therefore, I hope, be clear that this proposal of the Bill does not seek to override in any shape or form any decision of the Arbitration Court. One of the difficulties always met with when an attempt is made to amend the Factories and Shops Act is the difficulty contained in the objection, frequently raised in the Legislative Council—

Hon. N. Keenan: In another place!

The MINISTER FOR LABOUR: —in the Legislative Council—

Mrs. Cardell-Oliver: The Minister will not be corrected.

The MINISTER FOR LABOUR: —to the effect that we should not in the Factories and Shops Act, or in any other Act, do anything to override any decision of the Arbitration Court. The Factories and Shops Act does not override, except in one specific particular to which I shall refer later, the decisions of the Arbitration Court as set

down in awards and industrial agreements issued by that court from time to time.

Mr. McDonald: Do some awards prescribe more than 44 hours now?

The MINISTER FOR LABOUR: Some awards which have been in operation for many years do provide a maximum working week of more than 44 hours. They are not up-to-date awards, but awards which have been in operation for many years. In point of fact, there are some industrial awards and agreements which provide minimum rates of wages lower than the basic wage, but those awards and industrial agreements are very old. In some instances one of the parties has gone out of existence, but the awards carry on and lay down certain rates of wages and certain conditions of employment which are not in accordance with modern standards.

Mr. Doney: What effect will the Bill have, if enacted, on that point: do you know?

The MINISTER FOR LABOUR: I have already pointed out that the amendments contained in the Bill in connection with the maximum number of hours to be worked per day or per week will not in any respect override any award or industrial agreement that applies to any particular factory, warehouse or shop. The Factories and Shops Act in its provisions only applies to those factories, warehouses and shops where Arbitration Court awards and industrial agreements are not applicable. Where an Arbitration Court award or industrial agreement is applicable, the provisions of the Factories and Shops Act are of no effect. We feel that the time has arrived in Western Australia when a maximum working week of 44 hours should be made applicable to all those workers who are employed in factories, shops and warehouses, to which awards or industrial agreements at present do not apply.

There is an alteration to the Act in the Bill in connection with the maximum period that may be worked in any one day. In this regard we aim to increase the present maximum working period per day by three minutes. The idea behind this amendment is to enable the 44-hour week to be worked in five days in those factories and warehouses where the employers and the workers concerned agree to the working of a 44-hour week in five days. There are already several factories in the State in which the 44-hour week is being worked in five days. In every

such instance the employers and the workers have voluntarily agreed to the arrangement, and it has consequently been put into operation. In order to make such an arrangement legal within the provisions of the Factories and Shops Act, we make this slight amendment with respect to the maximum period that may be worked in any factory or warehouse in any one day. A very important part of this Bill aims at giving the Minister concerned the right to grant a permit to the owner of a factory to operate two shifts for female workers in one day. The Act at present prevents the employment of females for more than one shift in any one day. In that regard the Act overrides the Arbitration Court and any award or industrial agreement issued by that court. It is the one part of the Factories and Shops Act that does override the Industrial Arbitration Act and the awards and agreements of the Arbitration Court. Section 163 of the Factories and Shops Act is that which deals with the matter. The section states—

Nothing in this Act contained shall in any way affect the jurisdiction conferred on the Arbitration Court established under the Industrial Arbitration Act, 1912, and any provisions of this Act as to any matters within the jurisdiction of the said court may be varied, altered, modified, or excluded by any award now made or hereafter to be made by the said court or by any industrial agreement now made or hereafter to be made under the said Act: Provided that any such industrial agreement shall not have effect as to any such matters unless and until the same has been declared a common rule by the said court.

The section goes on to read in a later part—

The provisions of this Act in restriction of overtime, except insofar as such restrictions apply to women and boys, shall not apply to any party bound by any such award or agreement as aforesaid if in any such award or agreement provision is made for payment for overtime.

The Factories and Shops Act, therefore, does definitely override any other Act or any award or industrial agreement in respect to the employment of women and boys. In recent months certain of the factories in this State have had a great demand placed upon them for the supply of goods urgently required by the Defence Department. Those goods are for use both in Australia and overseas. Considerable difficulty has been experienced in

meeting the demand made upon those factories mainly because the factories have not been in a position to work female employees during the second shift. The Act does allow females to be worked overtime, but the quantity of overtime to be worked is severely limited, and does not nearly meet the position that has been set up by the very large orders placed with certain other factories by the Defence Department.

The small arms munitions factory now being established at Welshpool will, it is hoped, be operating early in 1942. That factory will employ a large number of female workers. It will want to operate a second shift for females, but under our legislation as it now stands that will not be possible. It may be contended that the Commonwealth Government could issue a national security regulation, thus taking power to employ females in the second shift at the small arms munitions factory at Welshpool. Doubtless the Commonwealth Government could do that if it wished to do so, but it is equally certain that that Government would much prefer to negotiate the matter through the ordinary industrial legislation of this State. I am sure it will meet the purposes of that Government much better if our Factories and Shops Act is amended in such a way as to permit of the employment of female workers during the second shift in any one day.

The particular part of the Bill which deals with this matter sets up several safeguards in connection with any permit that may be granted to a factory to enable it to work females on the second shift. For instance, it gives the right in the granting of a permit for the setting up a period for which such permits will operate, the terms and conditions as to starting and finishing time of shifts, and particulars as to meal-times and the overtime as may be determined before the permit is finally granted to any factory owner or manager. The Bill also states that female workers can be employed only between the hours of 7 a.m. and 11 p.m., thus preventing the employment of women workers beyond 11 o'clock at night. In discussions which have taken place, it has been ascertained that two shifts for females could conveniently be worked within that spread of hours. The Bill provides that in any factory where

this permit is granted, the shift workers shall, in addition to the ordinary payments provided under the Factories and Shops Act, receive a special shift work allowance of 12s. per week. That proposed allowance is a special one and is in accordance with the general industrial practice in Australia, and is in accordance, too, with decisions made on this point by industrial tribunals in other States and in Western Australia.

Another part of the Bill provides that preference of employment in factories shall be granted to trade unionists where this privilege of working a second shift for females is granted. The Bill sets out that these particular arrangements shall apply during the period of the war, and for 12 months thereafter. Members will realise that the prohibition against the employment of females during a second shift was originally placed in the Act after a great deal of information had been obtained and evidence taken as to the likely effect upon women workers in factories of a second shift in any one day. At that time it was the opinion of Parliament that the employment of females on a second shift in a factory should not be permitted, and the prohibition now in the Act was provided, and has continued in operation ever since. The abnormal demands, due to the war, made upon some of our factories for extra production have had the effect of establishing an entirely new position in regard to this matter, and have been responsible for causing the Government to include in this measure an amendment permitting females to be worked during a second shift provided a special permit is granted. Had there been no war I imagine that no suggestion would have been put forward by any Government to alter the existing principles. The alteration can be justified only on the ground that it is essential to obtain the greatest measure of production possible from factories producing essential requirements; and it is upon that basis that the Government introduces this proposal and justifies its action.

Another amendment aims to provide a substitute holiday in respect of any statutory holiday falling on a Sunday. The Act at present goes some distance in that direction, because it provides that where Christmas Day, Boxing Day, New Year's Day, Anzac Day or the King's birthday fall on a Sunday, a substitute holiday shall be granted

on the next following Monday. There is, however, in the Factories and Shops Act, a number of other holidays but for which no substitute holiday is provided should any one of them fall on a Sunday. This Bill aims to make that particular provision uniform. It also aims to make an advance in connection with the provision of fire escapes and adequate fire appliances in factories. It goes further inasmuch as it aims to provide for fire escapes and fire appliances being made available in warehouses and shops. In the past it has not been necessary, under the Act, for fire escapes and fire appliances to be provided in those establishments; only factory buildings have been covered. Members know of their own knowledge that some warehouses and some shops in this State are larger than are many factories which come under the provisions of the Act in this regard. It is, therefore, considered that shops and warehouses should come under these provisions, in order that the greatest possible measure of safety shall be provided against the danger of fire.

Some alteration is made in the Bill in connection with the maximum number of employees necessary before these safeguards have to be made available. The present number provided in the Act is 15; this Bill aims to reduce it to 10, which will bring under the provisions of the Act a number of buildings not at present covered.

The Factories and Shops Act at present provides that the minimum rate of wages to be paid to workers in factories, shops or warehouses shall be the minimum rate prescribed in any award or industrial agreement. That provision is quite a good one, but some difficulty has been experienced in establishing proof in a court as to just what is the minimum rate of wage provided in any award or agreement. At present it is necessary for the clerk of the Arbitration Court to appear in court and give evidence as to that minimum rate of wage. Where cases are tried in the metropolitan area there is no difficulty, but if a case has to be tried at Merredin, Kalgoorlie, Geraldton, or some inland town, it becomes necessary for the clerk of the Arbitration Court to travel to such place and there to tender evidence as to the minimum rate of wage. Such travelling is quite unnecessary, so this Bill seeks to establish a position in which a certificate, properly signed by the clerk of the

Arbitration Court, shall be accepted in any proceedings as proof of the minimum rate of wage provided in any industrial award or agreement. Other amendments are provided for in this Bill, but all the remaining amendments are of a machinery type and require no explanation at this stage. I move—

That the Bill be now read a second time.

On motion by Mr. Shearn, debate adjourned.

BILLS (2)—RETURNED.

- 1, Road Districts Act Amendment (No. 2).
- 2, Workers' Compensation Act Amendment.

With amendments.

BILL—METROPOLITAN MARKET ACT AMENDMENT.

Second Reading.

THE MINISTER FOR AGRICULTURE

(Hon. F. J. S. Wise—Gaseoyne) [5.13] in moving the second reading said: The Metropolitan Market Act of 1926 provided for the establishment in the metropolitan area of a market which could be conducted under hygienic conditions and which would give a service to the producer, to the retailer, and to the wholesaler on a scale which had never before been attempted in this State, and which would be fitting to the needs of the State. At that time there were several small markets in the metropolitan area, some of them not meeting the situation or needs of the community, and in many instances not in situations suited to the particular type of trade. Consequently, a large area at West Perth was purchased and made available. Following that acquisition, the Metropolitan Market Trust was constituted under the Metropolitan Market Act of 1926. The capital expenditure involved in the re-purchase of the necessary areas and in the buildings has to date been £208,000.

The land was made available to the trust by the Crown at a very satisfactory figure, and the market has since been conducted on that site to the satisfaction of all sections using it. No attempt has been made to secure profits, and the position after 15 years of operation is that the amount paid to the Treasury from profits has been something

over £8,000. Interest and sinking fund payments have been met, and expansions of the original buildings have from time to time been made according to the demand of a particular type of trade and the need for improved facilities for some aspects of marketing primary products. There are continual requests for new and improved facilities. Members acquainted with that part of the city will have noticed in recent years that considerable improvements and expansions have been made to meet various types of trade and place them in a position to meet the needs of the community. The fish market and the new egg market are examples; these are very suitably situated and are in accordance with the plan prepared a number of years ago for marketing development on that site.

Mr. Raphael: Do you mean wholesale and retail too?

The MINISTER FOR AGRICULTURE: The hon. member knows that that market is, in the main, a wholesale market.

Mr. Raphael: But are you going to bring the retail business under it too?

The MINISTER FOR AGRICULTURE: If the hon. member has patience, he will learn that there is nothing to conflict with the municipality of Perth and its rights, which, I suppose, are the points that are worrying him, as was the case under the 1926 Act. Special provision is made in Section 12, the section being amended by this Bill, to exempt the rights of the City of Perth in the retail markets. That is already provided for, and this amendment will not cause any conflict with that provision.

Mr. Raphael: What about Subiaco?

Mr. SPEAKER: Order!

The MINISTER FOR AGRICULTURE: There is in this Bill, as in the Act, full and complete protection for municipalities under the Municipal Corporations Act for the rights regarding retail markets at Subiaco and elsewhere. Perhaps that will satisfy the hon. member. There is nothing in this Bill to create conflict with the rights of municipalities. The Act of 1926 cancelled the powers granted under the Municipal Corporations Act, 1906, which enables markets to be established with the consent of the Governor. Those powers were transferred to Section 12 of the Metropolitan Market Act. Because of the tremendous amount of capital invested in the metropolitan market and the consequent service given in the area

specifically set aside for marketing, it is very necessary that there should be protection, not merely for the Metropolitan Market Trust, but also for the lessees, against competition from outside the prescribed area.

The Act of 1926 sets up a prescribed area and stipulates the practices in relation to the marketing of produce that may be engaged in; and the lessees of the trust have certain interests and rights that should be protected from competition by those who are outside the market area but who, because of a weakness in the Act, come into direct conflict with them, threaten their business, and engage in trade with the benefits accruing to that locality because of the attraction to the area of people who deal in, handle and purchase produce there. Section 12 of the Act conferred on the trust the right to prohibit the sale by auction of certain types of produce and to prohibit a person from selling within a prescribed distance of the market. No power is given in the section to prevent the erection or the conducting of markets where goods might be sold on commission or by private treaty. Very early in the history of the metropolitan market this weakness was discovered, and because it was found that people were attracted to the market area, anyone desiring to break away from the provisions of the Act could set up private treaty arrangements as agents or agents on commission outside the market, and could threaten the capital expenditure and unfairly compete with tenants of the trust.

Although attention was directed to that point in 1927, it was considered to be too early to make the amendment to the Act necessary to rectify the weakness. As time went on it was found that several people were quite aware of the weakness in the Act, and did their best to benefit from it. Last year there was a definite threat to the trust's control of marketing within that area by more than two people acquiring land near the market upon which to conduct private treaty sales and sales on commission. Such a move would have given those people all the advantages of the centralisation of selling interests, and would have permitted them to compete quite unfairly with tenants of the trust. This could have brought about a very serious position.

Another difficulty arises in connection with certain firms dealing with fish in the metropolitan area. Inquiries were made with a view to getting the permission of the municipality and health authorities to constitute a fish market outside the market trust area. That would be a most undesirable happening, because where the centralisation of markets obtains in such suitable surroundings, special premises have been provided and adequate facilities installed to deal with a commodity such as fish, which, to some extent, is a noxious trade. This was done at the time when an endeavour was made to close the old markets at the corner of Wellington and William streets. A very satisfactory arrangement for the marketing of fish has since followed.

Hon. N. Keenan: Is not there a fish market at Fremantle?

The MINISTER FOR AGRICULTURE: Yes.

Hon. N. Keenan: Will this Bill cause that market to be closed?

The MINISTER FOR AGRICULTURE: It will have no effect at all.

Mr. Raphael: But one man has a monopoly.

The MINISTER FOR AGRICULTURE: Provision is also made for the sale of produce in railway yards and the sale of potatoes on railway trucks. Those are the exemptions made under Section 12 of the Act. Care has been taken in drafting the definitions of "market" and "agent" not to conflict with the activity of trading concerns or of persons who are now operating. The only desire is to control those who are acting as agents, whether selling on behalf of others, by private treaty or by auction or on commission outside the trust premises. Paragraphs will be found in the appropriate clause of the Bill making provision to cover those points.

One difficulty which has arisen in connection with fish, which is covered in that clause of the Bill, has been intensified since the outbreak of war. There are one or two firms that practically control the sale of large fish in the metropolitan area. They have, by their methods, given every encouragement to unwarranted rises in price of large fish. These people, who act as agents for fishermen in a large and in a small way, actually threaten the smaller fish vendors unless their supplies of large fish are purchased through them.

Mr. Stubbs: That is a very serious statement to make.

The MINISTER FOR AGRICULTURE: They have gone to the extent of refusing supplies of certain types of fish to people who purchase their requirements of large fish at the fish market. Therefore an endeavour is being made by the Bill to prevent those people from using premises, as agents for others, apart from the premises within the market area. It is wholly undesirable to have in a central place in the city—actually in one of the principal streets—premises being used as fish markets or as distributing centres when we have a market set apart particularly for the purpose. The methods of coercion used are very unsatisfactory. A provision has been drafted to meet that situation so as to prevent those persons, except the original owner of the fish, from vending or selling the fish by auction or on commission except within the market trust area.

There is another feature in connection with the distribution of fish that can be better controlled if the Bill becomes law. It is very difficult, under the system of trading through an establishment in one of the main streets of the city, to trace the sales and the source of under-sized fish sold in the city, especially as one agent may act for many retailers. If the fish to be sold by auction or on commission is sold in the place built and reserved for the purpose, much of the difficulty will be overcome.

