ADJOURNMENT—SPECIAL.

THE MINISTER FOR AGRICULTURE (Hon. G. B. Wood—Central): I move—

That the House at its rising adjourn till tomorrow at 2.30 p.m.

Question put and passed.

House adjourned at 5.58 p.m.

Legislative Assembly

Tuesday, 4th December, 1951.

CONTENTS.

The SPEAKER took the Chair at 3.30 p.m., and read prayers.

QUESTIONS.

ELECTRICITY SUPPLIES.

(a) As to Use of South Fremantle Station and Frequency Changeover.

Hon. J. B. SLEEMAN asked the Minister for Works:

(1) Why bother at the present juncture with a few residents in South Perth being changed over to 50 cycles when they represent only a very small percentage of the load on East Perth power station, when Fremantle itself, within a distance of three miles, could be changed to 50 cycles and relieve the East Perth power station of approximately 10,000 kilowatts instead of as at present the 50 cycles being sent to Perth, 16 miles away, broken down to 40 cycles, and sent back another 12 miles to Fremantle?

(2) Why is it necessary to talk about restrictions in power and ask private concerns to start their auxiliary plants when East Perth and South Fremantle power stations are generating 76,000 kilowatts with only a 52,000 kilowatt load?

(3) Why all the talk about 25,000 kilowatts at East Perth when there are 50,000 kilowatts at South Fremantle and the cable connecting Fremantle with the power house, being able to transmit 50 cycles, has been ready for use for a long while?

(4) In view of this, why was Fremantle not changed over to 50 cycles at first as it was supposed to be and and as was recommended by the frequency change committee?

The MINISTER replied:

(1), (2), (3) and (4) It was necessary to train and build up an organisation to carry out the frequency change, and therefore the districts which were accessible and could be most readily changed were chosen. Nothing would have been gained by starting in the Fremantle district.

(b) As to Effect of Breakdown on Industries.

Mr. J. HEGNEY (without notice) asked the Minister for Works:

(1) Is he aware that heavy industries in the eastern suburbs have been without power from early this morning until 1 p.m. on the hour-on, hour-off system?

(2) Will he have inquiries made as to the full effect that this has on those industries, and endeavour to take steps to remedy the position?

The MINISTER replied:

I was not aware of the situation as it affected those industries. I understood that satisfactory arrangements were being made with the Commission. I am not informed as to the details, nor am I able to make a statement other than to say that the present breakdown of the exciter will possibly be repaired by Monday next.

HOME FOR AGED WOMEN.

As to Provision for Eastern Goldfields.

Mr. McCULLOCH asked the Minister for Health:

In view of the fact that the limited accommodation at Mt. Henry Home for Aged Women does not present much opportunity for admittance to such home of aged women from the Goldfields, many of whom are worthy pioneers, will she give favourable consideration to the possibility of

establishing a home for aged women on the Goldfields, something similar to that which now exists for aged men?

The MINISTER replied:

It is my desire to see such homes at the larger centres in the State, but shortages of labour, materials and staff present great difficulty.

Meantime, the Government has approved the provision of 100 additional beds at Mt. Henry.

WHEAT STABILISATION PLAN.

(a) As to Interstate Transport Costs.

Mr. CORNELL asked the Minister representing the Minister for Agriculture:

(1) Is it a fact that the cost of transporting wheat interstate is to be added to the cost of production?

(2) If the answer is in the affirmative, what authority is there for this?

(3) Will evidence to support the Minister's statement be tabled at the next sitting of the House?

(4) As the wheat stabilisation plan may not be extended beyond the 1952-1953 season, will not growers lose at least one year's interstate transport costs, if these are to be included in the cost of production?

(5) Are these interstate freights a cost of production or an expense of distribution?

The MINISTER FOR LANDS replied:

(1), (2), (3), (4) and (5) The following extract from the review of wheat costs of production for the 1951-1952 season by the Bureau of Agricultural Economics (the body dealing with the assessment of production costs) explains the position. I quote—

> In accordance with the terms of the Wheat Stabilisation Act the task of the Bureau of Agricultural Economics is to assess each year the movement in wheat costs of production given a a base of 6s. 3d. "being a price in relation to sales of fair average quality bulk wheat free on rails at the ports of export, arrived at by reference to the cost of production of wheat of the 1947-48 season." As movements from the base up to the 1950-51 season have been reviewed in previous annual reports, the task narrows down to the measurement of the change in costs which has taken place during the last 12 months. The assessment of this change has been made by means of an index of basic cost items, the principles of which have been discussed in detail in previous reports.
>
> The index shows an increase since last season of 19.99d. per bushel in net costs of wheat production at growers' sidings. In addition, it is estimated that an increase of 5.76d. per bushel in the allowance for freight and handling charges will be necessary to cover the higher expenditures which will be incurred by the Australian Wheat Board in marketing the 1951-52 crop. The total increase is therefore 25.75d. per bushel, raising the assessment of net costs f.o.r. ports from 7s. 10.13d. per bushel, bulk wheat, in 1950-51 to 9s. 11.88d. for the current season. No provision is made in these figures for increases in handling costs as a result of proposed changes in feed wheat price policy, under which costs of shipping wheat from mainland to Tasmanian ports would be borne by the Australian Wheat Board. It is estimated that this would add a further 0.41d. per bushel to freight and handling charges for the 1951-52 crop.

(b) As to Reported Stoppage of Sale.

Mr. CORNELL (without notice) asked the Premier:

(1) Is it a fact that the A.B.C. made an announcement in a news bulletin that all millers in Western Australia had been instructed by the Australian Wheat Board to stop selling stock feed until further notice?

(2) Did the Minister for Agriculture or any other member of the Cabinet authorise this announcement?

(3) Did the Minister for Agriculture contact the A.B.C. subsequently to cancel this announcement, but it had already gone over the air?

(4) What authority did the Minister for Agriculture have to make this announcement on behalf of the Australian Wheat Board?

(5) Is he aware that a trustee of the Wheat Pool of W.A., a licensed distributor of wheat, knows nothing of such instructions?

(6) Is he aware that the trustees of the Wheat Pool of W.A. are receiving orders and delivering wheat as usual?

The PREMIER replied:

(1), (2), (3), (4), (5) and (6) I did not hear the announcement over the air, and I have no knowledge of the Minister for Agriculture's taking the action suggested by the hon. member.

Hon. J. T. Tonkin: A pretty serious thing, if he did.

(c) As to Authority for Announcement.

Mr. CORNELL (without notice) asked the Premier:

Will he make further inquiries as to whether this announcement was actually made and endeavour to ascertain whether a member of Cabinet did authorise it?

The PREMIER replied:

I will ask the Minister for Agriculture whether he did make such representations to the Broadcasting Commission.

(d) As to Wire from North Midland Zone Council.

Mr. ACKLAND (without notice) asked the Premier:

(1) Has a member of his Cabinet received a wire from Mr. Cole, of the North Midland Zone Council of the Farmers Union, to the effect that farmers in that area are supporting the Government in its stock feed legislation?

(2) Does the Premier know that this matter has not been discussed at a meeting of the North Midland Zone Council of the Farmers Union, and that Mr. Cole's local branch has not discussed this matter in any way?

(3) Does the Premier know that Mr. Cole is a very close relative of the Minister for Agriculture and that the announcement may have been inspired?

The Minister for Lands: Why do you not bring in his family tree?

The PREMIER replied:

(1), (2) and (3) Yes, I did see the wire from Mr. Cole, who stated that he was an executive member of the wheat section of the Farmers Union. I did not know he was a close relative of the Minister for Agriculture, nor did I know that any meeting had been held in the zone mentioned by the hon. member.

SHIP DESERTER.

As to Deportation.

Hon. J. B. SLEEMAN (without notice) asked the Premier:

(1) Has his attention been drawn to a report in yesterday's issue of "The West Australian" where a man named Alfred Aspinall was sentenced to eight weeks' imprisonment for deserting ship some four years ago, with the order that if a ship comes along he is to be put on board?

(2) In view of the fact that Aspinall did desert because he liked this country, and has been actively employed since his stay here, and that he is a man of very good character, will he use his influence to see that this man is not deported?

The PREMIER replied:

(1) and (2) I cannot recall that I did read this particular matter in the paper, but in view of the statements made by the member for Fremantle I will have inquiries made tomorrow to ascertain what the position is.

DISTURBING NOISE.

As to Stopping.

Mr. MANN (without notice) asked the Minister for Works:

Is it not possible to have the noise by the workmen that is going on outside stopped? It is most disturbing.

The MINISTER replied:

In deference to the member for Avon Valley, who seems to be rather touchy this afternoon, I would point out that when the noise was evident last week I requested the foremen to cease operations at 3.30 p.m.

Hon. A. R. G. Hawke: Could the Minister have the power cut off?

The MINISTER FOR WORKS: It is good to see the work is being carried on.

LEAVE OF ABSENCE.

On motion by Mr. Kelly, leave of absence for two weeks granted to Hon. A. A. M. Coverley (Kimberley) on the ground of ill-health.

BILL—FISHERIES ACT AMENDMENT.

Second Reading.

Debate resumed from the 27th November.

MR. KELLY (Merredin-Yilgarn) [3.43]: I agree in principle with some of the amendments contained in this Bill. There are, however, several small drafting errors towards the concluding portions of it which I have noticed, and I think these will need the Minister's attention in order to have them rectified. I agree, too, with the provision giving the Minister power to stagger appointments to the special committee. As he suggested, all those appointments could be staggered over a period of 18 months to three years. This will have the desirable effect of giving continuity of membership and of thought in the deliberations of the committee.

I would like the Minister in reply to give some indication of what the committee has achieved during the period of its appointment and to let us know what have been its chief functions. Does that committee have any influence on decisions arrived at by the Fisheries Department? These are matters that could be elucidated as far as this side of the House is concerned to give us some idea of what the committee is achieving. I should like also to refer to the clause concerning the delegation of powers and discretions, under regulations, to the Minister or the licensing officer.

During the passage of an amendment to the Act—I think it was two sessions ago—the Minister put forward a number of clauses dealing with the delegation of powers, particularly to the Minister. I fought those clauses wherever they appeared in the Bill; as a matter of fact at one stage I warned the Minister that the powers, if delegated to him, would bring him into trouble. It seems that within a very few months the Minister allowed certain license fees due by fishermen on nets and boats, to be lifted because of a little pressure that was brought to bear. These and other obligations had been placed on

the industry by regulation. That goes to show that even Ministers when delegated these powers may exceed their authority or make mistakes.

This delegation of power to the Minister is rather a dangerous practice, and he has seen fit now to add the policy of delegating these powers to a licensing officer. I am definitely opposed to the delegation of powers to anyone outside the Minister; it is bad enough for the Minister to have them, but I am definitely opposed to the powers being extended to the licensing officer. It is a distasteful feature of this Bill and it is not acceptable to me.

There is another amendment in which the intentions of the Minister are not quite clear. I refer to the portion regulating the movements and use of boats in relation to the taking, storage, cutting up, handling, treatment preserving, dealing with or the disposal of fish. The Minister was, I think, very vague as he frequently is in these matters, when explaining to the House what his intentions were. I feel there is need for far more explanation than the House was given before members can be asked to pass an amendment of this type.

I would like to know what the Minister has in mind concerning the regulation of the movements and use of boats. Are all types of fishing boats to be included, whether they be the small 12 footers or the 50 or 60 footers? Is this to apply to all sections of the fishing industry? These are matters that have to be elucidated if we are going to consider intelligently and pass a measure of this kind. Is it intended that this regulation shall apply only to boats within the three mile limit? There is no clarity in that respect and I think the Minister must give us some further information, because there is no doubt that a regulation of that kind could react very harshly where fishermen are concerned. We should not subject the industry at this stage to anything that can be avoided by way of regulations.

Paragraph (mf) of Clause 5 also requires some explanation. The Minister may have overlooked the fact that he gave us no information at all on quite a number of these clauses, and has left the matter wide open to our own discretion. He has also left himself open to the passing of caustic comments because he overlooked the necessity of giving the House some information on what I think can be very important amendments affecting the fishing industry. There are a number of amendments to Section 17 of the principal Act embodied in Clause 6, and in the main the provisions are far too arbitrary. The Minister desires to delegate very far-reaching powers to the licensing officer and, for the same reason as I stated previously, I take great exception to that course.