The Bill contains very little that is not self-explanatory. Every care has been taken in the drafting of the two definitions involved so that no retailer, no store and no warehouse where the goods or produce belong to the person concerned shall, in any way, be interfered with, but the desire is that, where a person is acting as agent on commission, the produce shall come within the scope of the Act. This point has been examined very carefully so that anybody who is lawfully engaged in the vending of produce of any sort will not be hindered. I mentioned earlier the particular weakness of the Act permitting the possibility of a break-away and of persons setting up private treaty establishments taking advantage of the centralised position of the market. Until very recently no move has been made to exploit that position; but the trust is to a certain extent threatened just now in that

respect and it is essential that the threat be removed. I move—

That the Bill be now read a second time.

On motion by Mr. Mann, debate adjourned

BILL—PUBLIC SERVICE APPEAL BOARD ACT AMENDMENT.

Second Reading.

THE MINISTER FOR LABOUR (Hon. A. R. G. Hawke—Northam) [5.32] in moving the second reading said: This Bill deals with the position of temporary employees in the public service. Under the present law a person employed in the public service in a temporary capacity, who completes five years' continuous service obtains certain legal rights to appointment in a permanent capacity. Members are, of course, aware that many permanent employees in the civil service have enlisted in one or another of the armed services, with the result that there is need to continue in employment all the temporary employees so that the essential services of the State may be carried on. It is also necessary to ensure that civil servants who have enlisted, and who may enlist, shall have their rights preserved for them during the time they are absent and that they shall have those rights restored to them after the war.

It is therefore desirable that the temporary employees now in the public service should continue to be employed at least during the period of the war. There is no desire to break the service of such temporary employees by dismissing them before they complete a period of five years' continuous service. On the other hand, it is not thought that they should be appointed permanently and thus probably create difficulties when the permanent officers who have enlisted return after the war.

Mr. Stubbs: Would not merit count?

THE MINISTER FOR LABOUR: Yes. The Bill aims to amend the parent Act in such a way as to enable public servants employed in a temporary capacity to continue in employment without any break for a period even longer than five years; but the desire is to alter the Act in such a way as not to give these employees any

legal right to permanent appointment because they might have exceeded a period of five years' continuous service. The proposal has been referred to the Civil Service Association and the Public Service Commissioner, and also to meetings of the civil servants employed on a temporary basis.

All parties concerned have considered and agreed to it. Consequently the Bill comes to Parliament with the full approval of all the parties concerned. They have agreed to it because they consider it to be the best solution of what would otherwise be a most difficult problem. Members will realise that it would be undesirable to break the service of the temporary employees at a time when their services are so much needed, to meet the demands of the public service because of the enlistment of permanent officers. Members will also agree that it would be undesirable to appoint the temporary officers on a permanent basis and thus make much more difficult the re-absorption after the war of the permanent men who have enlisted. The Bill appears to meet all the difficulties of the situation. Because it does so, and because it has the approval of all the parties concerned, including the officers engaged on a temporary basis, I commend it to the House. I move—

That the Bill be now read a second time.

On motion by Hon. C. G. Latham, debate adjourned.

ANNUAL ESTIMATES, 1941-42.

In Committee of Supply.

Resumed from the 22nd October; Mr. Withers in the Chair.

Vote—Lands and Surveys, £56,150:

MR. PATRICK (Greenough) [5.38]: This Vote could open up a wide field for discussion, but I shall not avail myself of that privilege because I have been warned that I am not to make long speeches or become involved in arguments. I shall consequently content myself with speaking on one point mentioned by the Minister when introducing the Estimates of his department, and that is the problem of our wheat surplus. Various schemes have been evolved to get rid of it. While in hospital,

I read of a man who had addressed a meeting of farmers. He told them that they had no need to worry about the wheat surplus, as it could all be used in the manufacture of power alcohol. That is a rather absurd statement, because the complete scheme for manufacturing power alcohol in Australia, if it is ever carried out, would only absorb 16,500,000 bushels of wheat, which is about 9 per cent. of Australia's production.

So far as Western Australia is concerned, it would require only 1,500,000 bushels—about 4 per cent. of our wheat production—to blend our petrol. In any case, the committee dealing with the power alcohol scheme was emphatic in saying that it was not concerned with schemes for dealing with surplus primary products; it was merely endeavouring to cope with the petrol shortage. I do not think much progress has been made with that scheme. We are told that efforts are still being made to search for a site for a distillery in this State. We must also bear in mind that the committee, in its conclusions, stated that if the work was placed sufficiently high in the defence priority list, a wheat distillery capable of producing 5,000,000 gallons could be completed in only 18 to 24 months. Members will realise, therefore, that the war might be over before a distillery could be got into working order. So that is not going to help us a great deal.

Other wheat countries are much more favourably situated than we are. For instance, this year Canada is expected to use 160,000,000 bushels of wheat for feeding pigs, which will be shipped as bacon to England. That is because of Canada's favourable geographical situation. My own opinion on this matter differs considerably from the opinions of experts. I believe that the huge stocks of wheat now accumulating in some countries will be required immediately the war ends for the devastated countries of Europe, as these for many years will not be able to produce enough wheat for their consumption.

Hon. W. D. Johnson: That is true.

Mr. PATRICK: I go so far as to say that it is a duty and an obligation on the part of countries like Canada, Australia and Argentina—no matter what it costs—to store wheat to meet that demand. In this view I am fortified by the opinions which have from time to time been expressed by members of the present British Ministry.

Hon. W. D. Johnson: Of course, the trouble is that wheat is not a good keeping commodity.

Mr. PATRICK: That is so, but still we are getting experience as we proceed. There is no doubt that wheat will be required. In fact, it is almost immediately required in one country alone, if we could get transport for it. I refer to Russia, which at present has lost most of its grain-producing districts. In fact, members may have noticed that one of the commodities which the British Government agreed the other day to supply to Russia is wheat, which undoubtedly will be supplied from Canada. Normally, Russia is the largest wheat-producing country in the world. Even our surplus and Canada's surplus could easily be consumed by Russia's huge population.

Hon. W. D. Johnson: Russians are the largest consumers of wheat.

Mr. PATRICK: Yes. I think they eat more bread than we do. In addition, they consume enormous quantities of rye and other grains.

Hon. W. D. Johnson: Their consumption is the highest of any nation in the world.

Mr. PATRICK: As I say, Russia's production has practically disappeared and it may be gone for some time. It will be necessary, even in the near future, to supply Russia with enormous quantities of wheat. What a fine gesture it would be on the part of Australia to make a gift of wheat to Russia! The only trouble is lack of transport facilities. At the same time, such a contribution would assist the war effort.

The main point I desire to deal with arises out of a statement made by the Minister when introducing these Estimates. He said he did not think the present stabilisation scheme could be maintained by the Federal Government. That, I presume, is the quantity of 140,000,000 bushels of wheat which is the guarantee under the present scheme. So far the only alternative to that appears to be the alternative submitted by the new Minister for Commerce, Mr. Scully. His proposal is that there should be a guarantee of 3,000 bushels to the farmer, without any restriction on wheat growing. I think if that matter is examined it will be found that this is the State that will suffer. Probably there will not be any reduction under that scheme on the 140,000,000 bushels, but there will be a very big reduction so far as Western Australia is concerned.

This proposal was first made by Mr. Mair, who was then Premier of New South Wales and who submitted it to an Eastern States conference held towards the end of last year. His proposal was for a guarantee of 3,000 bushels, the price to be 3s. 6d. at siding, as against the Cameron scheme of 1s. 6d. at ports. That is something like 7d. a bushel more but with a guarantee of 3,000 bushels. The chairman of the Agricultural Bank Commissioners, Mr. Donovan, attended that conference and when he returned he made a statement to the "West Australian," in the course of which he said that the scheme would not be acceptable to this State. He said further that it did not measure up to the Commonwealth offer of 3s. 6d. at ports for a maximum of 140,000,000 bushels. That is to say, he considered that a guarantee of 3,000 bushels at a price 7d. a bushel higher would not measure up, so far as Western Australia was concerned, with the Cameron scheme of 3s. 6d. a bushel at ports. Later on the Commonwealth guarantee was raised to 3s. 10d. at ports. So that if the scheme for a 3,000-bushels guarantee did not measure up to another scheme with a difference of 7d. a bushel, it could hardly measure up to the present scheme in which the difference is only 3d.

An analysis shows the correctness of Mr. Donovan's statement. So far as Western Australia is concerned, segregation figures that are available show that farmers with an average of 6,600 bushels provide 80 per cent. of our total wheat. If there was a guarantee of only 3,000 bushels, 40 per cent. of the wheat grown here would carry no guarantee whatever. This does not apply to the other States because Western Australia produces more wheat per farmer than does any other State of the Commonwealth. The latest figures in the "Commonwealth Year Book" relating to the season 1937-38 show that the total number of wheat farms of 20 acres and upwards in the various States is as follows:—New South Wales, 16,287; Victoria, 12,936; Queensland, 2,809; South Australia, 12,251; Western Australia, 8,841. I think that the Western Australian figure has crept up to 9,000, but I do not know the exact number.

The Minister for Lands: New South Wales has a terrific number of farms of 100 to 200 acres.

Mr. PATRICK: Yes. That State would have a big advantage under this scheme. It is difficult to say definitely how it would work out, but if we took those farms and multiplied them by 3,000 bushels—though there are many producing less than that quantity—we would find that New South Wales would have a quota of 49,000,000 bushels, Victoria 39,000,000 bushels, Queensland 8,500,000 bushels, South Australia 37,000,000 bushels, and Western Australia 26,500,000 bushels. That would be an absolutely disastrous policy for this State.

When mentioning this matter, the Minister for Commerce said that it was too late to introduce the scheme this year because there was not the time. It would, however, be interesting to see what would have happened this year in Western Australia if such a plan had been in operation. If 9,000 growers had each put in 3,000 bushels, the guarantee would have applied to 27,000,000 bushels. Our crop estimate is somewhere in the neighbourhood of 39,000,000 bushels, so there would be 12,000,000 bushels—though actually about 14,000,000 bushels, taking the number under 3,000—or over £2,000,000 sterling, left on the farmers' hands. It is all very well to say that they would guarantee 3,000 bushels and after that the farmers could grow as much as they liked and that there would be no restriction, but if farmers have a guarantee in respect of only 27,000,000 bushels, what would they do with the other 12,000,000 bushels?

Hon. C. G. Latham: The Commonwealth Government would have the first call on the market.

Mr. PATRICK: It would be left on the farmers' hands because there would be no buyers.

The Minister for Lands: There would be storage difficulties as well.

Mr. PATRICK: Yes, and this State would lose production equivalent to £2,000,000 sterling, which would be reflected in the position of the Agricultural Bank and other institutions. That is the only question with which I intend to deal. This proposal is most disastrous from Western Australia's point of view. However, I know that the chairman of the Agricultural Bank Commissioners has a very good grasp of the subject and I am confident that, if he goes East with the Minister, the Minister will be able to submit a strong case for this State in opposition to the scheme.

MR. MARSHALL (Murchison) [5.52]: I would be prepared to support the arguments of the member for Greenough if it were not for the fact that history does not endorse the policy he enunciated. It is wrong to lead those who are developing our lands to believe that if we did have the glorious experience of a cessation of hostilities on foreign battle fronts tomorrow, there would be an unlimited market for the products of the land. I fear that such arguments will be instrumental in leading primary producers to believe that if they can hang on for a little longer prosperity will be theirs. History points to the reverse effect. It was this particular argument or theory, assisted by high prices, that encouraged most of our primary producers or land developers to become hopelessly bogged in debt. They were constantly being told that when hostilities ceased there would be an unlimited market for all they could produce for years.

Mr. Patrick: When was that?

Mr. MARSHALL: But it did not happen.

Hon. C. G. Latham: It did happen!

Mr. MARSHALL: I think my memory is as good as that of the Leader of the Opposition.

Hon. C. G. Latham: I was engaged in it and I know that for 10 years——

Mr. MARSHALL: I know the Leader of the Opposition was engaged in it, but if we cast our minds back over that period, from 1914 to 1920, we find that the cry then—and probably before that—was “Go on the land, young man.” We painted glorious pictures of the prosperity that must ultimately be theirs through foreign markets being available to them.

Mr. Patrick: This argument did not arise prior to the last war because there was no surplus.

Mr. MARSHALL: I venture to suggest that the influx of people on to the lands of Western Australia, with a view to the production of wheat, was encouraged by fictitious prices created by virtue of wartime experience.

Mr. Seward: They went on the land years before the war.

Mr. MARSHALL: I agree; but what prices were they getting?

Mr. Seward: A payable price.

Mr. MARSHALL: Yes, having regard for the fact that the farmer worked from long before sunrise to long after tea! On that basis it was a payable price.

Mr. Triat: The price was not as high as it is today.

Mr. MARSHALL: I know.

Hon. C. G. Latham: The value of the pound is different.

Mr. MARSHALL: Now the hon. member is introducing another argument.

The Minister for Labour: Take no notice of them!

Mr. MARSHALL: Let us be frank with these particular individuals and not mislead them, because foreign markets have a happy knack of recovering very quickly. What is more, we have to be mindful of the fact that there are countries which are developing their own lands and not only supplying their own market but also entering into competition almost every day with the man on the land in this country. We have to realise that. I do not think it is right to tell the land developers of this State that they can look forward to a period of prosperity if hostilities cease.

Perhaps there would be a time of prosperity, but it would be particularly brief. I am doubtful whether it would last long enough for them to recover financially, because other countries are as quick to realise the position as are we, and they develop their lands just as rapidly as we develop ours. I do not know why we are constantly gazing through an empty larder to an imaginary one equally empty in foreign countries. If members representing the primary producers of this State would do a little more to adjust the home market, which is a sure one, they would probably be doing a lot more than they are by continually looking for foreign markets to stabilise the position of our primary producers.

Hon. C. G. Latham: Would you apply that to wool and gold as well?

Mr. MARSHALL: There is always that uncertainty about foreign markets.

Mr. Patrick: What would you do with regard to wool?

Mr. MARSHALL: If members opposite could prove that every man, woman and child in this country has an abundance of woollen goods, and likewise an abundance of all that the farmer produces, their argument would be sound.

Mr. Patrick: Giving all that in, would not they still have a surplus?

Mr. MARSHALL: Our landowners are told to wait for something to happen on the foreign market. Always must we depend upon something far away.

Mr. Tonkin: And then the foreigner starts to grow his own supplies.

Mr. MARSHALL: In consequence of which our farmers find themselves head over heels in debt because they have been advised on false premises and have developed hopes never fulfilled. Apart from the fact that the producers in foreign countries will develop their land, they will be equally encumbered by the effects of international commerce because they will find the purchasing power of their people will be reduced, consequently leaving only limited possibilities for the purchase of their output. All nations will suffer alike after the present war. We have had experience ourselves.

We did not feel the effects of the last war until 1930, but we could easily have suffered in that direction in 1919, when England and America were confronted with such grave difficulties. I do not agree that we should constantly engage in leaving an empty larder at home in order to search for a dubious market abroad. We should see to it that our own people have full and plenty, and then, perhaps, we could consider what is available for foreign markets. If we adopted that course, we would act far more logically than we do when we suggest to the men developing our agricultural and pastoral holdings that some day in some country somehow there will be some market with some reasonable prices. I am particularly doubtful about the position, and experience has shown that in the past I have been correct in my predictions. I did not rise to discuss this particular phase, but when the member for Greenough was speaking, the point occurred to me.

I suggest to the Minister for Lands that the time has arrived when some consideration should be given to those who are producing wool and beef in the northern parts of the State in respect of the land rents they are called upon to pay. I am of opinion that the present system is most inequitable. All are suffering for want of markets, both local and foreign. As a matter of fact, there is a good market locally if only people were able to purchase what is produced. If that opportunity should

arise, then the position regarding the supplying of markets elsewhere will be much more prosperous. As it is, while the people cannot buy the goods we produce, consumers and producers alike are necessarily restricted respecting their standards. From time to time we notice the slogan: 'Buy More Lamb.' As though people would not buy more lamb if they had the money to enable them to do so! We hear the cry: 'Eat More Apples.' If people had more money with which to buy apples, more would be eaten!