The power to delegate the times, places and manner, as well as the quantity of fish to be taken is dealt with. That particular provision will prove far too restrictive for the industry and would tend to hamstring very greatly the activities of fishermen. It would reduce appreciably their operations in waters where they desire to fish at the times they may wish to do so. Particularly does that apply to the quantity of fish to be taken from the sea in any particular haul. If the amendments I refer to are embodied in the Act, the supply of fish to the public will suffer seriously. The Minister, who knows as much about practical fishing as I do, must realise that fishermen can operate only when there are fish to be taken. Therefore it is important that they should not be restricted at any particular time.

Until a man runs his net around a school of fish, he does not know what type of, or how many, fish he will capture. There must be a certain elasticity in these matters and in the discretion allowed fishermen, when so many different factors affect their operations. The Minister also seeks power to cancel a license without assigning any reason for so doing. To me that savours more of Gestapo action than that of a Minister for Fisheries. In any occupation or walk of life, if a man's license is cancelled he is entitled to know the reason for the action taken against him. I am at a loss to know why this undemocratic method should be proposed. The Minister must be reasonable in these matters. If he or his department decides that the cancellation of a man's license is necessary, surely those concerned should be men enough to state the reasons. In no circumstances could I support legislation of that type.

My final objection is to the matter of fines. I cannot understand why the Minister made no reference to this phase throughout his introductory speech. The proposal is to increase the maximum fine from £50 to £200, although rarely to date has the £50 fine been imposed. I cannot see any reason whatever in this drastic proposal. I know there are many breaches, particularly latterly, in connection with the crayfishing industry, which has reached big proportions, and the department on occasions may have thought heavier fines might have the desired effect. On the other hand, I feel that extra fines in cases where many of these fishermen operate in a big way and are prepared to flout the existing fishing laws, would have little or no effect.

A fine of £50 should be sufficient if the industry were policed to the degree it should be. The Minister will have to be very convincing in his arguments to influence me and other members to agree

to some of these amendments, I shall support the second reading of the Bill because it will, in parts, improve the principal Act, but in Committee it will be incumbent upon the Minister to deal with the points I have referred to, or perhaps some member may desire to bring matters to a head by placing amendments on the notice paper.

MR. SEWELL (Geraldton) [3.56]: I join with the member for Merredin-Yilgarn and will support the second reading because the Bill contains features that can be commended. There are others that present quite a problem. In Committee the Minister may be able to explain matters but, in my opinion, some of the obnoxious clauses should be amended. There are at least three of them that should receive attention. One is the clause that will provide control over the industry by way of regulations; another is that under which the Minister will delegate power to officers, and the third provides that a fisherman's license may be cancelled without any reason being given him for that course being adopted. The fishing industry along the Western Australian coast is of importance. It must be preserved as much as possible, but we should not place any more obstacles in the way of the men engaged in the industry in an endeavour to make a livelihood from their operations, than are absolutely necessary. While supporting the second reading, I hope that some of the clauses will be amended in Committee.

MR. HILL (Albany) [3.57]: I support the Bill in patches. Next season in Albany waters, fishermen will be catching almost everything, from sardines to whales but, of course, they will not be catching crayfish. The Bill provides powers that will enable the Minister to handle the crayfishing industry better than at present. In common with the two previous speakers, I think the measure includes provisions that are altogether too drastic. They would have the effect of placing a stranglehold on the industry, and in Committee I will endeavour to secure the deletion of one or two clauses.

MR. GUTHRIE (Bunbury) [3.58]: I agree with those who have spoken this afternoon. I take exception to the provision that will enable the prohibiting or regulating of the bringing of fish, or portions of fish, into Western Australian waters or on to land. I think that is altogether wrong. In Bunbury waters we have great quantities of fish, and the operations of the industry should not be unnecessarily restricted. There is another provision dealing with the regulating of the movement and use of boats in relation to the taking, storage, cutting up, handling, treatment, preserving and dealing with or disposal of fish.

As long as there are fish to be caught, men should be allowed to secure them. People come into our waters from other countries, and if they are able to take fish from Australian waters our own people should be able to do so as well. Then again, the clause that will enable the Minister to delegate power to cancel a license at any time without giving any reason is quite wrong, and I hope that drastic provision will be altered in Committee. In the meantime, I support the second reading of the Bill.

THE MINISTER FOR FISHERIES (Hon. A. V. R. Abbott—Mt. Lawley—in reply) [4.0]: Members will agree that regulations are necessary to control our fishing grounds. The Bill was drafted after careful consideration by the Superintendent of Fisheries and only after consultation with the ablest legal advisers I could obtain in Australia. Members will appreciate that the task of regulating the industry is not easy; in fact it is extremely difficult, as the member for Merredin-Yilgarn will appreciate. Hence the Bill has been drafted purely to meet that situation.

Some comment has been offered on the proposal to delegate powers to the Superintendent of Fisheries. We cannot expect the Minister to issue each license or to sign each stipulation to be endorsed thereon. Sufficient duties are imposed upon the Minister now and they are increasing as time goes on. Surely he would not delegate powers unless he felt they could be suitably exercised! These powers would not be delegated for administrative purposes. The Minister would not delegate important powers. That is why the Superintendent of Fisheries, who issues the licenses, should be empowered to endorse them.

Mr. Kelly: Would it not be too far-reaching to allow every officer of the department to do that?

The MINISTER FOR FISHERIES: It is not intended that every officer should exercise the powers. The officer to whom the powers would be delegated would be the Superintendent of Fisheries. Would the hon. member prefer it if a license were required to be issued or refused at Geraldton, and it was necessary to wait until the documents were sent to Perth for the Minister's signature?

Mr. Kelly: I do not want to see a license cancelled.

The MINISTER FOR FISHERIES: That would be a different matter; the paragraph does not deal with that. In any event, would a Minister delegate the duty of cancelling a license to a licensing officer? Ministers must be credited with having some sense of responsibility. Per-

haps some day the hon. member will be a Minister, and he will then realise how difficult it is to administer a department if he has to perform every administrative act. I see no objection at all to that proposal.

The next objection was to the proposal to increase fines. As members are aware, we are not dealing with a catch of small value. The catch of the crayfishing industry is worth thousands of pounds, and if we are going to allow a person so inclined to commit a serious breach of some regulation carrying a fine of only £50, he may say, "Why not? It is good business." Has not the Leader of the Opposition been telling us, not once but many times this session, that where offences are committed against the community—and these offences would be against the community—the fine should be substantial?

Mr. Kelly: But you refused to agree to them.

The MINISTER FOR FISHERIES: The fines suggested were up to £1,500, which amount was far in excess of the £200 I am proposing.

Mr. Kelly: Your proposal represents a big increase.

The MINISTER FOR FISHERIES: But it must be borne in mind that we are dealing with offences against the community that may result in very great profit to the offender.

Mr. Kelly: Do you think a fine of £200 would be any deterrent to a big man?

The MINISTER FOR FISHERIES: I do, just as the Leader of the Opposition did.

Mr. Kelly: But you did not agree to his proposal.

The MINISTER FOR FISHERIES: Some of his amendments were in support of the proposal. Some of the fines provided in Government measures have been greatly increased; for instance, the fines under the Building Operations and Building Materials Control Act Amendment and Continuance Bill.

Other points raised during the debate can best be dealt with in Committee, but I should like to refer to the Advisory Committee. I regret that I cannot give members more information about that committee. Since its appointment, it has sat on a number of occasions, travelled all over the State, discussed with fishermen their problems, and conveyed the information gained to the Superintendent of Fisheries and to me. Some of the recommendations of the committee have been accepted.

I point out that the Advisory Committee was appointed to assist the Minister, not the department and, as a result of the advice I have received on occasions, the department's views have been changed. The committee is performing a very valuable service because it enables the Minister to obtain a point of view other than the purely departmental one, and that was the main object in appointing it. Naturally any Minister is subject to the influence of his departmental officers in matters where they have sound knowledge, but where the Minister has little knowledge, as in this case, because technicalities are involved, the advice of such a committee is of great value.

Question put and passed.

Bill read a second time.

In Committee.

Mr. Perkins in the Chair; the Minister for Fisheries in charge of the Bill.

Clauses 1 to 3—agreed to.

Clause 4—Section 5C amended:

Mr. MARSHALL: Section 5C provides that all members of the committee shall hold office for a period of three years and the Bill proposes that they shall hold office for not less than 18 months or more than three years, as the Minister shall determine. Apparently the Minister will be employing compulsion. If he appointed me, I should not be able to retire for a period of 18 months but must stay there.

The Minister for Fisheries: I do not think it prevents retirement.

Mr. MARSHALL: Once a man is appointed he cannot retire within 18 months.

The MINISTER FOR FISHERIES: The reason for this provision is to ensure that when appointments are made in future they can be staggered. Anyone can retire from any public office. The Act says that all members shall hold office for a period of three years, but that is only a method of defining the term of appointment.

Clause put and passed.

Clause 5—Section 6 amended:

Mr. SEWELL: I would like to know what power there would be under the Constitution to prevent any fisherman from bringing fish to the shores of Western Australia.

The Minister for Fisheries: I have a legal opinion here from an eminent K.C., in Mr. Barwick, of Sydney, who advises that this is quite in order.

Mr. SEWELL: With regard to paragraph (mb) I should say that men who are engaged in this industry and their advisers, the agents, would know the best way of handling these products. I know that, as far as export is concerned, the Federal authorities have a tight hand on the matter. I do not see the need for proposed new paragraph (mb). Paragraph (mc)

is quite in order. We know that crayfish spawn and undersized fish must be protected from people who will capitalise on anything at all.

The CHAIRMAN: Does the hon. member intend to move that paragraph (mb) be deleted?

Mr. SEWELL: Yes. I move an amendment—

That proposed new paragraph (mb) be struck out.

The MINISTER FOR FISHERIES: I cannot agree to the amendment, because these paragraphs have been drafted on the advice of counsel to ensure that people who catch crayfish illegally, but who do so outside the three-mile limit, can be brought under control when they come within the three-mile limit. We cannot interfere with a Western Australian fishing boat which goes three miles out from shore. That boat can catch undersize crayfish and de-tail them, and there is no means of checking the original size. We do not want to deal with the way crayfish are processed under the ordinary treatment on shore, because we have all the powers in that direction that we need. But this amendment will provide that fishermen will not be able to bring processed crayfish from outside the three-mile limit in such a manner as to prevent any checking of the nature of the crayfish caught. If a crayfish in spawn were caught, the crayfish de-tailed and the spawn scraped off, there would be no proof available that the crayfish had been in spawn. That is why this provision has been inserted. Had we authority to deal with acts taking place outside the three-mile limit, this legislation would not be necessary.

Mr. MARSHALL: I cannot quite agree with the Minister. Paragraph (ma) does what he said is required, but paragraph (mb) does not. It provides for prohibiting or regulating the storage, cutting up, treatment, handling, preserving, dealing with and disposal of fish or portions of fish. Regulations made for any of those purposes would not achieve what the Minister wants.

The Minister for Fisheries: In relation to the disposal of fish, it would.

Mr. MARSHALL: If small fish are being caught outside the three-mile limit and brought within the three-mile limit, paragraph (mb) does not give the Minister power to take action.

The Minister for Fisheries: Yes, it does.

Mr. MARSHALL: Paragraph (ma) would do so.

The Minister for Fisheries: It says that small fish caught outside the three-mile limit cannot be treated.

Mr. MARSHALL: Let the Minister explain more fully.

The MINISTER FOR FISHERIES: The suggestion was made, and it was upheld by legal advice, that if crayfish of an illegal size were caught outside the three-mile limit, we could not deal with them when brought within the three-mile limit. The provision here deals with that position. We say that if undersized crayfish are brought in they cannot be stored, cut up, treated, etc., even though they were caught outside the three-mile limit.

Amendment put and negatived.

Mr. KELLY: In connection with paragraph (md), I am not satisfied with the explanation the Minister gave with respect to delegating powers to a licensing officer. This leaves the position wide open for the carrying out of any type of activity to the detriment of both the department and the fishermen themselves. The Minister should agree to the deletion of the words "any regulation," and I would like to move in that direction.

Mr. SEWELL: I agree with the amendment. We should not give so much power to a lesser person than the Minister on a matter such as this. I would also like to see included the right of appeal to a magistrate in any of these cases.

The MINISTER FOR FISHERIES: I agree with the principle enunciated by the member for Merredin-Yilgarn, but I do not think the Minister would delegate powers of a major character. This was put in by the draftsman after careful consideration. It was not done on my instructions. The Minister cannot do all the detail work under the Fisheries Act. He should not have to give his personal signature to everything that is done under the regulations. Take the issuing of a license!