Mr. Styants: With apples at 6d. a pound?

Mr. MARSHALL: I am not talking so much about the actual price but rather about the purchasing power of the people, which at present is such that they cannot afford to buy these articles of diet.

Mr. Styants: Certainly not at that price.

Mr. MARSHALL: Take the advocacy of the member for Subiaco. I do not speak disparagingly regarding that lady's efforts. They are noble and worthy. What I ask is: Why should our primary producers have a commodity for sale, and so many of our children be unable to take advantage of that commodity and have their constitutions built up so that we may expect strong manhood? As it is children go without the milk that is so necessary for the building up of their constitutions. Do parents designedly refrain from giving their children milk? Of course not! The children go without milk because their parents cannot afford to buy it for them. The situation is ridiculous. Much that we hear to-day is confounded hypocrisy. Drink more milk! Eat more apples! Buy more lamb! Let us provide the people with the necessary purchasing power, and they will buy all right. We are constantly putting the cart in front of the horse, and I am getting tired of it.

Mr. Needham: And an empty cart at that!

Mr. MARSHALL: It is sheer hypocrisy for us to go on as we have been in the past. Who would deny children the very essentials necessary for their wellbeing? Why tell the people they should do these things when, if they had the necessary money, they would not need to be told to make such provision for their children? I do not want the member for Subiaco to think I speak disparagingly of her efforts.

God knows, if it were not for the fact that some people are prepared to turn themselves into more or less professional beggars in order to cadge from those that have wealth the necessary funds to enable others who are without money to purchase milk for their children, I do not know where we would be. While people are prepared to do that under our existing regime we must tolerate the practice.

To revert to the question of land rents, the Minister should do something to secure exemption from the payment of that impost by primary producers who are developing the country far removed from the railhead or the nearest seaport. When we take into consideration the fact that some of the land being developed lies 200 or 300 miles north of Wiluna, in a portion of the State where the railhead is some 700 miles from the nearest port, we should be prepared to extend additional encouragement to those courageous enough to venture upon such activities. Either their land rents should be reduced appreciably or they should hold their properties rent free for a given period of years. That course should be adopted to afford them an opportunity to develop their holdings. When it is remembered that all the equipment essential for the improvement of their holdings, including windmills and so forth, has to be conveyed 700 miles by rail and then upwards of 300 miles by road, members will realise the cost that has to be shouldered by the pastoralists outback. Let members contrast their position with that of the more favourably circumstanced farmers, and at the same time appreciate that each section of producers receives similar prices for its commodities. There is no difference between them apart from what may be regarded as the value of the type of produce marketed by the respective sections. Something should certainly be done to assist those people.

Then again, I want to know from the Minister if there has been any check upon the rentals. The remission of land rents has been given general application. I assure the Minister that the consideration shown in that respect by the Government has been very much appreciated, and the pastoralists in my electorate are most grateful for the assistance. They feel that in being relieved of the necessity for payment of land rents they have profited to that extent. From that point of view, I express to the Minister the

thanks of the producers in my electorate for that concession, but—I am very sceptical indeed as to whether those producers who have enjoyed the concession have really benefited financially in consequence. The concession has been extended to those who have struggled heroically to free themselves from financial obligations, as well as to those who have succeeded in avoiding the necessity for financial assistance, and thus have avoided over-capitalisation. The latter section certainly benefited materially by the rent remission, because to the extent of the amount remitted they were in pocket. On the other hand, I am doubtful whether that has been the experience of the others who had to secure financial assistance at one time or another. The amount involved in the rent remission represents about £250,000.

The Minister for Lands: It represents more than that.

Mr. MARSHALL: I know the amount involved is large. It is doubtful whether the producer and the squatter have really benefited from the consideration extended to them. I am afraid that in the case of those who were labouring under heavy liabilities to financial institutions, the real benefit of the remission of rent has been enjoyed not by them but has been passed on to the advantage of the financial institutions concerned. I feel confident that a great percentage of the relief granted by the Government respecting land rents assisted the financial institutions and not the squatters or the producers, and has gone in the form of payments of interest due. I do not know whether the Minister has considered that phase of the problem, but I am sure that if he does devote some attention to the point, he will find that my contentions are to a great extent perfectly correct.

The landholders in my electorate have long since lost all control over their resources. That has developed even to the extent of determining the standard of living which they themselves may enjoy. Their monthly, quarterly or half-yearly requirements are assessed, and that applies to all that is essential for their homes. They are required to submit a list of their foodstuffs and other domestic requirements, and they are not allowed to go beyond the agreed expenditure unless under some special arrangement. That is all they get for shepherding the properties they once owned. In the circumstances, I cannot avoid the belief that

much of the money the Government has remitted for the relief of the squatters has gone in interest payments. I would like to know whether the Minister can give me some idea of the actual position. I assure him I will enter a most emphatic protest against the taxpayers shouldering any further liabilities in order to make good amounts owing to the financial institutions.

Sitting suspended from 6.15 to 7.30 p.m.

MR. SEWARD (Pingelly) [7.31]: The first matter I shall refer to of those mentioned by the Minister is the urgency of the farm labour question. As stated by other members it is a question that will not brook further delay. It is most urgent. Last week I received applications from two farmers to have the period of their sons' training put back until after the harvest was over. In each of those cases I followed my usual practice, and made application to the General Officer Commanding asking whether the relief sought could be granted. I had no reply before I left the city on Friday morning. When I got home I received a telephonic message from the mother of one of the boys, a widow with her son on her property. That boy had been ordered to be in camp on "next Tuesday," today; and I am still without a reply from the military authorities. This kind of business cannot drag on indefinitely. The youths have to report to the camp today, and the crops are ripening. Either the crops have to be wasted through harvest operations not being carried out or some kind of relief must be given immediately to the people concerned.

I know the Minister is only too willing to do what he can, but I think we should get a committee of practical men to work on this. It is no use writing to the military authorities if a week is to elapse without bringing forth a reply. One case I did finalise on the Saturday morning. I communicated with the area officer, and the training of the boy in question was put back until after the harvest was finished. We must have a committee formed that will be able to get into immediate touch with the military authorities and thrash matters out with them, asking that relief should be given immediately in deserving cases. Where applications are not genuine, of course no relief would be forthcoming. Today I had another

case, in which the four hands on a property were all gone. The farmer has only one son, and that son has been ordered into military camp. That is one case for immediate decision. We should get a committee together as a permanent body for dealing with such matters. The committee would be able to get into communication with the military authorities and obtain finality before it was too late.

Under this Vote, of course, comes the Agricultural Bank. I approach the subject with a feeling of great diffidence, because every time I have gone to the Agricultural Bank I have invariably received the utmost courtesy from the officers, whom I can testify it is a pleasure to meet. Now, one does not care to criticise people whom one holds in personal regard as I do the officials of the Agricultural Bank; but it is no use blinking facts, and if there was a Royal Commission of Inquiry into the Agricultural Bank in 1934 there certainly is great need for an inquiry into the conduct of the Bank now. Throughout the year there have been complaints in the country districts about the different rulings coming from head office, and from branches and field inspectors. There seems to be no system whereby the decisions of the Commissioners can be effectively conveyed to those under them. A month or five weeks ago I asked several questions of the Minister on the matter of drought relief, and he gave me his answers. Yet when I went to the country and happened to meet some branch managers of the Agricultural Bank there, they laughed at me and said, "Does the Minister believe what he says?" That is brought about solely by the fact that instructions issued from head office have been misread by the country managers. There must be faulty draftsmanship or something of that kind. The fact remains that rulings given to country officials differ widely from those given in the city. Such a state of things should not obtain.

As I have pointed out before, Agricultural Bank clients have consulted me in regard to what they consider unfair decisions in their cases; and I have placed before the Commissioners information which was not in their possession, but which should have been in their possession through their representatives in the rural districts. Such things should not occur. The reports of field inspectors on clients should be absolutely com-

plete, so that when a case comes up for decision by the bank authorities the whole of the information available would be before them. That, however, is not the case, as is borne out by the fact that decisions have been varied when the other information was placed before the Commissioners. It proves that the system is at fault somewhere. These things should be rectified, for there ought to be no necessity for any Agricultural Bank client to go beyond his branch manager. The branch manager should be able to do the whole of the business between the client and the Bank without appeals to authorities in Perth.

There is an omission from the report of the Agricultural Bank this year, in so far as it does not contain a separate account of the disposal of drought relief moneys. When we saw the Minister about 12 months ago, we were given to understand that this particular drought relief money, the £570,000, would be kept separate. I think the Minister said, when applications were being taken, that this was done with the idea that the money should be kept separate. I hoped for some record in the Agricultural Bank report showing what money had been available and what money had been lent to the farmers, and also how much was held in reserve. There was nothing in the report dealing with those aspects. There is a reference to the Industries Assistance Board and to drought relief moneys, but to nothing like £570,000, or to £300,000 having been received from any source or having been distributed. That information should be available so that we could trace the total amount granted. As far as I can make out from the lists available, a sum of £317,000 has been expended. That leaves about £252,000 which should be available somewhere; that is, of course, disregarding what money was lent to clients of the Associated Banks or other such institutions. If that amount is available, there is a good sum in hand. But we should have information showing what amount has been expended and what amount still remains. As regards the grant of £200,000 I see that was used, all but £251.

Reverting to the administration of the Agricultural Bank, I had three cases brought under my notice during the last few months where farmers were entitled to receive something from the grant made available to those who experienced crop

failure last year. Their claims had been lodged, but practically all trace of them was lost. It was not until I brought the matter up that it was investigated. Ultimately the farmers were asked to submit fresh claims before any money could be granted to them. I understand they have now received assistance. The position, however, is not right.

The Minister for Lands: There is a great deal of difficulty owing to late lodging of claims.

Mr. SEWARD: Yes, but claims should not be lost. There should be a record of every claim put in. In these three cases the claims appear to have been lost altogether. The farmers had to be financed by the Associated Banks in two cases, and had to pay a higher rate of interest than necessary. These are the only matters I desire to mention. I greatly regret having to criticise the administration of the Bank, and I do want to place on record my appreciation of and my thanks to the Commissioners and the officers of the Bank. At any time I go there they are courtesy itself, and give every possible information consistent with their duty of keeping clients' affairs to themselves. I am the more reluctant, therefore, to have to criticise some minor but still important matters of administration.

MR. WATTS (Katanning) [7.43]: I have not a great deal to say on this Vote, but I must first refer to two points, neither of which is to be taken as criticism of the department or its administration. The first point comes to my mind because of observations which have been made at other periods during debates in this Chamber. It has reference to the productivity of what is known as the Albany zone. The district of which I am the representative comprises in area some two-thirds of the Albany zone, and its productivity, especially when one bears in mind that it is only a comparatively small portion of the State—probably one-fiftieth part of the State's total area—is very substantial. I would not have dwelt on the question of the productivity of that area had it not been that when the Minister for Works was addressing himself to his Estimates recently he observed, "that money should be spent in the Albany hinterland in order to make it more productive, so that something might be grown to export from the Albany harbour."

It would be impossible for me, representing as I do some two-thirds of that area, to allow that observation to pass unchallenged. Members would assume immediately that I agreed that the production of the hinterland in question was of so small a nature and variety that it could almost be ignored. I have agreed to nothing of the kind. I believe I am fully aware that the Minister for Lands would not for a moment suggest that the productivity of that area is of such meagreness that a port for it is unjustified. In order that the Committee may have some appreciation of the condition in regard to that country, and of the increase that has taken place in production over recent years, I propose to quote some figures which have been supplied from the office of the Government Statistician regarding the Albany shipping zone. I find that for the year 1938-39 the production of that zone included 631,626 bushels of apples, 40,135 bushels of pears, 2,119,234 bushels of wheat, 981,657 bushels of oats, and approximately 1,507 tons of potatoes. I may point out that for the preceding year the figure for potatoes was 5,358 tons, and that for the year following the figure was 4,021 tons. The particular year I am quoting shows a sadly diminishing quantity of production of potatoes largely on account of the climatic conditions, such as floods.

In addition to the products I have mentioned 2,374,415 lbs. of cream were sent to factories, and 9,804,563 lbs. weight of wool was produced. These primary products, which are the major ones produced in that area, were grown in the zone which is adjacent to the port of Albany. I find from a moderate computation that the total value of that production was £1,275,000. That is a figure which, in view of the proportion that that part of the State bears to the total under production, is not one to be ignored, and is not one which I think justifies to any extent the observation of the Minister for Works to which I have made reference. Taking wool at 1s. per lb. on the average I find that the value of the wool to which I have referred was just on £500,000. If we take wheat at 3s. 4d. a bushel, which over a period of years is, I think, a reasonable figure—it is certainly commensurate with the present guaranteed price—the wheat production of the area in question was worth £350,000 for that year. The total value of £1,275,000 represents a reasonable value of the products of the area.

It ill becomes any Minister to make a statement such as that to which I have referred, a statement that is not in consonance with the facts, and it does not reflect the credit on the Minister that most utterances of his undoubtedly do. I also wish to refer to the question of bulk handling in the Albany zone. I say this to the Minister for Lands, that the people of that area who are concerned in wheat growing are very pleased that bins were provided during the course of the last wheat season at 14 or 15 sidings within the area. The Minister when dealing with the matter of arranging with Co-operative Bulk Handling for the bins to be installed treated the deputations that waited upon him, and treated me, in a manner that one would expect in connection with a matter of this importance. It is regrettable, however, that his efforts stopped at the creation of bulk bins at the sidings, and could not be extended to the provision of terminals at the port. Referring again to the statistical figures, I find that between the years 1928-29 and 1938-39 the export of wheat from the port of Albany ranged from 28,000 tons to 53,000 tons, which was all dealt with in bags.

At present, because of the absence of bulk handling facilities of any kind at the port of Albany, the whole of the wheat which this year, I think, is expected to reach 1,775,000 bushels or over 45,000 tons, will not be able either to be stored or if the opportunity offers to be exported from that part of the State, but will have to go to some other port or be stored at some other port, irrespective of that portion which is stored in bulk bins or bulk heads at sidings. I realise, and therefore do not propose to offer any criticism on the subject, that the situation in regard to the storage of wheat is as serious as the Minister indicated during his remarks. Had we been able to provide for terminals coincident with the provision of siding facilities we would have had them available for what quantity of wheat can be handled through the port.

The Minister for Lands: The only shipments made now are of bagged wheat.

Mr. WATTS: Yes. I realise all the difficulties as the Minister explained them. I do not propose to offer any remarks by way of criticism, but must express regret that when the matter was being handled from the point of view of sidings facilities could not have been extended to the port, so that some

wheat could have been railed there and stored there and, if opportunity offered, could have been exported from that place. Even if we have wheat to export from that area in the future until bulk handling facilities are provided at the port such wheat could not be exported, and in consequence work on the water front, which has been of some value from the point of view of wheat handling to those engaged there, would not be available even if there was a demand for wheat. I hope that an opportunity may yet be found for the provision of terminals at Albany, so that a proper use of that port may as soon as possible be made in the interests of the people concerned in production in that area to which I earlier referred. The Minister for Lands is, I think, also Minister for Repatriation and is certainly Minister for Soldier Settlement.

On Saturday last I attended a conference at Tambellup, representative of a large number of local authorities, agricultural societies, returned soldier district committees, and other organisations, which discussed the question of soldier settlement if any is to take place after the present war. When introducing his Estimates the Minister said that consideration was being given to various angles of that matter. I am not in a position at present to give him or the Committee the resolutions that were carried by the conference on Saturday, but hope to be able to give them to him for his consideration in the near future. I trust he will recognise when he receives them that they have not been put forward in any spirit of carping criticism, nor in any spirit of wishing to make capital in any way out of the situation which will probably arise as a result of the need for the repatriation of soldiers, but out of a genuine desire to assist him or any other Minister of the Crown—State or Federal—who will be engaged in this difficult matter. The idea is to assist in evolving means whereby the errors which took place after the last war will not be repeated, and so that if people are to be placed on the land some better endeavour may be made to put them there under conditions that will enable them satisfactorily to hope to earn a living without the poultee of liability, which was the experience of many of them in their ventures in soldier settlement after the last turmoil.