Mr. Kelly: That is a departmental machinery clause. Here you are giving the licensing officer power under any regulation.

The MINISTER FOR FISHERIES: He is not being given power to make regulations, but simply to deal with certain matters which may be only of an administrative nature. The Minister would attend to matters of policy. I agree that many powers that can be exercised by the Minister should not in any circumstances be exercised by a licensing officer, but surely the Minister can be trusted not to delegate those powers.

Hon. E. Nulsen: Is there any power of appeal under these delegated powers?

The MINISTER FOR FISHERIES: There is always an appeal to the Minister.

Mr. Kelly: Yet you propose not to give a man any reason for cancelling his license.

The MINISTER FOR FISHERIES: Let us talk of that later.

Mr. KELLY: I am not satisfied with the Minister's explanation. This Bill amends an Act which contains 58 sections, each of

which has a number of regulations made under it. It is wrong for a Minister to extend the power suggested here to a licensing officer who can be anyone at all, from the furthest point north down to Esperance.

The Minister for Fisheries: This deals with Section 17.

Mr. KELLY: I disagree with the Minister there. The term "under any regulation" is the wrong one to use in the Bill. The matter of deleting the word "any" should be further considered by the Minister, and if he is not satisfied that he is doing the right thing, he should recommit the Bill.

The Minister for Fisheries: I shall give that undertaking if I find that I am not.

Mr. KELLY: That will be too late for us. The Minister is relying on departmental advice and some that has come from New South Wales.

The Minister for Fisheries: That is legal advice.

Mr. KELLY: Could not the Minister get advice applicable to the State, within the State?

The Minister for Fisheries: I did.

Mr. KELLY: But apparently the Minister was not satisfied with it, and so went to the Eastern States.

The Minister for Fisheries: Quite right.

Mr. KELLY: The word "any" is far-reaching, and particularly when the powers are to be delegated to a licensing officer. A "licensing officer" can mean any inspector who may be at any place in Western Australia. I must disagree with the Minister on that point.

The CHAIRMAN: What words does the hon. member wish to take out?

Mr. KELLY: I wish to take out the words "under any regulation."

The Minister for Fisheries: Why not move to strike out the words "or to a licensing officer"? That will achieve your object.

Mr. KELLY: I am quite happy to do that. Therefore, I move an amendment—

> That in lines two and three of proposed new subparagraph (md) the words "or to a Licensing Officer" be struck out.

Amendment put and a division called for.

Mr. Marshall: You cannot do that; only one voice was heard against the amendment.

The Premier: One loud one and one soft one.

Division resulted as follows:—

Ayes	27
Noes	18
Majority for	9

Ayes.

Mr. Ackland	Mr. McCulloch
Mr. Brady	Mr. Moir
Mr. Butcher	Mr. Nalder
Mr. Cornell	Mr. Needham
Mr. Graham	Mr. Nulsen
Mr. Guthrie	Mr. Panton
Mr. Hawke	Mr. Read
Mr. J. Hegney	Mr. Sewell
Mr. W. Hegney	Mr. Sleeman
Mr. Hill	Mr. Styants
Mr. Hoar	Mr. Tonkin
Mr. Lawrence	Mr. Totterdell
Mr. Marshall	Mr. Kelly
Mr. May	*(Teller.)*

Noes.

Mr. Abbott	Mr. McLarty
Mr. Brand	Mr. Nimmo
Mr. Doney	Mr. Oldfield
Mr. Grayden	Mr. Owen
Mr. Griffith	Mr. Thorn
Mr. Hearman	Mr. Watts
Mr. Hutchinson	Mr. Wild
Mr. Mann	Mr. Yates
Mr. Manning	Dame F. Cardell-Oliver
	(Teller.)

Pair.

Aye.	No.
Mr. Coverley	Mr. Bovell

Amendment thus passed; the clause, as amended, agreed to.

Clause 6—Section 17 amended:

Hon. J. B. SLEEMAN: I want the Minister to explain what he means by the proposed new paragraph (da). This sets out a number of restrictions, and it is a wonder the Minister does not want to include the hours when a man may go fishing.

The MINISTER FOR FISHERIES: This relates to Section 17, dealing with the granting of licenses. It is desirable that we should have conditions such as these and there should be power to place conditions on a license relative to, say, crayfish, caught outside the three-mile limit when those fish are brought within the three-mile limit. That is what this proposed amendment is for.

Hon. J. B. Sleeman: But why do you want the species and quantities? Do you want to say to a man "You cannot catch whiting; you can catch only trumpeter"?

The MINISTER FOR FISHERIES: It may be necessary to condition licenses so that people can take only certain quantities of a certain type of fish.

Mr. Kelly: How could you regulate that?

The MINISTER FOR FISHERIES: I do not know at the moment but I think we ought to have that power. For instance it may be necessary to protect a certain type of fish and therefore it would be necessary to limit the quantity caught during the season. That is what this amendment is for. I do not know how long our fishing industry will stand this enormous pressure of the very high value of crayfish. As the member for Merredin-Yilgarn pointed out how necessary it was to protect crabs, I think he will agree with me that the protection of crayfish is even more desirable, because of their value.

Mr. MARSHALL: I wish the Minister would see that his departmental officers drafted provisions into Bills in accord with the sentiments expressed by him. The Minister has already said that he has no power over fish caught outside the three-mile limit.

The Minister for Fisheries: Not at present.

Mr. MARSHALL: No.

The Minister for Fisheries: But I will have when this is passed.

Mr. MARSHALL: What right has the Attorney General to tell a person fishing outside the three-mile limit the times he should fish, the places and manner in which he should fish, and the species and quantity he should take?

The Minister for Fisheries: I would if they were brought into the three-mile limit.

Mr. MARSHALL: The Attorney General has hashed up a provision to assume jurisdiction, which he would not have if we passed this measure, over people catching fish outside the three-mile limit. The provision for the treatment and disposal of the fish is all right because they will then have been brought in, but the Minister has no right at all to put in the other provision.

Mr. SEWELL: I agree with the member for Murchison. If examined closely, I think this might be found to be unconstitutional. It is too arbitrary anyhow. I move an amendment—

That paragraph (b) be struck out.

Mr. KELLY: I am not at all satisfied that the Minister has a full grasp to convey to this Committee the exact meaning of this clause. When saying that, I do not mean to be critical at all, but I do feel he has given us no explanation whatever. There are a number of very important factors in this amendment—for instance those that refer to the time, place and manner of taking fish. I recognise there is need for the inclusion of the specie and quantity of fish in the clause, but the Minister has not been sufficiently explicit on the other matters I have mentioned. He has not said that this provision has been inserted solely for the controlling of crayfishing, though I think that is possibly the idea he has in mind. I want an assurance that this provision is not going to affect all fishing. If the provision were inserted to control the crayfishing industry, I would agree with it, but I would like some further information in regard to the time, place and manner being included in the provision.

The MINISTER FOR FISHERIES: The object of this amendment was to control the crayfishing industry. I admit that it does refer to other fish, and those provisions may apply when necessary.

Hon. E. Nulsen: This will include all fish.

The MINISTER FOR FISHERIES: That is so, but I think we should not look too narrowly in a matter of this kind. There may be other very valuable fish that need to be protected and that is the reason for including the word "fish". I have a very lengthy and learned opinion here which would take a long time to read, but if members are sufficiently interested I will make the file available to them.

Mr. Kelly: But if there is anything objectionable in it, it will be too late to do anything.

The MINISTER FOR FISHERIES: The whole argument of the member for Murchison is that this may or may not be ultra vires. Canada has claimed jurisdiction to the extent of 23 miles from its shores; America has made provision for a further limit. There is a Privy Council decision which states that where it is necessary to legislate for a fishing ground which extends beyond the three-mile limit, a reasonable distance is permitted if required for the purpose of the preservation of that fishing industry. That is why this has been included in the Bill. It was drafted by the Solicitor General himself after he had obtained two other opinions.

I did not want to introduce this legislation, and it was only when I was forced into doing so that I decided to introduce it. I was not even satisfied with the opinion of local counsel in regard to the constitutional matters involved. Therefore I obtained what I considered to be the best advice. We may well trust the drafting of the Solicitor General. No specific instructions were given by me except that he was to meet the existing conditions, namely, the threat through the newspaper by certain interests to over-ride the Act.

Mr. Kelly: That was in regard to crayfishing.

The MINISTER FOR FISHERIES: Yes, but the term "fish" has been used throughout the Act, and it would be inappropriate to refer specifically to crayfish. The paragraph is important. I shall read portion of the Solicitor General's minute given to me on the 28th September last—

> The opinion of Mr. G. E. Barwick, K.C., herein has now been received and in Mr. Barwick's opinion—
>
> (a) —'s clients could not be successfully prosecuted under the existing Fisheries Act or regulations if they catch or process crayfish as threatened;

They threatened to catch crayfish and maintained that, so long as they caught them outside the three-mile limit, they could bring them ashore and dispose of them.

> (b) No further regulations and no further conditions could lawfully be made or imposed under the existing Act to render the threatened action unlawful;

(c) The State has power by new legislation to authorise restrictions related to fisheries off the coast of Western Australia without limitation to the three-mile limit. It could also provide against the landing of processed fish;

(d) "If the fact be that the spawning grounds extend for twenty miles, then offences could be created with respect to acts committed in relation to crayfish within an area of twenty miles of land. Further, the State of Western Australia could make it an offence for boats, or persons, to land crayfish taken within such an area, except upon conditions designed to protect the fishing grounds."

On receipt of that minute I instructed the Solicitor General to prepare the requisite legislation so that protection could be given. This has not been a rushed job; he has spent many hours in consultation with officers of the Fisheries Department and other members of the Crown Law Department and, seeing that it is a question of technical drafting on a very difficult and abstruse subject, it would ill behove me to say that this or that portion was unnecessary.

Hon. E. Nulsen: Why did not you have a discussion with the fishermen themselves?

The MINISTER FOR FISHERIES: I did, but got nowhere. I had a discussion with the man in question, and the outcome was the publication of the statement in the newspaper.

Hon. E. NULSEN: I can appreciate the Minister's attitude. If the paragraph is designed to deal with crayfish, it is satisfactory, but it should be more specific because those engaged in taking other fish might be affected. I understand that other fishermen have taken exception to this proposal.

The Minister for Fisheries: I have not received any protests.

Hon. E. NULSEN: There are some able men amongst them, and they say they cannot understand the meaning of the paragraph. If the provision could be applied to fishermen other than those engaged in taking crayfish, they have a right to object.

The MINISTER FOR FISHERIES: This paragraph would merely give authority to make regulations and the regulations would have to be tabled in Parliament.

Hon. E. Nulsen: Regulations become the law.

The MINISTER FOR FISHERIES: But they may be disallowed by either House.

Mr. KELLY: Having heard the Minister's explanation and received his assurance that the paragraph is designed to control only the crayfishing industry, most of my objections have been removed.

Amendment put and negatived.

Mr. KELLY: I move an amendment—

That in the proposed new Subsection (3a), the words "without assigning any reason for such cancellation" be struck out.

Hon. E. Nulsen: What effect would that have on the proposal?

The MINISTER FOR FISHERIES: The proposal is that a license may be cancelled without assigning any reason. I do not wish to oppose every amendment and, if members are of opinion that the words should be deleted, I shall not object, but I point out that when one has to state reasons for any action, lawyers then begin to argue. That is why the words have been included.

Mr. Styants: I suppose that is how you made a living for years.

The MINISTER FOR FISHERIES: Yes, and therefore I approve of the retention of the words.

Mr. Marshall: You must have gone hungry on occasions.

The MINISTER FOR FISHERIES: Not very.

Hon. J. B. SLEEMAN: Simply to strike out words is not enough. Would the Minister be agreeable to putting in other words?

The CHAIRMAN: Order! The member for Fremantle cannot discuss what might go in.

Hon. J. B. SLEEMAN: If the Minister does not propose to insert other words, we should get rid of the whole paragraph.

Amendment put and passed.

Hon. J. B. SLEEMAN: I move an amendment—

That the following words be added to proposed new Subsection (3a):—"Any licensee whose license is so cancelled may within 21 days appeal to the magistrate of the local court nearest to his place of residence, and the decision of the magistrate in such appeal shall be final and conclusive."

Mr. KELLY: I feel there is need for some clarification although I think that, if the proposed new subsection remains as it is, the way would be open for an appeal to be made. There is no obligation on the Minister to answer correspondence, but I feel he would be man enough to reply and give reasons for cancelling a license. I see no reason for the addition of these words.