The poultee to which I have referred was, I think, a very substantial source of worry

and concern to successive Treasurers of the State, and still presents a problem which has not been solved by any means and which, I think, if we are going to do the right thing in the future, constitutes a difficulty which has to be overcome. I do not propose to dwell on that aspect of the matter, but to inform the Minister that I propose as soon as the resolutions come to hand from the secretary, to supply them to him. I trust he will realise they are sent to him in a spirit of assistance, that he will be prepared to give them the fullest and most sympathetic consideration, and will extend through me, to those who put them forward the courtesy of his considered reply.

I have only one other matter to mention, namely, my regret that very little, if anything, has been done with the recommendations of the Light Lands Commission which in 1938 presented a report to Parliament after a most comprehensive inquiry. I know there has been no amendment to the Land Act to implement some of the recommendations which require implementation by that means. Perhaps the Minister will say that altered circumstances have made it unnecessary to deal with some of the recommendations, and to a certain extent I agree with him. Undoubtedly there has been a comparative cessation in the demand for land, particularly land of this kind; therefore I am not going to insist that the particular recommendation regarding district light land boards should be put into operation. The recommendation of the Commission in connection with soil erosion, however, should have received the attention of the Legislature. The Commission, on page 29 of its report, said—

Soil erosion is a serious matter, particularly in the light land areas. We understand that a Departmental Committee is dealing with the matter. It has also been the subject of consideration by the Road Boards at their recent conference, and all that your Commissioners desire to do at present is to stress the importance of taking the most effective action possible to cope with this menace.

Your Commissioners recommend that in all new surveys in the light land areas not less than three-chain roads be provided; that the centre chain be declared a road and that the remaining chain on either side be reserved as a wind-break. No greater area than 200 acres should be cleared on a face, and suitable strips of scrub country should be left that will be useful as shelter for stock and serve as breaks to prevent soil erosion. Road boards should be given power to protect roads in areas considered to be liable to soil erosion.

Regulations should be promulgated to deal with soil erosion. All Crown grants issued for light and/or poison lands should provide that on non-compliance by the freeholder with such regulations, the land shall revert to the Crown.

These recommendations are very good. The last one is open to considerable argument, I admit, yet, undoubtedly, there are strong grounds upon which to state that if regulations are made dealing with soil erosion, no property owner should be allowed to ignore them. I have noticed in moving about the country that soil erosion is more noticeable today than three, four or five years ago. I do not say that in the southern country, from which I come, it has yet reached serious proportions, but I do argue, and I think the Minister on inquiry will agree, that there is a possibility of its becoming a serious problem even to that part of the State.

Last year was a pretty dry year, and particularly dry compared with the usual conditions obtaining in that area, and distinct signs of increasing difficulty from wind erosion were visible. During last summer I saw cultivated paddocks being practically blown away. It does seem to me that early attention should be given by legislation to the question as to whether or no we should carry out the recommendations of this Light Lands Commission, or some other recommendations, in order to ensure, as far as possible, that soil erosion and its attendant evils are brought to an end as quickly as is humanly practicable. It will be realised by the Committee that on this Commission were members from both sides of the House, one of whom at the present time is on the Government side and occupies the position of Minister for Justice. He is a man who, I think, had considerable experience of land of the nature discussed by the Commission and, if I remember rightly, he subsequently moved a motion which was carried by the House that the Government should give early attention to the recommendations of that Royal Commission.

The other matter to which the Minister should give attention in the recommendations of this Commission is that referring to surveys, in which the Commission states—

Your Commissioners, after due consideration of the evidence placed before them by officers of the Lands Department, have come to the

conclusion that the "actual cost of survey" as prescribed in the regulations to the Land Act, 1933-37, is not the actual cost of the survey. It appears to your Commissioners that the losses sustained on surveys in the heavier types of country are being offset by the profit made on the surveys of light lands.

The period required to bring a light land block into profitable production is one of long duration, and it is during this period that the settler requires every help to assist him in the economical development of his property. Your Commissioners recommend that—

- (a) The actual cost of survey only should be charged, not the prescribed cost as laid down in the Land Act.
- (b) Interest on the actual cost of survey only should be charged for the first 10 years and then the cost of the survey, without interest, should be added to the price of the land.

Questions are continually arising as to the amount of survey fees. It is frequently alleged that they are far too high, having reference to the conditional purchase price of the block and the value of the land from the point of view of its potential productivity. That aspect was frequently mentioned to me before the Royal Commission sat and returned its findings and recommendations.

The solution of the difficulty seems to be to act on the recommendation of the Royal Commission. That recommendation was one of those which, together with the other dealing with soil erosion, could have been carried into effect because they both have application to land which had been taken up long before they were made. I hope the Minister for Lands will even now come to the conclusion that action in regard to these two matters, at least, should be taken at an early date. Other than that I have no comment to make about the Lands Department.

I reiterate what I have said about bulk handling at sidings in the Albany zone. While I consider the provision of the facilities fully justified, at the same time I wish to thank the Minister for his courtesy in the matter.

MR. MANN (Beverley) [8.7]: We are enjoying today one of the best seasons for many years. The Minister mentioned in his speech the possibility of the farmer being able to meet his commitments in the near future. There is, however, much leeway to be made up before the farmer reaches

the position of definite stability. Good seasons are one thing, but the question of good prices is another. We hope, with the two together, that there will be some definite future outlook for the farmer. I wish to thank the Minister, on behalf of the soldier settlers in my electorate, for having had a revaluation made of repurchased estates. It is appreciated by them. In the event of a further repatriation scheme to the land, when the men at present away return, the consideration of repurchased estates should very definitely be taken into account. I have had some experience of this. It is a pretty hard battle with years and years of toil in front of them and very little hope of getting ahead. I hope this Government, or whatever Government is in power when actual repatriation takes place, will consider that aspect. Some men will come back from the front desiring to go on the land. That type of man is a good one and consideration should be given to him. Many young men will not touch the land. Many farmers' sons have had enough of it. Even with the development of secondary industries, primary industries have to be carried on.

I wish to touch on the question of water supplies in our farming areas. East of my electorate there is a water scheme, or two water schemes. The Minister for Water Supplies will agree with me that the day has come when, in conjunction with the land settlement, there must be some comprehensive water supply scheme. The eastern wheat area has a rainfall that will grow a good crop of wheat, but not sufficient at times to fill dams. In my electorate there is an enormous amount of valuable feed, due to the excellent season, but some farmers cannot carry stock. The water question has to be faced sooner or later. I understand consideration is being given to the possibility of increasing the area of the Mundaring catchment, and also of the Wellington scheme. I hope the Government will make some definite announcement regarding the position of water for our farming areas. This is essential to increase the number of stock carried. If we are faced with competition respecting wheat, a great deal of wheat production will cease. We are one of the main wool-

producing countries in the world. Our eastern areas, particularly, are producing a bulky type of wool, and they also produce good fat lambs. We are, however, penalised so far as water supplies are concerned. There will be a partial shortage this year in some parts of the State, about which the Minister has information, and his officers are out now making investigations. Water cartage will be necessary in some areas.

I want to make some remarks regarding the new Minister for Labour in the Federal Government. He says that if primary producers wish men to work on the land they should ensure that the standards for their workers are equal to the standards in other industries. It is not possible for the farmer to give the same standard as is given by other industries. This will be the death knell of our primary industry. Labour is essential, and today, because of the price received for our commodities and the high cost of production, the farmer is unable to employ labour on the basic wage. At present a casual worker can demand 12s. a day and keep, and he is paid it because labour is scarce. Consideration should be given to the question of internees. What happened during the last war? Our men who were taken prisoner worked pretty hard in the mines, factories and on road works in Germany and German occupied areas. No consideration was given to them. Today the trade unions of Australia say, "We will not allow internees or prisoners of war to work, because it affects our members." Are they going to control Australia?

Mr. Fox: It is against international law.

Mr. MANN: Does Germany consider international law?

Mr. Styants: It does not work internees.

Mr. MANN: Are we to tolerate men like Mr. Ward, who are extremists in every sense?

The Minister for Lands: What was the decision of Mr. Ward's predecessor?

Mr. MANN: I am discussing the present Government. I consider the Minister for Lands is very fair, and I ask him: Does he consider the farmer can afford to employ labour under present conditions? Will the Minister answer that question? Can the industry afford it? Can the industry carry

such a load? The answer is "No." If the farmer could pay such rates he would do so, and would be quite willing to give better conditions. Were it possible to get assistance from the half-castes, some relief might be afforded, but the half-castes take mighty good care not to work. The question of labour is a very difficult one. If we have to adopt Commonwealth standards—and we must realise that the Commonwealth can override the power of this Parliament—the industry will soon be in a very sorry plight. We can produce wheat and wool, and presently Europe will be starving and in need of these commodities. There is no country that can produce these essentials of life as we can do. I commend my remarks about water supplies to the attention of the Minister concerned, and I thank the Minister for Lands for having had those holdings on the repurchased estate revalued.

MR. J. H. SMITH (Nelson) [8.16]: As I spoke on the general debate I have not much to say on the Lands Department vote. I wish to bring under the notice of the Minister for Lands the urgent necessity for securing better co-ordination between the Lands Department and the Forests Department for the purpose of preparing for post-war problems. After the war a number of our soldiers will doubtless be settled on the land, and we do not want to repeat the blunders made after the 1914-18 war by paying extortionate prices for repurchased estates. There will have to be much settlement in the South-West, not necessarily in the form of group settlement, because I assume many thousands of people will be migrating to this State from other parts of the world in order to take up land. There is only one part of the State in which they can be put, and that is the part which has been proved during the last few years following the dry conditions experienced in the wheat and the pastoral areas.

The whole of the land from Pinjarra southwards and eastwards is controlled by the Forests Department, regardless of whether it is timber land or other Crown land. Before the Lands Department can approve of any selection the matter must be referred to the Forests Department. After the approval of the Forests Department has been obtained the land is surveyed, and the selection approved of by the Lands Department. I do not suggest that we

should give away any of our timber heritage, but I do suggest that a better spirit of co-ordination should be fostered between the two departments, and that a classification be made of the whole of the land in the South-West part of the State. Many years before the Forests Department came into operation thousands of loads of timber were destroyed. The whole of the land from Bridgetown to the coast and around to Albany was surveyed on a draughtboard system. Many camps of surveyors worked right through that country and made a classification. Forest surveys have been made since, and blocks that had been selected and abandoned have reverted to the Forests Department. It is impossible to get one of those blocks because of the timber it is carrying.

The way in which the Forests Department bases its estimates is this: There is a ridge carrying an abundance of jarrah, perhaps six, ten or twenty loads to the acre. Then there is a big valley with no marketable timber, but the loadage is spread over the whole area, and if it averages $1\frac{1}{2}$ loads to the acre it is designated forest country. Since the survey was made the Forests Department has carried out a cursory inspection, and now there is a record of all that is considered to be forest country. I suggest that a classification be made by officers of the Lands Department and the Forests Department, with an arbitrator if necessary, of all the land in the South-Western portion of the State. Otherwise we cannot expect to make any progress with land settlement. The post-war problems will be on us, and when the Minister wants to settle 15,000 or 20,000 settlers there, he will find the Forests Department up against him without any provision having been made to have the land available. The Minister should see that the necessary survey is made and that better co-ordination is secured between the two departments. If that were done no one would regret it, and the Minister's name would go down to posterity as a man who took a broad and statesmanlike view and made the requisite preparations to meet a very great need.

HON. W. D. JOHNSON (Guildford-Midland) [8.22]: I commend the member for Nelson for having raised the question of the lands of the South-West. While I support him in his desire to get a survey made of the land available, as disclosed by the

maps prepared by the Forests Department, I want the Minister when going into that matter—as I hope he will—to include the area of unimproved land that is monopolised by absentee owners or by those who are farming only a small fraction of the land they control. The great trouble in the South-West was that, before we had a plan and before the State had an opportunity thoroughly to survey the forest areas, successive Governments over the years wisely reserved the areas that they thought might become valuable from the point of view of timber production. The Conservator of Forests, Mr. Kessell, has done remarkably good work, as did his predecessors, in getting a proper grip of exactly where the marketable timber is. Marketable timber is usually found on land that is not of the best quality for agriculture, and therefore he has been able not only to discover where the permanent forests must be maintained but how to cut out those areas that would be usable for agricultural purposes, and would not be as economically sound if retained for forestry purposes. That is as it should be.

As the member for Nelson pointed out, plans have been prepared and I take it we know where the permanent forests will be maintained. I know Mr. Kessell to be one of those wise administrators who will follow the example of European and other countries where the practice is to plant one tree or two trees for every one that is cut down. Undoubtedly Mr. Kessell and his officers are doing good work in maintaining our forests.

But I submit that it is not away down in the Nelson district where we ought to start. We ought to start in the Bunbury electorate. Anyone who travels in the South-West today must be impressed by the tremendous development that has taken place between Perth and Bunbury. It is a fascinating picture when we remember having passed for years through areas between Perth and Bunbury that were considered to be indifferent—land that would never be developed. But with subterranean clover, with various methods of treatment, and in part, with the help of irrigation, there has been a transformation.

Mr. J. H. Smith: Practically all that land is taken up.

Hon. C. G. Latham: Do you remember the time when you condemned it?

Hon. W. D. JOHNSON: No.

Hon. C. G. Latham: I will convict you with your own words.

Hon. W. D. JOHNSON: I know what I said. The Leader of the Opposition, with other members of the general public, thought that that land was not as good as it has proved to be. The production today is remarkable. In going down to Bunbury, as I have done at intervals during the last few years, I have been struck by the remarkably small percentage of poor stock to be seen. It reminds me of New Zealand, where I was reared. There we used to judge localities by the number of stock in good condition.

Hon. N. Keenan: Where did you see that stock?

Hon. W. D. JOHNSON: Between Perth and Bunbury. One has to look very closely to find a beast in poor condition. To me, the transformation is most extraordinary, and I speak with some knowledge of the subject.

Mr. Willmott: You can include the stock right down south.

Hon. W. D. JOHNSON: I am dealing with the remarkable development between Perth and Bunbury. Not only has the land been cleared but the pasture on the land is maintaining a high quality of stock, and the stock is in remarkably good condition.

Mr. Mann: Stock at the Woorloo Sanatorium is in equally good condition.

Hon. W. D. JOHNSON: Stock at the Woorloo Sanatorium is nursed, but between Perth and Bunbury there are small holdings where farmers are applying the knowledge that has been gained over the years as to the best method of utilising that land and building it up by top-dressing. I am speaking from my own observations because I have been through that part two or three times recently, and have judged the district from Perth to Bunbury by the wonderful development and the number and quality of stock on the holdings. Roughly one can calculate the number of stock to a given acreage, and the condition of the stock is a tribute to the land, to the farming methods adopted, and to the advantages derived from scientific investigation and the spread of scientific knowledge. I wish to emphasise that point. The results are there to be seen by everyone, and anyone who knows anything about agriculture must be impressed by the transformation.

Travelling south from Bunbury to Busselton, one observes a different condition of affairs. I am guessing now, but I think it is about 20 miles south of Bunbury. Immediately one passes the racecourse, on both sides stretch miles of unimproved land. Any one who knows Western Australia will appreciate that, in order to judge the quality of the land, one needs only to count the red gum trees on a given acreage. I invite any member to proceed quietly along that country and estimate the number of gum trees per acre. He would come to the conclusion that in that district there is a vast area of first-class land. At one time the land had been fenced, but the fences are now falling down. There is only a small distance of effective fencing in the area. I was struck by this and could not understand why, when this land was available, less attractive areas between Perth and Bunbury were being settled, country which was considered to be of little value from a productive point of view. Yet it was developed quickly and successfully. I therefore measured the distance from the mile peg on the road, and asked the Minister for Lands for a map of the land from the mile peg near the Bunbury racecourse to the mile peg towards Capel. I do not remember the mileage but it was considerable.

When I received the map I found that the land was privately owned. I shall not give the name of the owner, but members know him well. He is associated with the people who have talked about the development of the South-West and the wonderful potentialities of that district; but, by golly, they have not contributed to the development of the South-West by making their land available for settlement. With the member for Nelson, I ask the Minister to make a survey of this land which has been held for so many years. It is freehold today and the owners are reaping the unearned increment. Some day the State will have to secure that land. Let us ascertain how big is the area that is being monopolised there today, not by the Forests Department but by private owners. The department has control of large areas, certainly, but large portions are made available for settlement without interfering with the economic value of the timber. It is land monopoly that is the menace of the South-West. That is what is holding the district back. It is a crime, because, if

that land were made available for settlement, production could be stimulated to a far greater extent than in the other district I mentioned.

I hope the Minister will go into this matter and make a proper survey of the South-West district in order to find out what areas are available for settlement, so that people who so desire may take up land there and farm under good conditions on a closer settlement basis. A survey should be made irrespective of whether the land is Crown land or whether it belongs to monopolists. If it is privately-owned we can have it thrown open by legislation. I do not advocate confiscation, nor do I wish to injure anyone. I simply say that no individual should stand in the way of the State's development and progress. There should be a way out of the difficulty. What is happening in the South-West occurred in my native country, New Zealand, where drastic legislation was required to break up large estates that were being held to the detriment of the development of New Zealand, thus retarding its productivity. We have an enterprising Minister for Lands, a Minister who applies himself to his work. I hope he will take on this job, and when he has done it thoroughly I shall, with the member for Nelson, applaud him for his efforts.

HON. C. G. LATHAM (York) [8.36]: With regard to the remarks made by the previous speaker, I have before me a report of a Royal Commission of 1925 of which he was a member. It is pleasing to know that persons, as they grow older, become better educated. They learn more about their country. Tonight we have heard the South-West district compared favourably with land in New Zealand.

Hon. W. D. Johnson: You quote Manjup.

Hon. C. G. LATHAM: It is pleasing to learn at last that the hon. member has found some good in the South-West district. I agree with him. I made a minority report on the results of the Royal Commission to which I have referred. I did not agree with the hon. member in those days. At last, however, he has seen the light. He admits now that the South-West portion of this State is a great heritage for the people.

Hon. W. D. Johnson: It cost this State £7,000,000.

Hon. C. G. LATHAM: Even if it did what does that matter, as the member for Murchison would say. If it cost £7,000,000, what is money? I suggest that the member for Guildford-Midland take the advice of the member sitting next to him as to what money really is.

Hon. W. D. Johnson: My colleague will tell you what it is.

Hon. C. G. LATHAM: I am asking the member for Guildford-Midland to get that advice. However, I do not intend to discuss that side of the matter. As I said, it is pleasing to know that at last there is a full appreciation and realisation of what our South-West really means to the State. I agree with everything the member for Guildford-Midland has said; yet he did not select land there for himself. He selected land in the wheatbelt, where perhaps he has made a fortune.

Hon. W. D. Johnson: I have not.

Hon. C. G. LATHAM: Had the hon. member taken my advice in those days he might be better off now. I rose particularly to ask the Committee not to agree with the statements made by the member for Murchison about the future of our wool industry, our wheat industry and other industries that today are providing surpluses. It would be calamitous for the State if we were to take his advice and do nothing, particularly as our population is under half a million. How many farmers would be required to supply that number of people with food and clothing? I assure the Committee—and I have facts and figures here to prove what I say—that after every war a ready market has been available for all commodities that can be supplied.

When this war ends—may God bring it to an end soon—a ready market will be available for our commodities and money will be forthcoming to pay for them, exactly as money was found for the destruction that is now taking place. The member for Murchison knows a great deal about mining and I look to him for advice and guidance on that subject; but when it comes to agriculture, may I suggest that he leave that subject to those who thoroughly understand it? He would then make fewer mistakes than he has made to-night. I propose to quote from "Year

Book" No. 14, 1921, the prices of wheat for the period 1901-1919. The figures are as follows:—

Year.					Average for year.	
					s.	d.
1901	..	..	..	..	26	9
1911	..	..	..	..	31	8
1913	..	..	..	..	31	8
1914	..	..	..	..	34	11
1915	..	..	..	..	52	10
1916	..	..	..	..	58	5
1917	..	..	..	..	75	9
1918	..	..	..	..	72	10
1919	..	..	..	..	72	11

Hon. W. D. Johnson: Are you finding something to quote against me?

Hon. C. G. LATHAM: In "Year Book" No. 23, 1930, the following prices are given:—

Year.					Average for year.	
					s.	d.
1920	..	..	..	..	80	10
1921	..	..	..	..	71	6
1923	..	..	..	..	42	2
1924	..	..	..	..	49	3
1925	..	..	..	..	52	2
1926	..	..	..	..	53	3
1927	..	..	..	..	49	3
1928	..	..	..	..	42	10

Those were the prices up to 1930 and 1931, when the market collapsed. Even since then the average price has been about 3s. 6d. per bushel. Just before the war wheat was sold at 3s. 3d. to 3s. 4d. per bushel at sidings. Members will appreciate the point that the value of the pound in 1914 was considerably greater than it is today. For instance, binders that cost £40 then today cost over £80; and harvesters that then cost £45 to £56 today cost £200. So members will realise what was the purchasing power of the pound in 1914! In that respect the wheat prices of those days were better than they are today. I agree with the member for Greenough that we have a wonderful opportunity. Any help that I can give the Minister to overcome the difficulty of storing our produce I shall be only too happy to give.

Wheat is a perishable product, but not as perishable as are many other commodities. For instance, butter cannot be stored for a very long period, not even in cold storage; nor can potatoes, fruit, and that kind of commodity, be stored. The member for Murchison said that the great trouble was that people had not the purchasing power to buy these goods. But there is not one

person who has not the money to buy all the bread he wants. People are better off in that respect than they have been for a long time. I have not heard complaints about the price of butter which, on the average, is higher than it has been for a number of years. I will admit that a little while back it was as high as 2s. 6d. a lb. But the price has improved during the past few years, due to the fact that it has been more or less controlled. It is no use the hon. member saying that we can load the price on to our Western Australian produce in order to make production a payable proposition. It would be a terrific loading.

The Minister for Lands: We exploit our home market now.

Hon. C. G. LATHAM: Recently we have done so—almost for everything. We have done it in regard to milk, butter, dried fruits and wheat. Certainly it has not been done with regard to wool, though we are still charging higher for Australian manufactured woollen goods. I admit that so far as farms are concerned there is no fixed price for meat, but even that might be given consideration in the near future. This vast country of ours must be developed. The fact that it is not peopled is one of the reasons why certain folk not very far away from the North-West are looking with envious eyes on this wonderful territory. We must populate it and so remove their cause for jealousy. However difficult it is to keep people on the land we must carry that responsibility, and do everything possible to assist those engaged in primary industry.

Let us not for one moment subscribe to a policy of despair and say, "Do not let us produce any exportable surpluses!" That is the only way to meet our oversea commitments and get a living. I do not know of any manufactured article in respect of which we can enter into competition with other countries on the London market. As the Minister has said, we are loading our people with some of the costs of production in order to export.

I did not rise to complain about the Lands Estimates. My sympathies are with the Government and we should do everything we can to make the land attractive, however difficult it is under present conditions. We are not doing all that we could for the men on the land, but do not let us condemn the work they are accomplishing in the man-

ner in which it has been condemned tonight. I am sorry that such statements have been made. There is a market awaiting us if and when we can ship goods to people overseas who are starving, and are anxiously awaiting the commodities we can produce. I commend the member for Guildford-Midland for having seen the light, and for having a better appreciation of some parts of this country which a few years ago he condemned. I hope also that we have succeeded in enlightening the member for Murchison as he has at times enlightened us.

MR. HILL (Albany) [8.50]: It is not my intention to speak at any length on this Vote, but I do realise in common with other members that the prosperity of our State depends upon the development of the land. When I look back over the years of my residence in the southern end of Western Australia, I cannot help being struck with the wonderful progress and development that have taken place there in spite of our many disabilities. I often think that a member of Parliament, instead of being reprimanded for using his railway pass, should be castigated if he does not use it. Fifteen months ago I felt very pleased with what I saw in my own part of the State, after having returned from a trip to the Eastern States.

Mr. Needham: And a Labour Government has been in power!

Mr. HILL: In spite of that we have made wonderful progress! I have here a letter to the Premier asking him to arrange for someone to attend the Denmark field day on the 22nd November. Incidentally it is Sir James Mitchell whom we have to thank for the wonderful progress made in that district. When I travelled over the wonderful north coast of New South Wales 12 months ago I was struck with the similarity of that country to the Denmark district, but it was appalling to see the drought-stricken nature of the country over there and the skinny stock. On the other hand it was lovely to return to Denmark and see the luscious pastures, in spite of the fact that we have had the driest year on record. Another thing that struck me in New South Wales was the enormous expenditure that was necessary to provide transport facilities for that part of the world.

At the southern end of this State we have been wonderfully favoured. We have, I think, one of the finest climates in the world.

A few weeks ago we had at Albany a very large delegation of members of the Federal Parliament. Those gentlemen referred to the fact that some Japanese were in New South Wales recently. Referring to the Blue Mountains the Japs said, "Give us your Blue Mountains and we will produce from them. You have the rainfall; we can find the rest." We all know that our land in this State is short of phosphoric acid, and in the southern end of the State we seem to be a little short of some of the minor elements. The discovery of the Denmark wasting disease and its cure was a wonderful achievement of the Agricultural Department. That trouble was caused by a deficiency of cobalt, and it takes one oz. of cobalt to supply the deficiency in 40 cows for 12 months. In the southern end of the State we are fully alive to the fact that the area must be populated. Energetic committees have been formed with a view to assisting the Government in the settlement of that area. I am sure the Minister for Lands enjoyed his recent trip to my district. He inspected some areas that were started by the Leader of the Opposition when he was Minister for Lands some years ago, and on Tuesday I will be attending a field day on some of the condemned land in the southern end of Western Australia. If it were possible I would like other members to go down there to see what I believe to be the finest pastures in Australia, and to witness the development taking place.

[*Mr. Marshall took the Chair.*]

THE MINISTER FOR LANDS (Hon. F. J. S. Wise—Gascoyne—in reply) [8.54]: I do not wish to delay the passing of these Estimates, but I feel that the members who have spoken are entitled to one or two comments from myself. One of the few matters to which I wish to refer is that raised by the member for Pingelly in respect to labour difficulties and the arrangements being made in connection with man-power problems generally. For his information and that of the Committee, I may say it is the intention of the Government before the end of this week to appoint a committee representative of all interests, a committee that will have an opportunity not merely to co-operate with the Commonwealth but also to decide upon our many local problems connected with labour deficiency. During the past week we have been approached by the Prime Minister on this subject.

In addition to the secretary to the Premier's Department, Mr. Stitfold, being appointed Deputy Director of Man-Power Priorities, it is the Government's intention to appoint three others, including an efficient person representing rural activities. As a matter of fact, I understand that the Premier today approached the Leader of the Opposition and conferred with him on this matter. We hope to obtain the best and most representative committee to deal with the very vexed problem of labour shortage. Many of our city interests as well as rural pursuits and mining activities are severely handicapped at present and are likely to be handicapped in the future on account of war circumstances, but it is hoped that as a result of close co-operation and collaboration there will be an easing of the position. The Premier suggests that I should read to the House the letter I received from the Prime Minister yesterday. It is as follows:—

Receipt is acknowledged of your letter of the 26th September in which you nominated Mr. H. T. Stitfold, Secretary of your department, to the position of Deputy Director of Man Power Priorities in Western Australia.

I now desire to confirm the appointment of Mr. Stitfold as Deputy Director, and to thank your Government for making his services available, in a part-time capacity, for this work.

When Mr. Stitfold was recently in Melbourne, he was requested by the chairman of the Man Power Priorities Board to submit confidentially, after consultation with you, suitable nominations of a representative of employers, a representative of employees, and, if necessary, another member for appointment to the State committee of advice. These nominations will, of course, be subject to confirmation.

I would like to express my appreciation of your courtesy in allowing the Man Power Priorities Board, through the Deputy Director, access to the records of the State Government and State departments for purposes connected with the functions of the board.

Many approaches have been made by the Government to the appropriate Commonwealth Minister, and many suggestions have been made with a view to easing the position in every sectional interest in this State. As I mentioned when introducing these Estimates, we anticipate very great difficulties, particularly in rural spheres. Those difficulties indeed are with us at present, and as time develops, even after the hay harvest, we expect they will be very intense. Every avenue is being exploited in an endeavour to overcome the difficulties.

Reference was made by the member for Guildford-Midland to forest activities and

the necessity for close collaboration between the Forests Department and the Lands Department. I desire to assure the Committee that close co-operation is being experienced between those two departments and the principal officers connected with them. The principle of planting a tree for every tree removed has been carried out and has reached even a better stage in this State. It is to the credit of the present Conservator of Forests and also a reflection of the policy laid down by his predecessor, that it is anticipated that after another 30 years have passed, when most of our virgin forest land will have been to some extent exploited, provision will have been made for an increasing quantity of timber in perpetuity. That is the result of years of planting and is a remarkable tribute to those who had charge of the arrangements for the future development of forestry in this State. After another 30 years there will not be a diminishing quantity of timber available for milling but an increased quantity.

I agree with the sentiment of the hon. member in respect to alienated land and think it is time that less land belonging to the people was exploited, while those owning alienated land are merely awaiting further development to enable them to benefit from unearned increment. We have large tracts of country near to facilities that have been provided for the people which merely await development to secure the profits that should belong to the people. In investigations now proceeding in connection with areas in safe rainfall districts all these factors are taken into consideration. There is no other comment I wish to make. I thank members for their appreciative references to the Lands Department and the administration of the Agricultural Bank. In these trying days all the circumstances attaching to land administration are indeed very difficult.

Vote put and passed.

Votes—Farmers' Debts Adjustment. £3,030; Agricultural Bank, Industries Assistance Board, Soldiers' Land Settlement. £5—agreed to.

Vote—Agriculture, £96,937:

THE MINISTER FOR AGRICULTURE

(Hon. F. J. S. Wise—Gascoyne [9.3]: It would, I think, be a very grave omission to allow the Estimates of the Department of

Agriculture to be passed without comment. During the last two years, while the Lands Department and the Department of Agriculture have been administered under the one Ministerial head, there has been every endeavour more closely to correlate the different departmental interests. While in the case of the Lands Department the activities mainly deal with the occupation of land and the handling of the State's interests the arrangements necessary for reserves and roads, and all matters incidental to surveys—those duties being constant—in the case of the Department of Agriculture it would appear that the duties are not merely increasing but, with the times, are becoming more diversified. The duties attached to the administration of the Agricultural Department and those of the officers of the department seem to be changing daily. Although in the past the activities of the department have been more associated with production, organisation not merely in this State but throughout Australia tends towards the control of the marketing of that production. This has been more marked since the outbreak of war. For many years, however, certain sections of rural production have experienced a considerable amount of control by boards and by other authorities set up in each State of Australia, which have to some extent placed imposts upon our local markets, in endeavours to raise the prices to the producers and to counteract the low export parity.

Since the outbreak of war, with the contracts let by the British Ministry of Food the outlook for the producers has materially changed. In the first year of hostilities contracts were made with Australia for £100,000,000 worth of its surplus production. It was obvious that while shipping was more plentiful than it is now, there was a distinct inclination on the part of the British Ministry of Food not merely to renege the contracts made with Australia but to increase the demand for certain of our commodities. During this year, however, owing to very grave disabilities respecting shipping there have been constant changes in the demands from Britain. Those demands have not merely been varied during the past year but have included requests for further types of commodities from Australia.

Whereas last year Britain demanded that we should supply every ounce of butter that could be produced in Australia—in that

year we sent away 194,000 tons of butter to Great Britain—this year Great Britain is asking for only about 60 per cent. of our production. That in turn has imposed upon our local market not merely the strain of a demand for increased consumption but for the absolute prohibition of second-grade articles. There is no room in the demand made by Britain for our butter for any pastry quality or any second-grade article. There has also been a serious reaction in all Australian States with regard to the butter market, which will be saturated with the first-class article. This means that dairymen will experience very great difficulties unless their best efforts are put forward to ensure that no second-grade cream or second-quality butter is put on the market.

With the shipping position we have experienced most serious difficulties in respect of cargoes requiring refrigeration, and in turn, great stress has been placed upon our internal refrigerated storage space to cope with the long gap between the calling of ships equipped with refrigeration facilities. We have had to endeavour to anticipate, and that has constituted a most difficult problem. We have had to endeavour to judge what might be the quantity of storage necessary to cope with the season's butter, lamb, bacon and eggs awaiting export. Not merely did these commodities require storage, but there was the question of our internal needs to make possible the maximum quantities of England's requirements being available when ships made port. There were changes day by day in the requests coming to us from England, for different types of commodities, such as variations in the weight of pork or the type of bacon that was needed. That has placed upon us serious handicaps in the provision of cold storage facilities and has made it very difficult to anticipate.