Mr. SEWELL: I agree with the amendment. When a man's livelihood is dependent on a license, and he loses it, he should at least know why, and if he is prepared to rehabilitate himself he should be allowed to appeal to a magistrate.

The MINISTER FOR FISHERIES: The amendment is not necessary or desirable. The Minister has authority to issue licenses under certain conditions, and if those conditions are broken he should have the right to cancel or withdraw the license. What would the magistrate determine?

Hon. J. B. Sleeman: Why the license was taken away.

The MINISTER FOR FISHERIES: Yes, but the Minister grants the license and if he cancels it unlawfully the man would have the right under the Act to appeal to the court. The Minister now has to give reasons and, if the reason he gives is outside the scope of his authority, it is illegal and the licensee could appeal to the court in the ordinary way. This will only lead to confusion. The Minister should decide the issue.

Hon. E. Nulsen: The only thing is that the Minister would be advised by the department very often and the advice would, perhaps, not be to the benefit of the fisherman.

The MINISTER FOR FISHERIES: Would the hon. member say that when he was a Minister he was so influenced by his department that he would not do justice?

Hon. E. Nulsen: No.

The MINISTER FOR FISHERIES: Of course not! Ministers are most careful to see that justice is carried out. A Minister is much more sensitive on the point than a magistrate because a magistrate does not have to justify his acts in Parliament.

Mr. Marshall: You have had that experience.

The MINISTER FOR FISHERIES: Yes. Amendment put and negatived.

Mr. KELLY: In paragraph (g) the word "who" appears too many times. I move an amendment—

> That in line 4 of paragraph (g) the word "who" be struck out.

Amendment put and passed.

Mr. KELLY: The Minister's amendment in paragraph (i) is too drastic. He did not see fit to agree to an increase in fines in certain other cases, and the same principle applies here. The Minister has given no reason why fines have been necessary in the past. He could at least give an indication of the number of times that a £50 fine had been necessary. On the occasions when £50 fines have been made a magistrate would hardly have gone further. The Committee should throw out this paragraph which seeks to increase fines by 300 per cent., unless good reasons for it are given.

The MINISTER FOR FISHERIES: I am fortunate that I must have the support of the Deputy Leader of the Opposition here. The fine suggested is in connection with offences against the State, and the offences may be of considerable importance because we are concerned here with the protection of the crayfishing grounds which are of great value to Western Australia. The penalty of £50 was not considered to be a sufficient deterrent. After all, £200 is to be the maximum penalty. We should allow the magistrates to exercise their discretion and impose appropriate penalties. It is of no use saying that this side of the Chamber has not supported increased penalties, because it did support them with regard to the amendment of the Prices Control Act. The Bill went through, so some members here must have supported it. The Minister for Education told me that during my absence the penalties for breaches of the prices legislation had been increased materially. Here, again, we are endeavouring to prevent breaches and I do not think £200 is excessive as a maximum penalty.

Clause, as amended, agreed to.

Clause 7, Title—agreed to.

Bill reported with amendments and the report adopted.

BILLS (3)—RETURNED.

1, Fruit Growing Industry (Trust Fund) Act Amendment.

2, Collie-Cardiff Railway.

3, Coal Mine Workers (Pensions) Act Amendment.

Without amendment.

BILL—TRAFFIC ACT AMENDMENT.

Second Reading.

Order of the Day read for the resumption from the 29th November of the debate on the second reading.

Question put and passed.

Bill read a second time.

In Committee, etc.

Bill passed through Committee without debate, reported without amendment and the report adopted.

Read a third time and transmitted to the Council.

BILL—WHEAT INDUSTRY STABILISATION ACT AMENDMENT.

Second Reading—Defeated.

Debate resumed from the 29th November.

MR. MANN (Avon Valley) [5.20]: This is a measure that has caused a considerable amount of discussion outside the Chamber and that has been responsible for a great conflict of views. Over the long years of the history of Western Aus-

tralia, no body of men and women has done more hard work or suffered more disappointments than have our wheatgrowers. They are the people who pioneered a large portion of our State, and particularly those in the far eastern wheatbelt, where they fought an almost hopeless battle for many years until, during the depression period, many of them were forced to walk off the land. Of all the citizens of this State, I believe the pioneers of wheatfarming in Western Australia are among the greatest. To those of them who managed to remain on the land, there came at last a turn of the tide, and they have now reached an era of better prices; but in spite of that, I do not think any farmer who depends on wheatgrowing alone can be said to be prosperous, though he who combines wheatgrowing with wool production can be said to have a balanced business, which gives a good return.

In 1930, the Scullin Government—I think with all good intentions—appealed to the wheatgrowers of Australia to grow more wheat, with the result that in that year they produced almost a record harvest. Those of them who were on the verge of ruin were sent completely bankrupt by the terribly low prices received for the wheat they grew, and it was probably as a result of experiences such as that, that the wheatfarmers eventually agreed to the basis of the stabilisation scheme, but surely, by now, all the primary producers of Australia have learned enough about stabilisation. We were fortunate, a little while ago, when the scheme to control or stabilise wool was defeated by the woolgrowers. I venture to suggest that had they agreed to that proposal, wool, which is already on the decline, would before long have been in a precarious position. The wheatgrower has been the political football of all parties in Australia and the result has been to his detriment.

When the Minister for Lands introduced this Bill he spoke briefly, and I am afraid he was not conversant with the subject-matter of the measure. I do not say that harshly, as the Minister for Lands has a large department to administer, but it does emphasise the folly of having the Minister for Agriculture in another place. How can a Government appoint such a senior Minister in the Legislative Council and then expect a Minister in this House to gain a thorough knowledge of legislation such as this? I feel sorry for the Minister for Lands, because he was not conversant with the facts in relation to this legislation. I say, further, that no member of the present Liberal-Country Party Government knows anything about the Bill, and in that I include the Minister for Agriculture.

Mr. Oldfield: Do you know anything about it?

Mr. MANN: Out of the mouths of babes!

Mr. Marshall: The Minister for Lands was a party to the framing of the Bill.

Mr. MANN: Yes, but no member of the Cabinet knows anything about the ramifications of the wheat industry. The only ones who who have that knowledge are the members for Moore and Roe, who have been prominent members of the Farmers' Union. I have little knowledge of wheat; in fact, I know no more about it than does the Minister for Lands, although I am a farmer.

The Minister for Lands: I know a little bit about it.

Mr. MANN: I was sorry to see the Government bring down a Bill dealing with a matter of which it knew nothing. The Minister for Agriculture was never actually a wheatgrower. I hope that the Government, when returned to power after the next election, will appoint from this House Ministers to the two major portfolios which are now in another place. When the previous Government was in power, it appointed Mr. Kitson as Chief Secretary, in the Legislative Council, but we now have two Ministers holding major portfolios in another place and that is the cause of the trouble we are in with this Bill today.

Mr. Oldfield: Whom would you appoint as Minister for Agriculture?

Mr. MANN: Here we have the workings of the youthful mind. The member for Maylands is only a fledgling here, so I do not mind what he says. I hope that as the years go by greater will be his discretion and broader his mind.

Hon. A. H. Panton: Do you think he will be here that long?

Mr. MANN: I agree that his will be a short shrift in Parliament.

Hon. A. H. Panton: I did not say he would not be here very long. I asked whether you thought he would be.

Mr. MANN: This legislation has been brought down at the request of the Commonwealth Government, which is concerned at the decline of wheat production in Australia, because production is falling rapidly. The legislation was not requested by the Wheat Board or the States. It was brought down following the appointment of a sub-committee of Cabinet by the Commonwealth Government to see what could be done to give assistance to the wheat industry in order to stimulate production. That is the whole basis of it. Following the increased production they thought that by holding out this tempting bait they would induce the farmers to agree to the legislation. My son is a wheatfarmer, but I am a pig-breeder in a large way.

The Minister for Lands: You used to grow wheat.

Mr. MANN: Yes. I did, but on his return from the war I handed my wheatfarm over to my son and he is now

the wheatgrowing member of the family. What a fallacy it is! He grows wheat at world parity rates. He is entitled to £1 per bushel out of the pool in order that I can buy wheat to feed my pigs and show a 50 per cent. profit on my pig-raising. On my figures alone I can prove, over the years, that pig producers who have bought wheat for stock feed have shown a 50 per cent. profit from their pigraising operations. That is the reason why the Commonwealth Government has brought the Bill down.

The Minister for Lands: If you can do that, why is pork so dear?

Mr. MANN: The position is that the legislation has now been passed by the States most concerned. We know that the party to which I belong carried a resolution agreeing to the Commonwealth's amended Bill and the payment of 16s. 1d. per bushel to farmers for stock feed, with no strings attached. South Australia agreed to that policy also. That was to be the basis of the Bill. However, juggling has gone on throughout the States of Australia.

Conference after conference has been held, with the result that the States agreed that legislation be introduced on all fours with the South Australian suggestion that the price for stock feed be 16s. 1d. per bushel, and that the Bill was to be introduced before the 1st December. The States have now agreed that the home consumption price be increased to 16s. 1d., but that the price for stock-feed wheat be decreased to 12s. a bushel. by a Commonwealth subsidy on freights to Queensland and Tasmania. All the States, with the exception of this one, have passed this legislation and it seems strange to me that the Government has been so long in bringing this Bill forward. It was not introduced into this House until last Thursday evening. The Minister mentioned that there would be a retrospective clause in the legislation which would enable the Bill to be proclaimed after it had been passed.

I am concerned about two points. I am concerned from the wheatgrowers' point of view and from the point of view of the Farmers Union, an organisation which represents all sections of the primary industries, of which the major is wheat. It is bitterly opposed to the Bill. What right has anybody or any Government to decide what they will do with somebody else's money?

Mr. Lawrence: The Government exercised that right with respect to the market gardeners.

Mr. MANN: I am not concerned with the market gardeners, but what right has any Government to decide what it will do with someone else's money or produce? If we were in Opposition there would be a most violent attack on this Bill. That is the hypocrisy of the whole matter. We are asked to agree to this Bill, which is entirely against the policy of members on this side of the House, in order that we may control somebody else's goods and money.

Mr. Marshall: No-one on this side of the House would be silly enough to subscribe to a Bill such as this.

Mr. MANN: I do not know a great deal about the wheat industry and I am honest enough to admit it, but I am concerned when the farmers say that they are prepared to forego an increased price for their wheat in order to stick to a principle, which is their concern. No-one knows where this principle in regard to the payment of freight is going to end. The Farmers Union has grown in strength. At one time it was a divided body, but its members became wise and it was decided to merge the Wheat Growers' Union with the P.P.A. with the result that the merger has welded the Farmers Union into a powerful organisation. I hope it will decide to speak with one voice on the question of wheat production and may eventually be forced to enter into the political life of Western Australia unless consideration is given to its policy. For a long time it has been felt that the Government at least would consult the various organisations in matters pertaining to this legislation. In the "Farmers' Weekly" dated the 29th November, 1951, this extract, taken from the leading article, appeared—

> It is of great significance that the general president should be able to claim that governments today seek the advice of the Union in important matters affecting producer interests.

Not one member of the Government has approached the Farmers Union as to the decision it has made. I challenge any member of the Government to admit that he has ever approached that body to discuss this question. Is not the farmer entitled to be approached when it is his property that is being dealt with? The Government has taken action in defiance of the organisation to which we belong. I want to read one or two extracts from correspondence that has passed in relation to this question. Mr. Simpson is the Western Australian representative on the Australian Wheat Board and he attends all conferences that are held in Canberra. I have here a copy of a telegram, supplied by him, addressed to the chairman of the Australian Wheat Board, which reads—

> Was agreement re freight rate to Tasmania and Queensland essential reach agreement re increased wheat prices. Do you consider the proposal a fair proposition. Wire reply. Watts.

The reply from Sir John Teasdale was as follows:—

> Payment freight Tasmania Queensland by farmers through Wheat Board not commercially essential, secure satisfactory movement wheat. May in fact operate prejudicially owing obvious injustice to farmers. Board last week reaffirmed opposition on those grounds. Though not possessed specific knowledge cannot believe acceptance condition politically essential reach agreement price increase. All States readily announced approval of fact growers entitled 16s. 1d. therefore deduction one million pounds from that figure unjustifiable. Moreover, Tasmania refused accept home consumption plan 1938 except on condition flour tax rebated to Tasmania, therefore present demand historically unjustifiable furthermore will create intense resentment by farmers thereby defeating national effort secure increased sowings 1952.

I suppose, in the whole of Australia, there is no man more conversant with the wheat industry than Sir John Teasdale. I defy any man in either House of this Parliament to cast any slur on his integrity. He is a man whose honesty and status are well known. He was knighted for the excellent work he has done for the wheat industry of Australia. His knowledge of wheat matters is equal to that of any man in the world.

Mr. Ackland: Have you the date of that telegram?

Mr. MANN: The telegram sent to the chairman was dated the 11th November and the reply was sent on the 12th. Sir John Teasdale was appointed by a Labour Government to inquire into wheat problems over the whole of the Commonwealth. No-one can cast a slur on his character. His reply to that telegram is to the effect that this Bill, of itself, will help to decrease production.

Hon. J. T. Tonkin: Do you know whether Sir John Teasdale was present at the conference of State Ministers?

Mr. MANN: No, I do not know.

Mr. Ackland: He was.

Hon. J. T. Tonkin: On the face of that, it appears that if the State Minister had stuck out there would have been no Bill.

Mr. MANN: I am not going to question the statement. I want to leave personalities out of the question and deal with the broader principle. That telegram from Sir John Teasdale is proof that this Bill will defeat the objective of the farmers and will affect the wheat industry throughout the Commonwealth in years to come. The following statement was handed to "The West Australian" newspaper on the 1st December, 1951, but unfortunately it was not published:—

> The West Australian representative to the A.W.B., Mr. G. Simpson on his return to Perth stated that he was surprised to find so much emphasis was being placed on the controversy between the Minister for Agriculture and the member for Moore, regarding the amount of freight to be charged on wheat transported to Tasmania and Queensland. It so happened that both these gentlemen were quoting from information in their possession. Mr. Ackland's figures were taken from a report made to the Minister of Commerce and Agriculture on September 4 when conditions in Queensland only justified the forecast of a crop of 4,000,000 bushels and the need to ship 7,000,000 bushels from South Australia. Climatic conditions in the interim had been so favourable that it was now expected the crop would greatly exceed the estimate and in consequence a much smaller quantity of wheat would need to be imported. But the quantity of wheat or the cost to the industry was of little importance when it was realised that the agreement to the adoption of the Bill would nullify the principles that—
>
> 1. The produce of the land belonged to the producer.
> 2. It would make the A.W.B. a semi - Government instrumentality.
> 3. It established the principle of the producer being responsible for the distribution to the consumer.

Those are the three points raised by Mr. Simpson. I am sorry the article was not published in "The West Australian," because that is the only paper that is circulated among the homes in the rural parts of this State. This article would have meant something to the farmers themselves if they could have read it. The land and the produce obtained from it belong to the producer and that is the essential principle for which we are fighting. If the Commonwealth Government can get its hands on the producer's commodity, irrespective of the camouflage of political ideas, it will take it and it is the Government's desire to control the wheat industry of Australia.

Mr. Ackland: This Government is endeavouring to do the same.

Mr. MANN: Yes. McEwan was the man who endeavoured to control the meat industry and, if he can, he will control the wheat industry. The wheatfarmer has been forgotten by the Commonwealth Government, and by this Government because it depends on the dairy, pig and poultry farmers for the majority of its votes. There is no denying that fact. The Minister for

Agriculture has let his Government down without a doubt but Cabinet has been forced into the position of remaining loyal to him. When the stage is reached that, instead of the Government acting in this way and dealing with the commodity of the producer in a manner that is against the interests of the country, we have men, irrespective of party, who will control the issue in a better way, it will be a damned sight better for Australia as a whole and this State in particular. My final word is to refer to a report that appeared in "The West Australian." Members saw what was in the paper this morning. A telegram from Melbourne contained this reference—

> "If the enabling Wheat Bill in the West Australian Parliament is not passed, it will cost West Australian wheat farmers about one-third of a penny per bushel," the Chairman of the Australian Wheat Board (Sir John Teasdale) said today.
>
> Poultry farmers and others affected would benefit to the extent that they would be able to buy stock feed wheat at 10s. instead of 12s. a bushel, Sir John added.

Doubt was expressed today by some members of the House as to whether the statement by Sir John Teasdale was honest when he said that if the Bill were not passed stock feed would be bought at 10s. a bushel.

The Minister for Works: For how long?

Mr. MANN: That was Sir John's statement in the Press.

Mr. Ackland: It will have to stop at that price for two years unless the State alters it by way of legislation.

Mr. MANN: Sir John Teasdale also said—

> So far as the Australian picture is concerned, all that is in jeopardy is the return of an extra third of a penny a bushel to West Australian wheat farmers from 2,000,000 bushels of wheat.
>
> The Commonwealth stabilisation, as formerly applied, will continue until September, 1953—

That was the basis of the Bill at present—to carry it on.

> —and the home consumption price of wheat will be 10s. a bushel all round, excepting for stock feed wheat in the Eastern States, which will be 12s. a bushel.

"The West Australian," which last week published an article supporting very solidly the passage of the Bill, has now changed its tune.

Mr. Ackland: It has backed down.

Mr. MANN: "The West Australian" asked whether the Wheat Board would be prepared to sell at the prices set out, and in Sir John Teasdale's statement the following appeared:—

> The editorial in "The West Australian" on Saturday asked . . . . "but would the Australian Wheat Board be prepared to sell stock feed at 12s. in some States and 10s. in Western Australia?"

Sir John Teasdale's reply to that, as set out in the telegram, was—

> The board is doing that today—in other words, carrying out the law. The Western Australian Bill has not been passed, so 10s. a bushel is the legal charge.

I challenge the House on this issue. Under the statement by Sir John Teasdale, if the Bill is passed, the pig, poultry and dairy producers will pay 12s. a bushel for their wheat and the farmers will gain a fraction of a penny per bushel for their wheat. If the Bill is not passed, the poultry farmers and others will buy their wheat at 10s. a bushel for the next two years, or the cost of production. This is no party issue so far as I am concerned. On the other hand, are we to accept the Bill which embodies that worst of characteristics, the control of a commodity belonging to someone else, when the farmers are prepared to have the Bill thrown out?

I have had requests from branches of the Farmers Union in my electorate and from individual farmers as well, that I should do what I can to defeat the legislation. Are we to violate a vital principle of the organisation concerned that a man shall own and control his own commodity? Those men are entitled to a say in the disposal of their commodity, and they should be allowed to do what they like with it. We should not pass legislation, the effect of which will be to increase the cost of stock feed in this State by 2s. and probably have to face a further increase next year. The effect will be that the cost of eggs, for instance, will be increased. It is said that we should be loyal to the Eastern States of Australia. I do not know that we have experienced much loyalty in that respect from the Eastern States. On the contrary, we have not had a fair spin from them. For too long has this State been the milch cow for the manufacturers in the Eastern States.

Mr. Ackland: Pass this legislation and and we will have to accept more domination.

Mr. MANN: We have suffered heavily in the past. The effect of this will be adverse to the wheatgrowing industry. With barley at the price that now obtains, how many farmers will produce wheat next year? I know of people with heavy clover land capable of producing crops, but they

will not on with it. If the Bill is passed, the interests of these people will be adversely affected, but what do the members of the present Cabinet know about the position of primary producers? Yet the Ministers talk to us who know what the position is!

Mr. Ackland: They will not listen.

Mr. MANN: Of course, they will not listen. We will have less wheat grown, and that is what this Bill will mean. The member for Moore made some remark about weakening the position in the House. I hope the Bill will be defeated at the second reading stage. If it is not, I hope something will be done to amend the most iniquitous clause that will exercise control over the farmers' commodity by a payment of freight to other States. If the price of stock feed is increased, the cost of eggs must become dearer. At present we are selling the cheapest pork and bacon obtainable in Australia.

The Minister for Works: At the expense of the wheatgrower.

Mr. MANN: No. I like these great ideas of young men who have never felt the heat and burden of the day in the country areas.

The Minister for Works: Do not talk rot!

Mr. MANN: They talk about loyalty to the Eastern States and to Australia as a whole! I, as a farmer in this State, know we have not had a fair spin from the East. As Australians and Britishers, our first duty is to the State we live in, because no other State will provide for our necessities. I hope the Bill will be rejected at the second reading stage.

MR. KELLY (Merredin-Yilgarn) [5.52]: The principal clause in the Bill, which deals with freight charges, represents an entirely new departure and certainly something new in selling and trading practices. It removes a long outstanding imposition on the wheatgrowers, but in doing so, introduces another principle entirely unacceptable to growers generally. If the Bill were agreed to, Western Australian wheatgrowers would be obliged to pay freight on a minimum of from 5,000,000 to 6,000,000 bushels transported to Tasmania and Queensland, which would probably represent something in the vicinity of £1,000,000 or £1,250,000. Even at that, there is no guarantee that the amount would not be increased very considerably because of the requirements of other States apart from Queensland and Tasmania, on account of some of the possibilities ahead. I speak of droughts, floods, bushfires and even the possibility of increased freight charges.

I am astounded that any Minister for Agriculture would advocate establishing a principle involving primary producers in the payment of freight to other States. I certainly cannot understand the Minister for Agriculture in this State agreeing to be a party to such a proposition.

Mr. Ackland: Rather an advocate of it.

Mr. KELLY: What an uproar there would have been in Tasmania if we had attempted to introduce the same principle regarding potatoes, apples or butter from that State! It is a new departure and something we should not tolerate. The same position applies with regard to Queensland sugar. We have not been called upon to pay freight on that commodity. Certainly, the industry has been subsidised as the wheat industry has been helped, but there has never been any suggestion that the sugar industry should be subsidised by the payment of freight on Western Australian requirements.

The principle sought to be established that the Western Australian wheatgrowers shall pay freight to other States is unprecedented, unreasonable and intolerable. If there is any justification in the statement that it would be morally wrong for Tasmania and Queensland to pay the home consumption price, it is equally unjustifiable for Western Australian to pay the freight on wheat to those States. In one case it means that the farmers of Western Australia are asked to submit to dictation, whereas Queensland and Tasmania at the present moment are being given the best part of £1,000,000 because of the condition of the industry in those States.

The situation that has arisen is one that should have been attended to by the Commonwealth, which should have arranged to meet it in the subsidy provided. In other words, the freight charges should have been agreed to by the Commonwealth in the form of a subsidy. In that manner the burden would fall on the entire population of Australia instead of upon one section only. In arriving at a conclusion on this matter, I have found it very difficult because of the inconsistencies that have appeared in Press reports. Statements have appeared almost daily in the newspapers from the Minister for Agriculture, followed by denials from other members of the public, including one member of this Chamber. Various figures have been quoted, and we have had the Minister for Lands at variance with the Minister for Agriculture.

The Minister for Lands: You have had nothing of the sort.

Mr. KELLY: I have, and I have it in black and white.

The Minister for Lands: Rot!

Mr. KELLY: Either the Minister is wrong or the Press is incorrect—and I prefer to believe the Press report. There is no doubt whatever that many red herrings have been drawn across the trail. The amount in jeopardy as regards this State can easily be taken at the highest amount quoted. We have had figures mentioned varying from £3,500,000 to

£7,000,000, and those statements have appeared over a very short period, all being attributed to men of repute who should know. We have also had great disparity indicated regarding the amount of freight that would be charged on consignments of wheat from Western Australia to the other States. In view of all these inconsistencies, if one does not know all about the industry, what the situation has been over a period of years, or appreciates how objectionable some of the principles embodied in the Bill really are, it is hard for one who is a layman to arrive at a proper conclusion.

Hon. A. H. Panton: He that fights and runs away will live to fight another day.

Mr. KELLY: I would never agree to the principles embodied in the Bill. We might just as well give away the birthright of the agricultural industry in this State, if we tolerate the freight provisions laid down in the Bill. There has been no assurance from the Treasury bench that the clause will be deleted, and, in view of that fact, I am not prepared to support the second reading.