The Government has, as members are aware, endeavoured to meet the situation by assisting meat works to provide cool storage facilities, and in measuring, as far as was possible, the refrigerating space available to us within the State. At one stage, to ease the position, we were considering the prospect of conveying on State ships some of the lamb carcasses from the Fremantle treatment works to Wyndham. We had to consider curtailing the privileges given to our local slaughtermen and butchers at the Midland Junction

abattoirs in order to make available more storage space for lambs. Seasonal conditions this year, however, make the position appear less difficult than at first because of the lateness of the lamb season. At this stage, although we had anticipated approaching an output of 400,000 lambs, if present indications are not improved upon we will not have anywhere near that number.

I mention these few points to indicate to members some of the difficulties the Agricultural Department has had to contend with in respect to marketing problems consequent upon war conditions. On the other hand, the war has brought to us the consideration of new industries that had received scant attention in previous years, and much activity in the department has been caused in fostering those new industries. I will cite flax as an example. It was quite by accident that flax production came to this State. On a previous occasion I have given members details of how that happened. At present it is sufficient to say that last year the Commonwealth Government allotted 1,000 acres to Western Australia, which was sufficient to warrant the establishment of one mill at Yarloop. This year we have had 6,000 acres allotted to us and the results have been so satisfactory that one district has requested an allocation of 4,000 acres for next season. The prospects of the flax crop have exceeded all anticipations and not merely has the yield been promising but it seems that in parts of the Nelson electorate in particular, in places where it was difficult to find a suitable rotation in pastures, flax has proved a beneficial crop with clovers for the purpose of renovating clover fields. That means that flax will not only be a suitable intermediate crop but a very profitable crop in normal rotation.

There are flax crops in the Boyup Brook district that ran five feet in height and they will yield, as a rotation crop, a return of £15 per acre, as well as being a very valuable crop in succession where the clover land is running out. It is a tribute to many people of the Boyup Brook district that when this matter was presented to them as a national need, hundreds of acres of pasture land were broken up. The result seems to be that Western Australia will have had introduced to it a new in-

dustry with a second secondary industry bias, which will outbid many other States where the crop had previously been successfully established. It will bring to Western Australia an industry that is so important to us and which in the years after the war will engage many people in secondary industry and enable us to achieve a better-balanced economy.

Hon. W. D. Johnson: Will the whole of the 6,000 acres be devoted to fibre?

The MINISTER FOR AGRICULTURE: Yes, there is also an area of 1,800 acres of linseed—a related crop—which is being grown for grain. It is anticipated that next year, if we are able to cope with it and erect a factory—this year we have three in operation—and if we can get the machinery, there will be at least 10,000 acres of linseed flax in Western Australia. At present there is an area of 1,800 acres of linseed for growing the same family of plants, but it is being grown for grain between Northam and Beverley in the Avon Valley, and we expect that that will yield the growers a return of over 6s. per bushel. We were highly fortunate in the action of the present Under Secretary for Agriculture, who arranged at very short notice for the requisite quantity of seed to be imported to meet that need. The Commonwealth was persistent in its request to us to have small trial lots; but in our first year we have 1,800 acres which is promising well and which, fortunately, also has a secondary industry bias. That linseed will be treated as is imported linseed in New South Wales and Victoria, and will not merely satisfy part of our oil requirements for paints and the like but also for stockfeed and residues which are necessary in the production of paint and lubricating oils.

Tobacco is an industry which has been given special attention by the department. This State has claims for the expansion of the tobacco industry second to none in the Commonwealth. Of the Australian consumption of 27,500,000 lbs. of tobacco, Australia produces only about 5,600 lbs. The rest is imported. If instead of regarding tobacco as something that is profitable to the Commonwealth Government in an excise sense, we consider it as something profitable in a primary and secondary industry sense, we shall be regarding it in its true light.

Last year Western Australia produced £136,000 worth of tobacco. That is the figure of recent appraisers. The quality was commented upon by the appraisers as second to none in the Commonwealth. The average price gives an impression supporting that contention in that 2s. 9¼d. per lb., the average price in this State, was the highest price in the Commonwealth. And now we have an opportunity in the district between Karridale and Manjimup of not merely doubling that production but of expanding it manifold. It is no use to make arrangements for such expansion at short notice. It will be necessary for our own resources to be supplemented, for us to get financial assistance towards the attainment of that goal; but the Government is pressing very hard for consideration being given to this important industry and for securing the necessary recognition of it from the Commonwealth.

A few moments ago I mentioned one point concerning the dairying industry of Australia, in that our surplus of 104,000 tons was exported to Great Britain last year, and that this year we expect that the shortage which will be occasioned by lack of demand from Great Britain will be shifted towards cheese production. Great Britain has asked us for 40,000 tons of cheese during this current year—three times the quantity exported in the previous year. Great Britain has asked for dried milk and condensed milk, and for increasing quantities of dried fruits; but more particularly is stress laid on the availability in Britain for all dairy products, except butter, that we can send her.

There is a strong demand, too, in the Middle East and in the Far East—or, what is perhaps the better term, the "Near North" to us—for all classes of dairy produce which can be dried or sent in tins. There has also been a very big demand in Australia for an increase in our condensed milk supplies. We have been sending from the district of the member for Murray-Wellington large quantities of tinned milk, not merely oversea but also to the Eastern States; and there is no doubt that the quality of the commodity produced here ranks very high in Australian production.

One or two other crops are attracting our attention and are past the experimental stage. They also are required for military use. Among them are canned vegetables,

dried beans, and in fact any legume which can be shipped as a dried article or used for canning. We have recently conducted experiments with a bean known as the navy bean. We have also tried out a pea known as the Brunswick white pea, which is in demand as a split pea. It is likely, from the results obtained in our experimental stage, that we can make available to the Commonwealth military authorities next year 3,000 tons of one variety of bean, a variety which is being much sought after for our naval and military authorities.

Those are highly important things in the developments which have been occasioned by war circumstances; and the Department of Agriculture, with a depleted staff, is doing its utmost to cope with the situations that arise. Before leaving the subject of production I would like to mention an experience of one grower in the Manjimup district in connection with tobacco. This man had four acres planted last year from which he obtained 1,500 lbs. of leaf per acre, of an average price of 3s. per lb. He received £900 from his four acres—through the efforts, mainly, of himself and his wife. The prospects in that district for the tobacco industry are enormous, and I hope that the recognition we are endeavouring to obtain for the industry will meet with some response in the Commonwealth sphere.

Just in brief I would like to refer to the activities of research, particularly applying to minor elements and to stock diseases. The work of the research officers in the plant nutrition branch and the animal nutrition branch during past years is well known to members. The officers' attention to such diseases as the Denmark wasting disease, Gingin rickets, toxie paralysis and all of those matters has produced almost miraculous results. I remember a year or two ago the member for Beverley drawing the attention of this Committee to the extreme losses occasioned in his district by toxie paralysis. It will be remembered, too, how serious was the Denmark wasting disease, which rendered impossible the rearing of cattle in that district. Throughout the State Gingin rickets was regarded as quite hopeless; but now it means nothing to stock owners. The work of the scientists of the Department of Agriculture cannot be too loudly acclaimed. That upon which they are now engaged is receiving the same attention from them, and is achieving simi-

lar results. The cost of falling disease is well known to south-western members. That disease appeared to be absolutely inexplicable. Today it is not merely being controlled, but the scientists seem to be on the track of a complete solution of the problem.

The use of cobalt and copper, not only as licks but as an addition to pastures, is proving of immense value, especially in the Busselton and Margaret River districts; and in their train comes not only the cure of pasture deficiencies but of many ailments of stock which previously were common in those parts. Stock problems and poison plants and other difficulties are all receiving attention, but perhaps one of the most outstanding features of research is in connection with minor elements. In the district of the member for Albany the addition of 5 to 10 lbs. of copper per acre, and a very small quantity of manganese in some areas, increased the yield of potatoes by as much as 7 or 8 tons per acre. The addition of 5 to 10 lbs. of a minor element has increased the potato yield by from 5 to 7 tons.

Mr. Doney: Which particular officer was responsible for finding that out?

The MINISTER FOR AGRICULTURE: No particular officer, but the branch under the control of Dr. Teakle is responsible for the addition of that element. Dr. Teakle has played a prominent part in the research in that connection, but he has in his branch some very able men working closely and whole-heartedly with him. There is one thing I think might be mentioned in passing, and that is the close co-operation between all branches of the department—the absolute spirit of friendliness and of co-operation inter-departmentally as well as within the department.

Hon. W. D. Johnson: It was not always thus!

The MINISTER FOR AGRICULTURE: It is thus!

Hon. W. D. Johnson: It is now!

The MINISTER FOR AGRICULTURE: We are blessed with men of very high capacity and rare attainments. They are doing something for this State in overcoming difficulties, which is merely part of the successful development of the lands referred to by the Leader of the Opposition. Their work is part of the development of our South-West, and its success lies in the overcoming of many diseases and in enabling a better appreciation to be had of

the difficulties of that country, which after all are very real but when measured in scientific terms are not extremely costly to overcome. I may mention such matters as cereal breeding, which made this State important and famous for its wheat varieties and wheat yields.

These factors seem to be getting into the background, but the important work is continuing—work and research in rotational crops, in seed selection, in plant breeding, in crops such as lupins and many others. These activities will, in my opinion, afford to this State a great deal of progress in the coming years. It is not necessary for me to prolong the debate. I purposely have avoided giving much statistical information. I think it is unnecessary. However, I do commend these Estimates to the Committee, and I hope that whatever comment is made upon them will give credit to the very many officers who are working so assiduously and successfully in the best interests of the State.

Mrs. CARDELL-OLIVER: I move—

That progress be reported.

Motion put and negatived.

MRS. CARDELL-OLIVER (Subiaco)

[9.30]: I wish to make a few remarks on the whole milk industry. I had a motion before the House for an inquiry a little while ago, but decided to let it lapse because the vendors and producers had agreed to put their position before the Price Fixing Commission, and I thought any inquiry at that time might embarrass the situation. We are all convinced that the price of milk will be increased in the metropolitan area, and for that reason I am very concerned. It must be increased because the vendors at the present time cannot carry on. They are working at a loss. It appears that since 1933 they have not had an increase, but the producers have had two rises. The result is that the expenses and wages of the vendors have been increased considerably and they are now operating at a loss. Many of them are going out of business, and especially the producer-vendors. They are now selling to the factories instead of retailing whole milk. This matter will become a great embarrassment to the metropolitan area if it is not corrected. There is great danger that they will retire from the trade. I have seen the income tax returns of some of these men,

and I know they are not making enough at present on which to live. They will, therefore, gratefully sell their milk to the factories.

The trade, also, is gradually drifting into the hands of the large cooling depots. As I explained in this Chamber a couple of years ago, that happened in Melbourne. It was found there that 44 business firms controlled nearly all the trade, and more than £500,000 was invested in these 44 businesses. It has been ascertained here that if the retail industry milk were zoned, as has been suggested by the Leader of the Opposition and others, the vendors could possibly carry on. That, however, has not proved to be so, because some vendors have agreed to zone their areas and have already exchanged customers. They find they still cannot make the business pay. It is going to be difficult to get milk. Friends coming from the Eastern States informed me that in many cafes and hotels at present it is almost impossible to get fresh milk in tea and coffee.

Mr. Cross: Did you not say last year that powdered milk was better than fresh milk?

Mrs. CARDELL-OLIVER: No, I did not say that it was better but that it was excellent.

Mr. Cross: I will prove you did.

Mrs. CARDELL-OLIVER: I said it was excellent, and it might be better than some milk, but I did not say it was better than our best milk. I wish, particularly, to say that milk is becoming, really, a luxury product for the very poor people, and if the price is increased I do not see how the poor consumer will be able to afford to pay for it. On the other hand I do not see how the vendor can keep going unless he obtains an increase in price. Something must be done. Either the Government will have to subsidise the vendor or bring about the nationalisation or municipalisation of the business in order that the poorer people may receive milk at a reasonable price.

In England, although they are working under such awful conditions at the present time, all families receiving £2 a week or less, get as much milk as they want, free, and all mothers with children under five years of age, and expectant mothers, can buy milk at 2d. a pint, no matter what is their income. Something like that should be done in this country. The Government must subsidise the industry if the poorer people are to have sufficient milk. I

left with some members today a report which appeared in the "West Australian." of a statement made by Professor Harvey Sutton when speaking at a conference of the Dairy Factory Managers and Secretaries Institute, at the Royal Agricultural Society Showgrounds in Sydney. He stated that although there are over 2,000,000 males in Australia between 18 and 45 years of age only about 660,000 would be fit for service if conscripted for a home defence army. The reason for much of this unfitness, he said, was an insufficiency of milk during the growing period. If the younger generation received enough milk Australia could raise an army of 1,000,000 from a population of 7,000,000, whereas with the present milk consumption it would take a population of 10,000,000 to raise an army of that size. I inquired about Professor Harvey Sutton, and have been informed by the Government Statistician that he is a man of great experience, conservative in his estimates, and well thought of in this particular State.

I would like to ask the Minister—I did ask this two years ago but nothing came of it—would it not be possible for the Government to allow the free milk council to give milk to the poorer people at butter-fat prices? That would not hurt the producer in the least. He would get his usual price from the factory. It would not hurt the vendor because the council would pay him, and he would get his proper price; and the cooling depots would get their price and everybody would receive just what they do now. If that could be done it would be very helpful to those who supply the milk to the under-nourished children in schools. It would allow just twice the number of children to be supplied. Before resuming my seat I wish to say that if there is to be an increase in the price of milk I trust the Government will do something to allow the poorer people to receive milk either at the price they pay now or at a lesser price.

HON. W. D. JOHNSON (Guildford-Midland) [9.40]: I wish to express my pleasure at the way the Minister is applying himself to the agricultural problems of this State. I commend him on the improvement in the dairying industry. That industry required a very close and deter-

mined application by a Minister. There is no part of the agricultural industry in which more unscrupulous exploitation occurs than in the dairying industry. The Minister has very quietly, but very effectively improved that position to a large extent. I do not say he has eradicated all these "snide" practices which have been in operation for years, but he has made it more difficult for them to be carried on. He has done wonderfully good work up to date, and if he keeps going he will ultimately put this industry on the basis of quality production rather than quantity. Again, he has done a good deal to encourage the keeping of better herds. The production per cow has improved considerably.

The improved pastures, to which I have already referred when speaking on other Estimates, have contributed a great deal towards that improvement, but there is no doubt that the Minister and his expert officers have encouraged the farmers and assisted them to keep a better quality cow with the result that the production per beast has increased and, of course, the consumption of the pastures has been reduced proportionately. In other words, a poor cow eats as much as a good one, and where there is a number of good ones the improved economic result is easily calculated. I tried to follow the activities of the Agricultural Department because agriculture is the foundation of the State's economic structure. We have other activities, but we have to appreciate that with our population today we have to make use of our agricultural, pastoral, mining and timber resources. It is true that we have to undertake other industrial developments, but that must be done in a balanced manner. We must not attempt to do too much experimental work and provide for imaginary results which become costly, and which will be a burden on the primary industries to which I have referred.

Reference has been made by the member for Beverley to the anticipated crop. I believe the crop this year will be somewhere in the neighbourhood of 34,000,000 to 35,000,000 bushels of marketable wheat. While there will be difficulties, already emphasised by speakers, respecting the harvesting and shipping of that crop, the Government should appreciate that we will also have a very big difficulty with the internal transport of it. That aspect is causing very

great concern to those whose duty it is to handle the crop internally. I suggest that the Minister for Agriculture—it all comes back on his shoulders—should investigate the problem and try to get Government policy to anticipate difficulties, and ascertain whether something can be done to assist the Railway Department in the huge problem of wheat transportation facing it this year. If conditions were normal and shipping available we could organise accordingly, but we must appreciate that that cannot be expected. Though conditions may improve there will be great difficulty in getting the crop transported from country districts, and having the storage available for the following season's crop. If we fail to remove the wheat from the country districts the difficulty towards the end of next year will be enormous, and it may be questionable whether we dare undertake the growing of a crop next year unless the problem of transport and storage can be overcome.