THE MINISTER FOR EDUCATION (Hon. A. F. Watts-Stirling) [5.58]: It is my intention to cover some of the ground dealt with by previous speakers because I feel there has been some misunderstanding about the matter, which ought to be cleared up as far as is practicable. I speak personally for a moment in saying that I stand second to none regarding those who have made an effort to see that not only the wheatgrowers of this State but also every other section of the primary producers received a fair opportunity to sell their produce at a profit. I was associated with the days to which the member for Avon Valley referred, the days when the more wheat one grew and the more wool one grew, the more money one lost; and it was quite obvious that it was essential that some action should be taken to prevent that state of affairs from occurring again, as far as was humanly possible, if either of those industries was to survive. Fortunately, it appeared that the efforts in regard to the wheat industry, so far as the reception they received from the wheatgrowing community was concerned, were better than those in regard to the wool industry because, in the net result, the stabilisation proposals of 1948 were accepted by the wheatgrowers, notwithstanding some opposition from a substantial section of them, some of them being members in this House and others not actually in the wheat industry, including myself, being in support of those who differed from the majority.

Our difference was occasioned by the fact that we realised that Western Australia's position was peculiar, and it would have been better for the Western Australian wheatgrower to have sold his product through a Western Australian board under what I will call a State marketing pool. We had, in fact, in this House and in another place passed legislation which enabled such a pool to be formed, and provided that a referendum of wheatgrowers could be taken. Very shortly afterwards, the proposal which has been in operation since 1948 was submitted because wheatgrowers had indicated they desired that proposition, irrespective of the fact that it had imposed upon them the obligation of selling all wheat for local consumption at a guaranteed price, which was to be the equivalent of the cost of production as assessed.

That agreement was to last for five years. It is true, and was well known at the time, that the Wheat Growers' Federation, in its negotiation concerning this proposition, had, for the reason that it contained the provision I have just mention, informed the Federal authorities —I think Mr. Pollard was then Minister for Commerce—that they reserved the right to attempt to have the scheme amended in future, because they had objections to the provision that required or enabled all home consumption wheat to be sold at the guaranteed price. They made it quite plain, and I think we all agree that there was no sound objection to the proposition, that wheat to be sold in Australia for consumption by human beings should be at the guaranteed price, because wheatgrowers were aware, as we all were, and were very fair about it too, that in previous years when wheat had been at disastrously low levels, flour taxes had been imposed in Australia to enable a better price to be paid for wheat; and, while it is true that the loss suffered by wheatgrowers as a consequence of selling wheat in Australia for home consumption for all purposes at the guaranteed price was many times greater than the advantages they received from the schemes for their assistance, which included the flour tax in the very bad days, nevertheless they have loyally accepted and, so far as I know, do accept still the principle that the home consumption for human beings price should be the guaranteed price.

So this proposition, which was passed and put into effect in 1948, was to continue for five years, and has so far lasted approximately three years. There has in the meantime been considerable agitation arising out of the objection to which I referred a moment ago, that wheat sold locally for other than human consumption should not be at the guaranteed price but at export parity or some figure closely approaching it. That agitation was brought to a head some three or four months ago. In my opinion, there are very sound reasons why wheat should not be sold to other industries at the guaranteed price. It amounts, as everyone can see, to one particular type of primary industry subsidising another, and it has always seemed to me that it was the obligation not of the

wheatgrowing industry but of the general public if they desired to subsidise other industries by cutting down the cost of wheat for the preservation of those industries, or for the betterment of prices. However, no provision has been made in the intervening years for the subsidy to be paid from the public purse. The matter came to a head at last when the Commonwealth Government some two or three months ago called a conference of Ministers for Agriculture to discuss the matter.

Hon. J. T. Tonkin: The Commonwealth submitted a proposal as its proposal.

The MINISTER FOR EDUCATION: Yes, I was coming to that. When the Minister for Agriculture was called to the conference it was not known what proposal the Commonwealth would make. On consideration being given to the matter by State Cabinet, there was general support of the postulation that the wheatgrower should no longer continue to subsidise other industries on the basis I have just mentioned. Cabinet felt, however, that it had a duty not only to the wheatgrower and the other industries I have mentioned, but also to the general community.

Members of Cabinet were, on the one hand, faced with the position that they could no longer agree to the wheatgrowing industry subsidising other industries, but opposite to that was the position that to do nothing to try to keep down the price of wheat to the other industries must add to the inflationary trend which at that time, perhaps even more than today, was a subject of considerable interest and concern, and one which reflected, every time there was a further movement upwards, very severely not only on the finances of the State and the burdens of the individual, but on the cost of production of primary industry.

It seemed to us that the only remedy to enable the wheatgrower to receive what we regarded as his just due, and at the same time to assure, as far as possible, that the inflationary trend was not multiplied or increased to the detriment of all other sections of the community, was for the Commonwealth to subsidise the difference between the guaranteed price and the price or figure which was to be paid to the wheatgrower in lieu of the guaranteed price for wheat consumed locally for stock feed. So the Minister for Agriculture was told by Cabinet that the difference between the guaranteed price and whatever amount was finally agreed to by the Governments, and the price for locally consumed stock feed wheat should be paid by the Government as a subsidy to minimise the inflationary trend.

As I said earlier, we did not know what price the Commonwealth intended at that time, and no price was actually discussed. The words used were, "Whatever price is finally agreed upon by Governments as the price for locally consumed stock feed wheat." The Minister for Agriculture, therefore, left Western Australia with the instruction of the Government to ensure that the wheatgrowers' position was improved, and at the same time to make every effort to see that a subsidy was paid by the Commonwealth—quite a usual practice in many other directions and one which in view of the comparatively moderate amount of wheat used for stock feed purposes in Australia, we did not consider was impracticable—and he went to Canberra with those points firmly in his mind.

Mr. Ackland: What was the date that you did not know what proposition the Commonwealth Government was going to put up to you?

The MINISTER FOR EDUCATION: I cannot give the date, but I can tell the hon. member that we did not know what it was at the time the matter was discussed.

Mr. Ackland: Was that in November or December?

The MINISTER FOR EDUCATION: It was long before—at least eight weeks ago. December has only just commenced. It was subsequently learned that 16s. 1d. was the proposed stock feed price. After discussion at the conference the Commonwealth proposed to pay a subsidy only on egg production. Cabinet at once agreed to the figure of 16s. 1d. It was given as the International Wheat Agreement figure and it apparently was acceptable, and we made no bones about it. But we considered that a subsidy should be paid on all stock feed, and advised the Minister for Agriculture accordingly.

This conference did not reach agreement. When the Minister for Agriculture left it, however, it was understood that there were to be further conferences after the representatives' Governments had been consulted. The second conference was called when the Minister for Lands was in the Eastern States dealing with matters connected with war service land settlement. He had, of course, been present at all the discussions that had taken place at Cabinet with regard to the matters I have mentioned, and as he was on the spot it was decided he should represent the Government on that occasion.

Sitting suspended from 6.15 to 7.30 p.m.

The MINISTER FOR EDUCATION: Prior to the tea suspension I was referring to the fact that the Minister for Lands attended the second conference in Melbourne, vice the Minister for Agriculture, and was about to say that he, being present here, will be in a position—if I should make any slip with regard to the facts of that conference during my references to it—to correct me. I think it can best be summarised in the following statement which was subsequently issued:—

> The Ministers also confirm their decision that wheatgrowers should receive the maximum price under

the International Wheat Agreement, namely, 16s. 1d. for all wheat supplied for stock feed in Australia, but, owing to the consternation and repercussions in the poultry, pig and dairying industries, which are so closely associated with and dependent on the wheat industry, the Ministers appeal to the Commonwealth Government to take a broad national outlook in regard to the effects of their proposals on these industries, on Australian consumers and on export contracts, and in regard to the importance of these industries in the general defence plan State Ministers consider that it is urgent and vitally necessary that they should meet the Commonwealth again on a Ministerial level for further discussions in order to endeavour to formulate an aceptable plan to protect these other vital primary industries.

There it will be seen that the majority of the Ministers present at that conference confirmed their decision that wheatgrowers should receive the maximum price under the International Wheat Agreement, namely, 16s. 1d. for all wheat supplied for stock feed in Australia. It appears that the Minister for Agriculture in New South Wales, who was in the chair, raised the question of freight on wheat to Tasmania, and supplies of wheat to Queensland to make up for some degree of crop failure which had occurred in that State, and the statement went on to say—

> With reference to the freight on wheat to Tasmanian ports, the Ministers confirm their previous decision that this freight should be met in the same way as applies to the other States. In the case of supplies of wheat to Queensland on account of crop failure the Ministers consider that this is a national emergency and the freight on this wheat should be met from the Commonwealth revenue and not from the wheatgrowers' own funds.

On those terms that conference concluded, obviously without having reached any satisfactory agreement. I might add that the date of that conference was about the 1st of November. It was the second of them, the first having taken place some considerable time before. At that period, if I recollect aright, the acting Minister for Commerce and Agriculture, Senator McLeay, had represented the Commonwealth at both conferences, but shortly afterwards the Minister for Commerce and Agriculture, Mr. McEwen, returned from his journey abroad and, at somewhat short notice, a third conference was called by him. Our Minister for Agriculture was at that time in the Esperance district on some public business and was advised by telephone that he must leave for Canberra almost immediately, which he arranged to do. He had, in the meantime, been advised by Cabinet to agree to the 16s. 1d. without any further subsidy than the £4,000,000 that had been proposed by the Commonwealth or, if that offer should be withdrawn—of which we had no notice at all, and I might add we did not think it would be withdrawn—without any subsidy at all, if finality could be reached by no other means.

There was some suggestion by one member who spoke to this debate that a great deal of secrecy was observed in regard to this particular aspect. I admit that those instructions or requests to the Minister for Agriculture were not made public, because it would have placed him in an extremely difficult position had it been made public that, while the State Government was pressing for a subsidy, for the reasons I have already given, it was prepared, if necessary, to abandon that idea. If one expects to purchase a property for £2,800, knowing that the vendor wishes to receive £3,000 for it, in offering him the £2,800 one does not say immediately "I will give you £3,000 if you will not take £2,800." One leaves it until the last moment of the negotiations before giving way in the matter of the extra £200; otherwise, of course, the vendor will simply wait until one offers the £3,000, knowing what one's intentions are. I think precisely the same principles must be applied to the matter that I have just discussed.

At this particular conference, the third one, the Eastern States—I exclude South Australia—and particularly Queensland, Tasmania and Victoria, pressed for payment of the freight to Tasmania and Queensland and it appears, not only from information that the Minister for Agriculture brought back to this State, but also from other information which I propose to give the House in a few minutes, that as it turned out there was no hope of any agreement being reached regarding an increase in the price of home consumption wheat for stock feed to 16s. 1d. unless this freight question was provided for. The whole basis upon which this wheat stabilisation scheme was devised was that of Commonwealth legislation supplemented by legislation passed by each of the six States, virtually in the same form, and any amendment of the scheme—an amendment would certainly be necessary by legislation to implement this proposal—had also to be passed by six States in order to become effective throughout the Australian economy. It was therefore essential that agreement be reached and that legislation with some uniformity of character should be passed; otherwise the whole proposal for the increase in price would be likely to fail.

The stabilisation scheme drew its virtue from the consensus of statutory arrangements made in the statutes of the six States and the Commonwealth. It provided, as I have already said, for the wheat sold for local consumption to be sold at the guaranteed price, namely, the cost of production, which today is approximately 10s. It had, and has, two seasons to run. Therefore a substantial amendment of this nature could not be made on a unilateral basis by any State, or on the basis of three or four States coinciding in its alteration, but it had to be with some great measure of uniformity between all the States involved, and the Commonwealth. Unfortunately, at that stage it became a matter not only of questioning the new proposals of the Commonwealth in regard to the subsidy, which increased the amount in which they proposed to be involved by £1,300,000 and proposed to subsidise the cost of wheat for stock feed for local consumption up to a maximum of 26,000,000 bushels for the poultry, pig and dairying industries, but also of arriving at a solution or determination in regard to this question of freight, particularly to Queensland.

It certainly appeared to me, when I heard that this proposition had been accepted—and I make no bones about this as an individual—that on general principles it was undesirable from the point of view of Western Australia, and indeed of all States except Queensland. But it did seem to me at the same time—and I have no hesitation in saying this either—that it was a better proposition, in the interests of the wheatgrowers, to secure acceptance of the principle that the International Wheat Agreement price was the proper one for wheat sold for stock feed in this country, leaving the question of adjustment of this freight argument to some subsequent period in the same way as the wheatgrowers themselves had decided in 1948 that they would leave the same question—which then applied not only to 26,000,000 bushels but also to all wheat that might be sold for stock feed purposes—and to seek amendments at some subsequent period.