I heard members from the Fremantle area particularly complaining of the inconvenience suffered by people because of the vermin difficulty by reason of the enormous storage of wheat in close proximity to residents of the seaport, particularly at North Fremantle. I know that exists. One would have to be blind not to see what members have based that contention on and their reason for complaining. But I appeal to members not to discount the Western Australian commodity as compared with the wheat grown in other parts of Australia and in other countries of the world. If we are not careful, we shall convey to the world that Western Australian wheat is very subject to infestation by weevil and other wheat-consuming vermin, and that therefore our wheat is not as good from a storage point of view as is the wheat of the Eastern States. That would not be true. Western Australian wheat, generally speaking, is a good keeping wheat.

Hon. C. G. Latham: Better wheat, too.

Hon. W. D. JOHNSON: In many instances it is better, but there is no doubt a fair and honest comparison will prove—the Minister will support this statement—that there is relatively less prevalence of infestation in Western Australia than in other States. Whereas our production of wheat is very high unfortunately the local consumption is very low, and the result is that

our surplus is the highest in Australia. Unfortunately for us we had a considerable quantity of wheat stored in anticipation of shipment. Before the outbreak of war in Greece, we actually had shipping space arranged to export a considerable quantity by Greek transport. The Eastern States found other markets, and because of our particular circumstances those in authority thought that Western Australian wheat could be earmarked for shipment by Greek transport. Just when we thought everything was satisfactorily arranged from our point of view the war broke out and disorganised the whole business.

Consequently, wheat which we expected to be transported to and disposed of overseas is, to a great extent, still in the State. Wheat has been stored longer in Western Australia than in the other States; and wheat in many parts of the world will not stand long storage. There is a great outbreak of weevils in the State compared with other years, for previously we had no trouble. True, if wheat is stored in a damp place or without particular care weevil will develop, and I suppose that in the past it did develop to a slight extent. Now, however, we have had to carry wheat a long time: all kinds of pests are becoming prevalent and great difficulty is arising from the long storage. Still, we must not lose sight of the fact that this is due to the special circumstances of Western Australia and not to the commodity of Western Australia.

If wheat from the other States had been stored as long as Western Australian wheat has been stored, the destruction by vermin would have been considerably greater than it has been here. The destruction, comparatively speaking, is not higher but is decidedly lower. Members should therefore be careful not to discount the commodity in their efforts to secure special attention for the difficulty, inconvenience and suffering being experienced by a number of people in close proximity to the bins provided for the long storage of wheat at Fremantle. Then again, if we are not careful in dealing with the outbreak of weevil in regard to our bulk system of storage, we shall be playing right into the hands of the Eastern States merchants who do not desire to maintain the bulk handling of wheat. In Western Australia, of course, we do 95 per cent. of our handling of wheat under the bulk system; but there are other parts of Australia—South Aus-

tralia is one—where there is no bulk wheat at all. Victoria has a small percentage compared with Western Australia. Queensland has no bulk wheat at all. New South Wales has a percentage larger, of course, than that of Victoria, but considerably below Western Australia's.

Now, in all those States there are those who tend towards the marketing of wheat in bags, and the marketing of wheat in bags lends itself to ampler returns to those handling it than does the bulk system. The bulk system concentrates the handling more into big combinations. It lends itself to that development, whereas bag handling is quite a different method and will carry a certain number of middlemen, who can make quite a decent living out of it. Those people have complained bitterly of the extent of bulk handling in Western Australia, and of course they have been excluded. We used to carry four or five wheat marketing firms here. The cost of all their overheads was borne by the producers, and I think it was for that reason the firms made such a great effort to prevent the adoption of bulk handling in Western Australia. Members who were here during the period when bulk handling was under discussion will recall the strong effort put up, the amount of lobbying that went on, the special resolutions carried, and the speeches made and issued in pamphlet form. It was useless to attack in those days. We simply had to let the farmers gradually but surely experience the advantages of bulk handling.

Ultimately, wiser counsels prevailed. Bulk handling became an accomplished fact, and the Government of the day wisely provided legislation to enable it to be done on the most economical basis. The trouble today is that under the centralised system of marketing, with the big representation of the bag-handling merchants of the Eastern States on the Wheat Board, a determined effort is being made to try to force out the bulk handling of wheat in favour of bag handling. Naturally there has been an attempt to convince those responsible for the handling of wheat in this State that it would be desirable for a quantity of our wheat to be marketed in bags. The people interested go on to state that the evidence produced in regard to destruction by weevil in Western Australia shows it to be so great as to prove that the storing of wheat in bags would lessen the destruction.

Those people are trying to capitalise the speeches of my friends at Fremantle and elsewhere, who very justly expose the presence of weevil but do not give details to the same extent in regard to the other States; and Eastern States exploiters are using the case of Western Australia to enable them to extend their own operations.

Mr. Thorn: An article on that subject appears in this evening's paper.

Hon. W. D. JOHNSON: I have not read that article. Just to give an idea of how the board is operating, let me say that the Australian Wheat Board comprises 11 members, and that of those 11 members about three are definitely interested in bulk handling. Six members of the board are residents of Victoria. Victoria is largely a bag-handling State, and those members are not only handlers of bagged wheat but bag merchants as well. That, I would suggest to the Minister for Agriculture, is one feature which must not be lost sight of, because those men not only derive from bag handling the advantage of their own particular activity but also the advantage of selling the bags for which they are merchants and of handling them to a great extent.

The more they can extend bag handling, the more bags they sell; and it will be easily understood that when six Melbourne merchants are on that board there is a disposition to use the occasion, the special difficulties and circumstances of the time, to intensify their grip by getting more wheat stored in bags than in bulk. I was saying that six members of the board are in Melbourne, two in New South Wales, one in South Australia and two in Western Australia. Of these, the only ones who in my opinion have really had experience of bulk handling are the two Western Australian members and possibly the New South Wales member. Members will therefore see that the board is undoubtedly influenced towards bag handling, and that is a very serious and grave danger today to the wheatgrowers of this State. What is known as, I think, the Robertson system seems to be favourably viewed by the present Minister for Commerce, Mr. Scully. I do not think I am doing him an injustice when I say that he, a New South Wales representative, has been impressed by the proposal of the Commonwealth Government to guarantee a price, or the cost of production plus a little profit, to the extent of 3,000 bushels per farmer. On

the face of it, from the point of view of New South Wales, that proposal looks good; but from the point of view of Western Australia it does not.

I have figures that will make it clear to members how the proposal would operate if it were put into practice. Per individual farmer, 3,000 bushels would be fair in comparison with his production. It would be a reasonable proposition for New South Wales, but for South Australia and Western Australia it is hopeless. I cannot vouch for the accuracy of the figures I am about to give, but they have been compiled by the co-operative organisations in the various States. Queensland and Tasmania will, it is estimated, produce 3,000,000 bushels. That quantity will be grown by 3,500 farmers. In Victoria 34,000,000 bushels will be produced by 17,500 farmers, but in Western Australia it is estimated that 34,804,000 bushels will be produced by only 10,000 farmers. In Victoria a large number of farmers would participate in the proposed scheme; but in Western Australia only 10,000 farmers would participate. That low number would make the scheme an economic impossibility for this State. I shall quote the figures for the other States. In New South Wales it is estimated that 37,000,000 bushels will be produced by 21,500 farmers. Consequently, the proposition would be better for that State than it would be for any other State of Australia. It is from New South Wales that the idea emanated, and it is the influence of that State which no doubt led the present Minister for Commerce to view the proposal with some degree of favour. In South Australia it is estimated that 33,000,000 bushels will be produced by 14,750 farmers. That completes the figures I have.

Hon. N. Keenan: What is the total?

Hon. W. D. JOHNSON: The total is 141,804,000 bushels, produced by 67,770 farmers. The figures are illuminating and the problem is one we must take into consideration. The policy of centralised control is sound and economical provided it is viewed from an Australia-wide, and not a State, point of view. Taking Australia as a whole, the 3,000 bushel scheme is economically impossible. So far as New South Wales and, to an extent, Victoria are concerned, it is a possibility, but still it would be uneconomical.

The same thing applies in many other ways. I do not desire to take up time, but I remember that when petrol rationing was being adversely criticised, by our farmers particularly, I was requested by some farmers in a particular locality to make inquiries as to how the allowance for farmers was arrived at. I was told, "In exactly the same way as is likely to happen in regard to the 3,000 bushel scheme." The Robertson scheme will be on the same basis as was the petrol rationing. On being asked why the quantity of petrol allowed was so small, compared with requirements, I was immediately told, "It was based on Victoria." I was told quite openly that the policy was to provide petrol on the basis of a nine-mile cart. In Victoria that is quite sufficient; as a matter of fact, there it was a liberal allowance. But to say that a nine-mile average in Western Australia is sufficient is ridiculous, and so the decision had to be reviewed. In the meantime, however, the farmers of Western Australia suffered great inconvenience. I do not know whether they have actually caught up yet, but it has been proved that the conditions of a State like Victoria cannot apply to Western Australia. I would have been more worried about it than I am—though it is quite serious enough—if the Minister was not so active and capable in regard to these representations. I believe the Minister, in this and many other directions, has made wonderful progress.

I intend to put the Leader of the Opposition right in regard to production from the land in the South-West. It is true that I put my name to a report roundly condemning a lot of the land that was put under production by the then Government of Western Australia. It is quite easy to explain why. There is a considerable quantity of good land in the South-West, and an enormous quantity that is not in production. We dealt with that under the other Estimates; but we are dealing now with production. The area I, with the majority of the members of the commission, condemned was totally unsuited for purposes of production.

Mr. J. H. Smith: Where was that?

Hon. W. D. JOHNSON: Abba River. That is a low-lying portion of land in the Busselton district that grows a certain amount of low scrub. That growth is due to the fact that the land is low-lying, and

in winter there is a considerable quantity of water lying on the land. That, plus a small quantity of subsoil, produces the growth.

Instead of the Government of the day going into the question and trying to ascertain whether the land would be productive it decided to remove the water first, and spent hundreds of thousands of pounds in draining the area. When it had done so it found that the drainage would not flow into the sea, because the water level was lower than the sea and the sea started to run in. That was a grave difficulty. The Government tried floodgates and other ways of overcoming the difficulty. The drainage was, generally speaking, a failure, but suppose it had been a success! They were draining the land and the only virtue of the land was the water that flowed on it for a period. The Government, however, removed it, and, having done so, started to remove the growth. When the growth had been removed the wind started to blow, and the little bit of soil on the top blew away and it was all coffee rock underneath. The coffee rock was within inches of the surface.

Mr. Doney: Are you still dealing with Abba River?

Hon. W. D. JOHNSON: Yes. A number of group settlement farms were developed along those lines. The land was cleared and as it was ploughed the soil blew away and exposed the rock; yet the Government went on draining, putting up buildings and fences, and making all kinds of improvements, and actually had settlers there. Of course, the Royal Commission was not long in reaching the conclusion that a blunder had been made, that an enormous quantity of money had been wasted. It was one of the wildest ventures attempted. It was one of those blunders that will be made when we become over-enthusiastic in regard to land development. We shall become over-enthusiastic in regard to our secondary industries if we are not careful. Our enthusiasm carries us away and we run riot in regard to an activity. That scheme was a decided waste. The Royal Commission came in time to recommend that the scheme as explained be abandoned, the farmers taken off, the loss faced and the attempt at production discontinued.

Mr. Doney: You were pessimistic regarding the whole scheme, were you not?

Hon. W. D. JOHNSON: The hon. member surely gives me credit for knowing that the Manjimup land and the Manjimup group settlement must succeed.

Mr. Withers: And Margaret River.

Hon. W. D. JOHNSON: Of course! In our report we had to condemn much of the land. Our emphasis had to be on the failures in order to bring home to the Government and Parliament that an enormous loss had to be faced, and we had to stress why that loss had to be met by bringing into prominence the poor land that an attempt had been made to settle to the exclusion of the use of good land, largely because of the land monopoly to which I have already referred. I am sorry the Leader of the Opposition has not until now been present so that his memory could be refreshed concerning the coffee rock that was so prominent in the Abba River area, instead of the crops that were sown. I am quite proud of my association with that commission. Had the Minister of the day responded, as Mr. Troy did when he took over, and taken the advice of that Royal Commission, things might have been different. The Government should have taken cognisance of the majority report and not the minority report. The latter was politics; our report was business. There was a vast difference between the two.

Hon. C. G. Latham: Shall we read both reports?

Hon. W. D. JOHNSON: I would like the Leader of the Opposition to do so, but perhaps he had better not because the election is fairly close, and his party has not lived down the matter yet. He might find something unpleasant in the report. If the Royal Commission's recommendation had been more promptly acted upon, instead of losing £7,000,000 the State would have lost only about £3,000,000, which sum was wasted between the time the report exposed the weakness and the actual abandoning of those areas. The Leader of the Opposition can explain why the delay took place, but the fact remains that it cost this country, according to my rough calculation, about £3,000,000. I raised the question in regard to wheat because I have been associated with the growing of that commodity and with the handling of it for quite a long time. Wonderful development has taken place in wheat

production in this State. Particularly wonderful progress has been made between Perth and Bunbury. I will never cease emphasising that because it is one of the most marvellous developments that has taken place in Western Australia.

Hon. C. G. Latham: That is the area you condemned most!

Hon. W. D. JOHNSON: Simply because—

Hon. C. G. Latham: You did not know!

Hon. W. D. JOHNSON: I did not know; but when I walked over coffee rock with the hon. member, I did know.

Hon. C. G. Latham: You do not know coffee rock from tea rock.

Hon. W. D. JOHNSON: It was the hon. member that taught me a lot in regard to coffee rock and its removal.

The CHAIRMAN: I do not think these Estimates deal very much with the production of rock.

Hon. W. D. JOHNSON: I would like to reply to the hon. member, but the Standing Orders and an exacting Chairman will not permit. There has been wonderful production in the South-West and wonderful development in the wheat belt. We are going to do the same in the wheat belt as in the South-West. We abandoned the Abba River project. A big mistake was made in attempting to get production from that type of land. We are doing the same in the marginal areas. I was Minister for Agriculture at one time, and I brought in all the settlers from Lake Brown and distributed them in better areas that were then available. The Lake Brown project was closed down, and we said, "We have cut our losses and finished with it once and for all." But within three years after a change of Government there was great enthusiasm, and success went to our heads again in regard to production and the marketing of our products.

The whole of the Lake Brown area was subdivided and settled again. Now a large percentage has walked off. Just as we made a blunder at Abba River, so we did in these marginal areas. We had to close them down, but it has cost this country an enormous amount of money and it was not necessary. It was politics as against business. It is an extraordinary thing how difficult it is to apply business judgment in regard to political development. The present Government has to face the closing

down or reconstruction of these marginal areas where it has been proved that production is economically impossible.

Mr. Thorn: For the mistakes you made when a Minister.

Hon. W. D. JOHNSON: I never settled one of these areas, and what is more "Hansard" will disclose that I opposed the 3,500 farms scheme on exactly the same lines as I am opposing this tonight. Business judgment and common sense should be applied to these political developments. Where politics run riot as they have done in regard to group settlements and land settlement generally, then a day of reckoning occurs and in this case it has now arrived. We have written off £7,000,000 in the South-West. That has gone, but the taxpayers still have to pay the interest.

Mr. Withers: It is coming back fast.

Hon. W. D. JOHNSON: Perhaps so, but the people of this State had to carry those schemes simply because of an error of judgment. I believe the Minister will, today, apply himself with a will to these marginal areas, and use the land for the purpose for which nature intended it, and not try to do the impossible. It cannot be overloaded with superphosphate or applications of artificial manures and produce economic results. The land can be used, and the Minister is on the right track in that regard. I hope that we will not, after this war, be again encouraged to send returned soldiers out to impossible positions and then cast reflections on their ability to farm. Today more sane judgment and sounder business application are used by the Agricultural Department. Good team work exists there. At one time, as I said by interjection, we could not get good team work in that department. Today the sections of the department pull together and so long as that is so, primary production which is the foundation of our strength will respond. I hope the development will be balanced, and that primary production will not be overloaded and asked to do impossible things to carry industrial developments.