It seemed to me that the first essential was to give the wheatgrower the opportunity of receiving as near as possible the International Wheat Agreement price for his wheat sold for stock feed in this country. If he could not persuade the States, whose interests were involved otherwise than the interests of Western Australia, to do away with their requirements in regard to freight, it was in the ultimate wise to accept that proposition rather than to abandon the wheatgrowers to a continuance of merely the cost of production or a guaranteed price, whichever members like to call it, for the wheat that was to be used for stock feed in Australia. So I think that notwithstanding the criticism of the Minister for Agriculture in this House, it was quite clear to him that either some arrangement must be made regarding freight or the wheatgrowers would receive no increase at all, because there would have been an absence of uniformity and a great divergence of opinion between several of the States, Eastern States in particular, whose legislation was required for this purpose.

Members who have spoken since this Bill was introduced have, in some cases, expressed some disbelief of this, and since last Thursday I have sent telegrams to the Minister for Commerce and Agriculture seeking his views on the point. The reply he sent me reads as follows:—

> For your information I comment that the adamant attitude of all the Eastern States Governments in insisting upon the present plan meant that if any Government, either Western Australia or Commonwealth for instance, had refused to accept the present plan the only and certain result would have been to deprive the wheatgrowers of any return higher than 10s. per bushel.

So there we have confirmation of the point which the Minister for Agriculture has raised in more than one place and on more than one occasion. I think it is evidence of a reasonably conclusive nature as it comes direct from the Minister for Commerce and Agriculture, who was at the particular conference in question. During the course of this debate there have been some discussions regarding the accuracy or otherwise of figures released or stated by the Minister for Agriculture as to freight costs and other matters. I am not for one moment suggesting that members who have quoted those figures have not obtained them from the sources that they suggest, and I am quite unable to understand, if that is so—and it must be—the divergence in those figures from those that have been supplied by the same source, and at approximately the same time, to the Minister for Agriculture.

I now quote telegrams from the chairman of the Wheat Board, Sir John Teasdale. These telegrams are addressed to the Minister for Agriculture and I have the originals with me. Members will recall that one of the assertions made was that the freight from South Australia to Queensland would be approximately 4s. 6d. a bushel, the Minister for Agriculture having quoted a lesser figure of, I think, 3s. 7d. There was also some question as to the quantity of wheat that would be required by Queensland. I think 7,000,000 bushels was suggested in this House and the Minister for Agriculture had quoted 4,000,000 to 5,000,000 and later, on receipt of other information from Queensland, quoted an even lower figure. This tele-

gram, addressed to "Wood, Minister Agriculture, Perth" and signed "Teasdale" reads—

> Queensland wheat stop Import requirements presently estimated four to five million bushels but may be increased if sorghum crop fails materialise stop Present cost freight 43 pence bushel.

That is 3s. 7d. So it is no wonder that the hon. gentleman adhered to that figure in the various statements he has made.

Hon. A. R. G. Hawke: No wonder the shipping companies make lots of money.

The MINISTER FOR EDUCATION: The Minister for Lands, in introducing the Bill, used the same figure for making his calculations. Another telegram, sent to the Minister for Agriculture reads as follows:—

> Yearly requirements Tasmania 2,200,000 bushels all purposes stop Freight costs estimate 275,000 but Press indicates further increased rates. Teasdale.

So there we have the source from which the Minister for Agriculture obtained the information to which I have referred. I have the original telegrams here and I have read the whole of both. At this stage, on the same point, I will quote from a statement made by the chairman of the Queensland Wheat Board, Mr. Short, in a recent issue of the "Courier Mail" which, I understand, is the Brisbane daily paper. It reads—

> Mr. Short said that 2,000,000 of the 6,000,000 bushel crop had been harvested. Wheat would have to be imported to make up Queensland's total wheat at consumption of 9,500,000 bushels annually.

The difference between 6,000,000 bushels and 9,500,000 bushels is 3,500,000 bushels, and therefore it would appear that that amount would have to be imported. I have also read, with interest, the rough "Hansard" proofs of the debate on a measure similar to this in the South Australian Parliament, and in them there is some confirmation both of the figures given by the Minister for Agriculture and those supplied by Mr. Short which I have just read. In a speech by Mr. Scott, M.H.A., who is the secretary of the Wheatgrowers' Federation, he is reported as stating—

> Today wheat is being shipped from Port Lincoln to Brisbane and the freight will be paid by the Wheat Board. The board calculates that Queensland will require 4,000,000 bushels and as the freight rate from Port Lincoln to Brisbane is 3s. 9d. a bushel, freight amounting to about £700,000 will be paid by the board. On wheat shipped to Tasmania the freight will amount to about £250,000, including the recent increase of 2s. 6d. a ton.

Those are the reported words on that subject by Mr. Scott and they say—assuming that wheat was being transferred from South Australia to Queensland and Tasmania—that the total figure involved would be something under £1,000,000 and not the amount greatly in excess of that which has been mentioned in various speeches in this House in recent days. At the moment I think it is wise to turn to the possibility of any wheat being required from Western Australia because it would be admitted that if it were required from Western Australia this season —and it must be remembered that the concession to Queensland may be for this season only—to do that it is necessary, I think, to ascertain what the figures of production for this year in South Australia are and also what the figures for home consumption for all purposes are. So a telegram was sent to the Premier's Department of South Australia and the figures which I now quote were supplied in reply to it. They are as follows:—

> The total estimated South Australian wheat crop is 28.5 million bushels. The estimated home consumption in South Australia is 5,050,000 bushels, including stock feed.

Therefore South Australia will have somewhere about 23,000,000 bushels available for export and that would be many times the requirements, as estimated, of the other two States which we have been discussing. So it is quite obvious, I think, that there were far more difficulties associated with this business than appeared at first sight. It was all very well to say that 16s. 1d. per bushel should have been obtained without any tags. On the evidence I have it is quite apparent to me—and I have endeavoured to read it to the House—that it could not be obtained without those tags and the alternative would have been to have left it in the more undesirable position—and I have no hesitation in saying that it was a more undesirable position—that existed under the arrangements made in 1948.

There was no alternative other than to accept the measure, I am convinced. I think this House too, can be convinced—in view of the attitude of certain of the Eastern States and in view of the need for legislation by all States—that there was no alternative. That was necessary because it was obviously strongly to the advantage of the two importing States to continue to refuse to make any increase in the stock feed price as they would be getting their stock feed—even plus the freight—at a price less than they would pay for it now, including the freight, because they would have been getting it from South Australia to Queensland, if the freight were being paid by Queensland in the absence of any alteration in the stock feed price, at 10s., plus 3s. 7d., which is 13s. 7d.—say 14s.—as against 16s. 1d., and which is going to be the price now subject, of course, to the Commonwealth subsidy.

But some sections that require stock feed are not getting that rebate. So certainly it would be a disadvantageous proposition to them to press for the inclusion of this provision and knock out the whole business rather than agree to this concession being made to them.

That is how I understand the position. I was not at the conference, but I discussed this matter and made all the inquiries I could. Mr. McEwen said that the adamant attitude of certain of the States made it necessary to compromise or abandon the proposition to increase the stock feed price. I wonder what many of us would do in similar circumstances. I venture to suggest that we would take the best bargain that we could get, especially as the impression with which we had left Western Australia was—because it was the only matter up to then that had been discussed—that what the wheatgrowers wanted was to get away from the invidious position of receiving the guaranteed price for wheat not only for home consumption for human purposes, but also for all stock feed purposes. In the absence of this possibility, the second conference laid down, as its desire, that the Commonwealth should pay the freight from revenue, but the Commonwealth did not agree to that proposition and the only alternative, I think, was to accept the proposal that is now before us or, alternatively, to abandon the whole proposition and for another year or perhaps two years, continue with the stabilisation agreement and leave the position as it was in 1948.

It appears that this is the only State in which the provisions of this Bill have been seriously called in question. It has been passed in all other States. I have not had an opportunity of ascertaining with what speed it was passed in any of the other States, except South Australia; but there, of course, it was known that South Australia agreed to the original proposition of 16s. 1d. and £4,000,000 subsidy to egg-producers. Although Mr. Playford, vice his Minister for Agriculture, was present at the third conference, as his own statement to the South Australian Parliament indicates, he took little or no part in it, but he did agree when agreement was reached by the other States to introduce legislation similar to that we have before us now. As I said, I have perused proofs of the "Hansard" debate on that Bill. It is true, there were six or seven speeches. The speech of the Minister for Agriculture was comparatively short, and is to be found in about two columns. It merely set out the tenor of the measure. Some of the speeches were critical of parts of the Bill; I am critical of parts of it myself. But are we able to arrive at any better arrangement? Mr. Stott, secretary of the Wheat Growers Federation, was one of the speakers, and he criticised parts of the measure in quite a lengthy speech. But no amendment was made; the second reading was carried on the voices, and the Committee stage was passed without debate.

So, if it were possible to ascertain the opinion of the majority of wheatgrowers in this State in the same way as their opinion was ascertained in 1948, I cannot believe that there would not be a majority, and a reasonably substantial one, I feel, for the terms of this measure, believing, as I think they believed then, that the substance of a stabilisation scheme which ensured them for five years the guaranteed price for wheat consumed in Australia—although it did impose on them the obligation to provide subsidies for other primary producing industries in stock feed—was a better proposition than a Western Australian pool, although it would probably—and certainly as long as oversea prices were high—have produced them a far greater return, it might ultimately not have measured up to the first one. In this case, too, I am convinced that, were it fairly presented to them, they would say that they preferred to have the alteration made, recognising that stock feed should not be sold merely at the guaranteed price, rather than leave the present position, notwithstanding what they might still regard as an objectionable feature concerning the freight rate. Before I conclude, I would like to refer to a statement made by the Minister for Agriculture, reported in the "Daily News," which relates to a telegram from the Wheat Board concerning the sale of stock feed in this State.

Hon. J. T. Tonkin: It was a most unfortunate utterance.

The MINISTER FOR EDUCATION: It may or may not have been so; the hon. member will best be able to judge when he reads the telegram on which the statement was based.

Hon. J. T. Tonkin: That telegram originated in this State.

The MINISTER FOR EDUCATION: Perhaps it did, but it is signed "Wheat Board," and I do not think we can distinguish between the Wheat Board that acts in this State and the Wheat Board that acts somewhere else.

Hon. J. T. Tonkin: The Minister might have consulted the board here before he made the statement.

The MINISTER FOR EDUCATION: I am not aware whether he did or not.

Hon. J. T. Tonkin: He did not.

The MINISTER FOR EDUCATION: Be that as it may, I propose to discuss the telegram on which the statement was made and for which there was very substantial justification.

Hon. J. T. Tonkin: What is the date of it?

The MINISTER FOR EDUCATION: The 4th December, 1951; that is, today.

Hon. J. T. Tonkin: My information is that that telegram was sent on the 30th November.

The MINISTER FOR EDUCATION: I was told it was received today. The telegram reads as follows:—

> To all millers in Western Australia: Price wheat for flour breakfast foods and all other local consumption excluding stock feeds increased to ten shillings per bushel bulk basis free on rail ports as from commencement business Saturday first December 1951 stop Cease selling stock feed until further notice. Wheat Board.

I will leave it at that to indicate that the Minister's statement which appeared in the "Daily News" was not a figment of his imagination.

Hon. J. T. Tonkin: I will not leave it at that.

The MINISTER FOR EDUCATION: It is possible the hon. member will not, but that is all I want to say. It might be as well to indicate to the House my view—and it can be no more than my view—as to the passage of the second reading of this Bill. I do hope the House will carry the second reading, and if there is to be any divergence of opinion on the clauses of the Bill that should be dealt with in Committee, because I feel that is the proper place to iron out those differences of opinion and to resolve any questions that may arise. I think questions may arise, and I am not unsympathetic in some degree to those people who raise them, but I consider that at least we should pass the second reading in order that an opportunity may be given to examine the proposals in detail.

MR. PERKINS (Roe) [8.10]: I think that in order properly to understand the background of the legislation dealing with the wheat industry, it is necessary to consider the original setting-up of the home consumption price for wheat consumed within Australia. Members will recall that, during the depression period of the thirties, wheatgrowers experienced a very difficult time indeed. The standard of living for many of them dropped to a point where it was no standard of living at all, and it is impossible for anybody not conversant with the industry to realise the hardship that many growers experienced and, of course, a great many were starved out of the industry.

During that period, because of the considerable amount of unemployment that existed, the Commonwealth Government, not so much I believe from any great goodwill towards the wheatgrowers as a desire to prevent more difficult economic conditions from arising than actually existed, provided various subsidies for the industry, but they did not amount to many million pounds. The amount that the industry has paid back by way of the lower prices received by growers for wheat consumed in Australia by humans as well as by stock made those amounts look infinitesimal.