MR. J. H. SMITH (Nelson) [10.25]: I pay tribute to the officers of the Agricultural Department for the wonderful work they are doing, and the great assistance they have been and still are to the man on the land. That applies not only to the Under-Secretary, but to every officer throughout.

While I am throwing bouquets I pay tribute to the Minister. I know of no Minister for Agriculture who has taken such a keen interest in the department as the present one. He is an incentive to his officers to give of their best. It is pleasing to know we have a Minister who does not spare himself, and one who will go with members throughout their electorates and do his utmost for the agricultural industry, not only with advice but with encouragement.

Mr. Thorn: You have no right to say that.

Mr. J. H. SMITH: I have every right. I am not like the member for Toodyay. I do not try to make capital and do not scratch people's backs. Because he happens to be a smoodger is no reason why he should tackle everybody else. It is pleasing to note that the flax industry is established and also the tobacco industry. There is the possibility of great expansion for both these industries in the southern portion of this State. The flax industry has surprised even the greatest optimists in Western Australia, more especially in the Upper Blackwood areas where the crops are growing 5ft. high, and are expected to yield anything up to three tons of flax per acre. We have caught up to the demand and our problem for the future is to get the Commonwealth, or whoever the powers may be, to allocate instead of 6,000, 7,000 or 8,000 acres next year, 15,000 or 20,000 acres, when everything in the garden will be lovely.

Our tobacco industry is only in its infancy. The Minister has told us we import something like 27,500,000 lbs. of tobacco a year. Australia produces about 5,000,000 lbs. and Western Australia approximately 1,000,000 lbs. I am looking to the near future when we should have a thorough survey made of the southern portion of this State, because it seems to be the only part of Western Australia in which tobacco can be grown. This industry will extend, and keep on extending until we will be able to grow practically the whole of Australia's requirements and have a surplus for export to other parts of the world. Anyone who smokes will agree that we produce an excellent fine leaf. We have not yet grown the heavy pipe types, but we can grow a splendid leaf for cigarette purposes, and wonderful prices have been realised. In this year's appraisalment our tobaccos yielded a little more than 2s. 9d. per lb., and when it is

remembered that a lot of the tobacco is rubbish—old leaves—which only brings in 6d. or 7d. per lb., the Committee will realise that we grew tobacco which was worth something more than 60d. per lb. this year.

A great future is in store for the industry in this State, but it will not be achieved unless we can make the industry more attractive. It is unfortunate that today 90 per cent. of the growers are foreigners. We want to avoid that position and put the industry on such a basis that it can provide decent wages and conditions. The trouble appears to be that the grower does not get paid for his crop until 12 months after it has been sown. The crop is planted in September or October, harvested after Christmas and cured perhaps in March, and he has to wait until the following September for the appraisalment and his money. With the addition of the flax industry and the tobacco industry, I am satisfied that the South-West is at last coming into its own.

Every Minister who visits the South-West expresses astonishment at the wonderful productivity of the soil and the advancement being made. The South-West has been suffering grave disabilities throughout the years. There has never been an agricultural conference at Bunbury that has not asked the Minister to establish an agricultural college in the South-West. We are not parochial; we do not care where it is established so long as it is provided somewhere. Of course I think it should be established in the most important part of the South-West—the Nelson electorate. There we have industries of every description, and that is certainly where the college should be established. If we can provide the Muresk College and other colleges in the wheat areas, surely one should be provided in the South-West. Time after time it has been promised, but we are still waiting for it.

I sympathise with the member for Subiaco. She wants milk provided at a cheaper rate. She says that the vendors are not getting enough and advocates the nationalisation or municipalisation of the distribution. I do not think that would have the effect of lowering the cost. She suggests that the producers should supply the vendors with whole milk at the price of milk for butter fat.

Mrs. Cardell-Oliver: Only for school children.

Mr. J. H. SMITH: I am afraid that is a fine distinction. Whole milk is worth double as much as milk for butter fat, and I am afraid it is not possible to meet her request. I listened to the member for Guildford-Midland with considerable interest talking of something he knows nothing about. He reverted to the old wheat question and went back to the time 15 years ago when I was fighting for the South-West part of the State, and he and members representing wheat-growing districts could not see any good in the South-West. According to him the group settlement project was bound to be a dismal failure; there was nothing but wheat, and I used to remind him and others that we could not live on wheat alone. The soundness of my observation has been proved.

The wheat areas are suffering from the effects of drought and poor prices. We have heard many speeches about the disabilities the wheat farmers are suffering, and we have been told that the Government must go to their assistance. But why condemn the South-West? The member for Guildford-Midland reminded us that he was a member of a Royal Commission and he said the country was no good. A few years ago the land between Perth and Bunbury was supposed to be no good. Until group settlement was established in the South-West we were not producing any dairy produce to speak of, but the seven millions of money we are supposed to have lost on group settlement is being recouped day by day. Group settlement certainly taught the farmers of the South-West what to do. Governments spent money on fertilisers and on making investigations suggesting how best to grow clover and grasses, with the result that the South-West to-day is in a flourishing condition.

The Minister for Agriculture: And all the settlers are paying their Agricultural Bank interest.

Mr. J. H. SMITH: I do not know of any who is not.

Hon. W. D. Johnson: The Abba River settlers are not.

Mr. J. H. SMITH: I regret that the member for Sussex was not in his seat to hear the member for Guildford-Midland, who spent half an hour in deriding the Abba River area. That area is carrying an enormous number of cattle and is producing

butter fat. The member for Guildford-Midland has not been there. I question whether he has been there since he was a member of the commission and had his expenses paid to make the visit. He said we had lost £3,000,000 more than we should have lost.

Hon. W. D. Johnson: Where did it go?

Mr. J. H. SMITH: What became of the money put into the 3,500 farms scheme? The hon. member is at fault in supporting the present Government. The originators of the group settlement scheme had only three years in office before the scheme was taken entirely out of their hands by the Labour Government.

Member: Only 18 months?

Mr. J. H. SMITH: Well, 18 months! The members of the Labour Government were the ones who squandered the money. They broke away from the wages scale of 10s. per day—

The CHAIRMAN: Order! The hon. member had better get back to the Estimates.

Mr. J. H. SMITH: That is where the seven millions of money was lost and it is being daily recouped by production. Parliament approved of the building of a railway running through the beautiful country from Boyup Brook to Cranbrook and the amount appeared on the Estimates, but the railway was not built. A railway from Pemberton through Northcliffe to Denmark was approved and provided for on the Estimates, but that also was not proceeded with. Had those lines been built the land served by them would have been settled, and would now have been producing millions of pounds worth of wealth. The Labour Government came into power and altered the policy and established the 3,500 farms scheme. Why did not the member for Guildford-Midland object to that scheme?

Hon. W. D. Johnson: I did!

Mr. J. H. SMITH: How? By standing up and talking a lot of prattle for an hour or two?

The CHAIRMAN: Order! The hon. member must not reflect on another member.

Mr. J. H. SMITH: I am not reflecting.

The CHAIRMAN: The hon. member must obey the Chair. When I inform the hon. member that he is reflecting, I do so because I do not want any breaches of decorum. I wish him to understand that when I call him to order, there is a reason

for it, because I am not heated and can judge better than he can. I hope he will obey the Chair.

MR. J. H. SMITH: I greatly regret if I have broken the rules of debate. I had no intention of reflecting on the hon. member. With regard to the Estimates, I am pleased with the way things are going. The member for Murchison said we would never get out of our difficulties until we devised ways and means to secure a guaranteed price for our produce. I say that we cannot make a success of agriculture, that the men on the land will always be serfs and be referred to as cockies paying poor wages, unless we can get a guaranteed minimum price for all produce. Therein lies the solution of the problem; otherwise we shall always be hard up against things. The fact of our having a cycle of prosperity in the South-West—the Minister says everyone there is paying Agricultural Bank interest—is due to buoyant prices, or rather to reasonable prices. Butter, fat lambs, mutton and beef are bringing fair prices. But the position may revert to what it was a year or two ago, with wheat at 1s. 6d. per bushel. Then the old question will arise again as to a guaranteed price for wheat.

Regarding the Fruit Acquisition Board's advances, when I was in Balingup the other evening some growers told me they had not received 50 per cent. of their advances; and in Bridgetown I was told the growers had received 75 per cent. and did not know when they would receive the other 25 per cent. Perhaps the Minister can give information on that point. I am pleased that our flax industry and tobacco industry are in so buoyant a condition. Recently the Manjimup tobacco growers asked me would it not be possible to get 2,000 or 3,000 acres of flax grown around Manjimup. They want flax as a following crop for tobacco. They say it would scarify their land and fallow it. Further, they stated they could sow the land with flax in September. I understand there will be a difficulty. The flax expert told me he was inquiring into the position, and that the Manjimup area was much wetter than the Upper Blackwood. He thought it could grow a finer flax.

MR. McLARTY (Murray-Wellington) [10.43]: I believe all members appreciate the work of the officers of the Agricultural Department. Ever since I have been in Par-

liament I have found the experts of that department without exception enthusiastic about their work, and very ready to give of their best to help. As regards primary products generally, I think the time has arrived when we should, if possible, declare what the basic price of each of our primary products shall be. I know that is not easy, but nevertheless, if we are to adopt the sound business principles of which the member for Guildford-Midland has spoken, it is necessary that we should have some estimate of the basic cost of each of our primary products. I refer to the minimum cost at which a primary product can be produced. Some years ago a Royal Commission investigating group settlement came to the conclusion that butter fat was not profitable when its price fell below 1s. per lb. The cost of producing wheat that Royal Commission fixed at 3s. 6d. per bushel. I do not know what the commissioners thought the cost of producing wool was. I realise there would be serious difficulties in connection with that course. If our drought-stricken areas are taken into consideration it will be hard to arrive at a reasonable figure. Nevertheless I consider that the effort should be made.

Brief reference was made by the Minister to the dairying industry, the chief primary industry of the district I represent. I am glad to say that the season there is a good one, and that dairy farmers generally are holding their own. They are not making fortunes, and I do not know that they expect to make fortunes, but they do expect to be able to make a good living and to give their families that chance which other sections of the community are able to afford.

The Minister referred to the danger of second-hand butter. Undoubtedly that is going to prove a heavy burden on the industry. We are told that export of second-grade butter is out of the question. There will not be a sale for it on the local market. One of the dairy reviews recently declared that the price of second-grade cream would be 4d. per lb., and some of the banks estimated that the price of the manufactured article would be 6d. per lb. No producer could live on those prices; he could not even exist. I do not know what steps the department is taking to meet the position. This second-grade cream is not wholly the fault of the producer, nor is the resultant second-grade butter. I believe that some factories

in this State are making large percentages of second-grade butter; and I would ask the Minister, when replying, to state what he proposes to do in regard to those factories. They are likely to have difficulty in keeping going, because if the article they manufacture is not saleable and if they can only pay their producers 4d. per lb. they will have to go out of existence. I have heard that attempts are being made to evolve some method of processing low-grade butter.

[*Mr. Withers resumed the Chair.*]

Hon. C. G. Latham: It is processed now.

Mr. McLARTY: Yes, I believe so; but even with the processing the producer is going to be a heavy loser. As regards the turnover of cheese, the Minister told us that the British Government was not taking anything like the same quantity of butter this year as it had taken in previous years, but that it would take as much cheese as we could manufacture, and that because of the urgent need for cheese the British Government had agreed to increase the price considerably. I would like the Minister to tell us whether the factories are likely to sustain losses in connection with their turnover of cheese, and what the Agricultural Department is doing to assist the turnover.

I recently received a letter from one of my electors who has been at Tobruk for some time. Previous to enlisting he was a dairy farmer on the groups. His letter expressed great surprise and disgust that the soldiers of Tobruk were receiving margarine from Australia. The letter stated that there was much comment about it, and that he personally was disgusted to think he was being supplied with margarine when there was so much butter in the Commonwealth which could be sent over. He added that the blame could not be laid on the lack of shipping space, for if margarine could be shipped, butter could be shipped. I hope that position will not be allowed to continue.

Now I wish to repeat what I have said here previously regarding the absence of a Western Australian from the Australian Dairy Produce Board. I know the Minister is in no way to blame for this, but our representation on that board I consider unsatisfactory. The fact that Western Australia, South Australia and Tasmania have the one representative can never prove satisfactory. I do not consider it possible for a producer from any one of those three

States to represent all three collectively as they should be represented. I know the co-operative factories have a Western Australian representative in Mr. Harry Rose, but the actual producers are not represented on the board.

Hon. W. D. Johnson interjected.

Mr. McLARTY: I have just expressed gratitude because we are represented by a representative of the co-operative companies in this State, but we have not a direct representative of the producers in this State. The co-operative companies are entitled to certain representation in all the States, and for most of the States representatives of the producers are elected. Western Australia has not a representative, because one representative is elected for three States, namely, Western Australia, South Australia and Tasmania.

Reference was made, I think on a previous vote, to home-consumption prices for primary products. I have advocated this in the past and have not any regrets for doing so. I do not know what else one can do to help the primary producer. If it were merely a matter of putting his product on the world's markets, unquestionably he would be in a bad way. Under our present economy, the only possible way to help him is to guarantee him a home-consumption price, and that I believe will have to be done for a number of our primary products that are not catered for in that way at present.

We have all read with interest the tremendous efforts Britain is making to provide her own food requirements. She has apparently been rather successful, and I am wondering what effect her success will have upon our exportable primary products in the future. Some of us do not appreciate the enormous production of the British Isles. Recently I was reading of the number of stock that Britain imports annually from southern Ireland. From that country alone she imports 600,000 head of cattle annually. That is an indication of the enormous production of which the British Isles are capable. It causes us to wonder what the future of our primary products will be. From 95 per cent. to 98 per cent. of our dairy products are taken by Britain. I noticed recently that the Commonwealth Government was making arrangements to purchase an egg-drying plant in Australia. I hope the Minister

will be able to tell us something about it. Poultry farmers are extremely interested in the matter, and I would like the Minister to say whether one of those plants will be coming to Western Australia.

The member for Nelson spoke about an experimental farm, or rather, he called it an agricultural college, in the South-West. I hope the Minister will be able to give us some information about it. I understand the land was purchased with the idea of sending mental patients there, but I would prefer to see it used for agricultural research. I feel that we should have in that part of the State a proper farm which could be used as an agricultural college and plant-breeding farm. In view of the growth of that portion of the South-West there is need for something of that sort to be done in the near future. I have previously advocated that young farmers belonging to the Young Farmers' Club should be given an opportunity to qualify for veterinary scholarships. There is a shortage of veterinary surgeons throughout the Commonwealth, and it would pay us over and over again to create scholarships in order that some of the enthusiastic young men might qualify as veterinary surgeons and give their services to Western Australia.

Mr. Sampson: Hear, hear!

Mr. McLARTY: I join with the Minister in his appreciation of the work done by flax-growers in the districts where flax has been grown. I know that when the suggestion was made that flax should be grown there many of the growers undertook the work out of patriotic motives only. They were not thinking about profits; in fact, they did not make any, as I think the Minister is aware. The farmers in the irrigation areas grew the flax because the season was late, and it was felt that flax could be grown with certainty only in those areas. I also express my appreciation of the work done by the officers of the department. I know them to be enthusiastic and only too anxious to give all the advice they can.

Progress reported.

House adjourned at 11.1 p.m.

Legislative Council.

Wednesday, 29th October, 1941.

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

QUESTION—STATE LABOUR BUREAU.

Hon. A. THOMSON asked the Chief Secretary: 1, How many persons are employed in the State Labour Bureau? 2, What were the total salaries paid to such employees during the past 12 months? 3, How many positions have been filled through the State Labour Bureau during the past 12 months? 4, Is it correct that the bureau is refusing to issue railway passes to persons finding employment through private employment brokers?

The CHIEF SECRETARY replied: 1, 8. 2, £1,939 7s. 2d. 3, 5,616. 4, Yes. The Government decided, in view of the fees collected by private labour exchanges, namely, half of the first week's wages, payable by the employee and by the employer, there was a moral obligation on these agencies to make the necessary arrangements to advance the fares themselves for their clients.

BILL—WILLS (SOLDIERS, SAILORS AND AIRMEN).

Read a third time and returned to the Assembly with amendments.

BILLS (3)—REPORT.

- 1, Fire Brigades Act Amendment.
 - 2, Money Lenders Act Amendment.
 - 3, Criminal Code Amendment.
- Adopted.