In 1938-39, the position was so difficult that, with a favourably disposed Government in power in the Federal sphere, the flour tax legislation was introduced and piloted through Parliament, I believe, by Dr. Earle Page, Minister for Commerce at the time. That legislation came into force and the growers received an Australian price that bore some relation to the cost of producing the wheat for that portion used for human consumption within Australia. The point I wish to emphasise is that that was the only wheat which returned anything extra to the growers. Right through the depression period and after the flour tax legislation came into force, the people who were using wheat for stock feed expected to receive it at world parity figures—in other words, at the lowest price at which it was being sold outside Australia. That is a very important point when one considers the question of the lower price for the proportion of wheat used for stock feed in these more prosperous times.

On the outbreak of war, the ordinary marketing channels necessarily became disrupted; the Australian Wheat Board came into being according to plan, and was constituted under the National Security Regulations subject to control by the Government of the day. Gradually, the oversea demand for Australian wheat built up, and while in the early years of the war growers did receive some advantage from the home consumption price for flour, very quickly the export parity figure rose above the home consumption price and growers were at a disadvantage for all wheat used within Australia, whether for human consumption or stock feed.

At that point the growers' organisations took exception to this wheat being sold for stock feed at the Australian price. In fairness to the growers, the public must admit that they have never questioned their responsibility to provide wheat for human consumption at an Australian price, because they remember that the consumers of Australia did pay something extra for wheat at the time when world parity prices were very low indeed. Growers have never sought to dispute that principle, although they have asked that the figure should be kept at the actual cost of producing the wheat in Australia. They have demanded—rightly, in my estimation—that they should be entitled to receive for that wheat whatever it would bring in the markets of the world. They were expected to sell wheat at that figure during the depression period when prices were very low, and, naturally, if

the principle were sound then, it is sound now. This is a point on which the growers have been adamant.

However, as we all know, it has not been possible for the growers to get that demand accepted by Governments, but it has been the aim of the growers' organisations to minimise the loss on the sales for stock feed within Australia to the lowest possible figure. They have asked that the price be raised as much as possible and that the quantity used for stock feed should be kept at as few million bushels as possible. That is the position as it has continued up to the present. I would stress that the general attitude of the growers as expressed through their industrial organisations has not altered one whit over the whole of that period. They have pursued that policy consistently. If wheat for stock feed has been sold at a lower price, it has not been because the growers have accepted that principle; it is because this has been foisted upon them by the Governments who have been able to dominate the position.

Members are aware that since the present Commonwealth Government has been in power, the Australian Wheat Board has been re-constituted and has been very largely freed from Government control. This introduces another aspect to legislation dealing with the wheat question. Until 1948 when the wheat industry stabilisation legislation of the State was enacted, the Australian Wheat Board had operated under the special wartime powers. But it was thought that that could not go on any longer, and agreement was reached for the Federal powers to be buttressed by State legislation, with the result that we have the Wheat Industry Stabilisation Act which the Bill before the House seeks to amend. I think that point is important because one can lose sight of the effect of this legislation.

The Wheat Industry Stabilisation Act is satisfactory in other particulars; but Section 17, which I presume members have examined, provides the price at which the board shall sell wheat in Australia, and the provision is that the sale price in Australia for f.a.q. wheat must be the guaranteed price applicable to the wheat of the season which commenced on the first day of October next preceding that first day of December. There is another provision allowing for a proportionate price for other than f.a.q. wheat.

The Bill deals with two principles. First of all, it provides that the wheat for stock feed is to be lifted to export parity as named under the International Wheat Agreement. I would point out that although this does go a long way towards meeting the growers' objection to stock feed wheat being sold at any concession price, it does not go the whole way by any means, because obviously the price named in the International Wheat Agreement is a special price and members should realise that that is not world parity at present, because world parity is considerably higher than 16s. 1d.

Hon. J. T. Tonkin: About 4s.

Mr. PERKINS: Yes, it is about 4s. a bushel higher. It is difficult to arrive at actual world parity without very much wheat being sold; but, as the member for Melville says, it is about 4s. higher than that particular price. So even the first part of the clause does not go all the way in meeting the principle which the growers have enunciated from time to time, that for all the wheat used for stock feed in Australia the grower should receive full export parity; for 16s. 1d. is not full export parity at present.

Unfortunately, this Bill introduces another principle which may be even more obnoxious than the one which I have previously mentioned, and which in the long run could perhaps be even more disastrous to the interests of the growers. Over all the years that the Australian Wheat Board has been operating since the beginning of the last war, attempts have been made from time to time to saddle the growers with the responsibility for paying the cost of transporting wheat to the capital cities of the deficiency States, but the protests of the growers and their representatives have been successful in preventing any such action being taken. In this Bill, however, we have, in the two second last clauses this very principle accepted by our own State Parliament if we pass the Bill in its present form. Hence the extreme hostility of the growers' organisation and the members representing wheat-growing constituencies.

I believe that if a growers' organisation is worthwhile, and if the representatives of the growers in Parliament are really living up to their responsibilities, they have to look some distance beyond the immediate day and consider the implication of the acceptance of a principle such as this, hence the hostility to the principles in this measure. We have been twitted that if the growers were given the opportunity of accepting £4,000,000 or £5,000,000 in subsidy or sticking to their principles, they would grab the £4,000,000 or £5,000,000. In making that statement the Minister for Lands handed out a gratuitous insult to the growers.

The Minister for Lands: What nonsense!

Mr. PERKINS: In these matters, when we lose grip of principles, we get on to very slippery ground indeed. Admittedly the amount of money involved in transporting wheat to the deficiency States of Tasmania and Queensland may not be very much. I am not concerned about the figure. It may be £1,000,000; it may be less; or it may be nearly £2,000,000. The point that is concerning the growers is that a principle is being enacted which

has not been accepted before and which the growers will not accept on this occasion if their will is to prevail.

Looking at it from the purely practical point of view, I think if members had listened attentively to the member for Moore they would have heard him detail the decline in production in the different Australian States. Western Australia has shown the least decline of any, but it does not necessarily follow that there is not likely to be a considerable decline in this State in the coming season, whether this legislation is enacted or not. I know from my close association with country districts that it is practically certain there will be a considerable further decline in wheat sowings during the coming season. I know that less fallowing than usual has been done in our drier agricultural areas, and without fallowing it is unlikely that the full acreage of wheat will be planted. Some wheat can be planted on other than fallow, but the technique of wheatgrowing in our drier districts makes it necessary to fallow if the maximum returns are to be retained.

Mr. May: Do you think that oat production will go up?

Mr. PERKINS: I feel certain there will be some decline. In addition, the point raised by the member for Collie, is extremely important. During the present season, the return received from coarse grains, both oats and barley, has been very profitable indeed. Oats are likely to return about 10s. 6d. net, and barley, 16s. to 17s., and both these grains are more easily grown than wheat.

Mr. May: And require much less super.

Mr. PERKINS: Whereas the growing of wheat is really a specialists job requiring good and efficient plant, and causing an extremely rushed period at seeding time, the other grains can be grown with much less effort. They also fit in with the grazing rotation much better than the production of wheat. Looked at on all scores, it seems likely that the production of wheat in Western Australia will show a considerable decline. But the decline in the other States has been even more marked because it was easier for the growers there to change over more quickly to other lines, particularly in New South Wales where so much wheat country is ideally suited for the running of sheep. With the high prices being obtained for wool and the comparatively profitable prices—I say comparatively profitable inasmuch as they are more profitable than wheat prices—being obtained for meat, naturally there has been a flight from wheatgrowing in New South Wales.

This brings me to the point that no-one can say how much surplus production there will be in any Australian State three or four years from now. It may be that only South Australia and Western Australia will have any exportable surplus, and then what a frightful position we will have put the wheat industry in if we accept the principle that the growers are responsible for shifting wheat to meet the deficiencies in the wheat-deficient States. So the growers take the view that it is just as well to grasp the nettle immediately rather than at some future date, and scotch this principle while they have the opportunity. Personally I would rather carry on making some concessions to stock feeders than accept the principle of the growers being responsible for the transport of wheat between States, when such transport is necessary in order to meet the consumption in any particular State.

Then there is the question of the economics of the stock feed position generally. If this legislation is defeated, consideration will have to be given to the whole reorganisation of the Australian position. It may be that for the immediate present the growers will have to accept 10s. a bushel instead of 12s. plus a subsidy for whatever wheat is used for stock feed. On the other hand, this is a position which cannot be allowed to continue for any great length of time. It could, perhaps, be continued to get over the immediate emergency, but with the Australian Wheat Board constituted with a majority of grower-representation, and those representatives being there as trustees for the growers, they could not indefinitely accept the position that they are going to supply great quantities of wheat for stock feed at the same price as that for wheat used for flour for home consumption. So, sooner or later those using grain for stock feed will have to face up to the future of their particular industries.

To begin with, Australia certainly is not honouring her obligations under the International Wheat Agreement when she is using 26,000,000 bushels of wheat for the feeding of pigs and poultry, and whatever other stock feed uses there are, and at the same time going to the committee which is running the International Wheat Agreement and asking to be relieved of part of her obligations to supply the quantity she has contracted to supply as wheat for human consumption throughout the world. From memory I think the figure is 80,000,000 bushels. Members will have seen in the Press that Australia is unable to fulfil her obligations this year and is asking for a reduction of that figure. If I am any judge of the prospects, she may have great difficulty in finding very much wheat at all next season to meet the obligations to which she has become a signatory under the International Wheat Agreement.

Mr. Ackland: She is 30,000,000 bushels down this year.

Mr. PERKINS: It could mean that she will have very little at all next year. So some consideration will have to be given to this question. Nowhere else in the

world do we find the finest grain produced being fed to stock. Elsewhere coarse grains, offal and second-grade wheat are used for stock feed. It is only in Australia, because of the stupid position we have built up, that we find we are using 26,000,000 bushels, out of a current crop of about 150,000,000 bushels, for the feeding of stock. This is possibly only because of the very low price at which wheat has been sold. When we set up such schemes we create some vested interest, and I realise that we cannot just say to the stock feeders, "You have to finish up and do something else tomorrow." They have the stock there and some period will have to elapse while the changeover in policy is effected. Quite obviously we cannot carry on with the policy which Australia is pursuing at present.

Hon. J. T. Tonkin: We must not overlook the fact that the Commonwealth, as a deliberate policy, encouraged people to go in for stock feeding.

Mr. PERKINS: That is the point I am dealing with, and I say the policy is wrong and that the Commonwealth Government will have to re-orient its ideas on this question. The point I was going to make is that while we give our finest grain—wheat—at a lower price than we charge for coarse grain to the stock feeder, we cannot blame him for making use of our best and most nutritive grain. Until we get round to the position where we bring the different grains into relationship, one with another, regarding price, we will be doing nothing to bring about a more logical use of the various grains that we produce, and even while we have been prepared to sell wheat at such a comparatively low figure for stock feed, I feel certain it has meant that the best use has not been made of the wheat that has been made available to the industries that require stock feed.

I was interested on a recent Sunday morning to listen to a talk by the ex-poultry adviser, Mr. Shaw, who, I understand, was a very competent officer and who is now engaged in poultry production in quite a big way. During that talk over the A.B.C. he stated strongly that it was much more effective for the Commonwealth Government to make available any subsidy it was going to give by way of a subsidy on eggs rather than on wheat. Obviously if it is paid as a subsidy on the product, it will encourage the most efficient producer to do the best with it, eventually weeding out the men who are inefficient in the use of that particular stock feed.

Mr. Griffith: And what will happen with regard to poultry meats?

Mr. PERKINS: They would adjust themselves to the market. I think the member for Canning will find great difficulty in justifying to members the view that wheatgrowers should be asked to make cheap poultry available to the dinner tables of Western Australia and of Australia generally.

Mr. Griffith: I do not know that I have tried to do that.

Mr. PERKINS: I think one can largely discount the importance of the poultry industry so far as table birds are concerned. Naturally the cost of table birds will have to adjust itself to the cost of production, and if that factor rises the consuming public will have to pay more for them.

Hon. J. B. Sleeman: How will the workers be able to pay for them?

Mr. PERKINS: I will be interested to hear whether the member for Fremantle is concerned about the cost of poultry, because it is not one of the items coming within the "C" series index, as far as I am aware. I see no reason why the working man should not keep a few chickens in his backyard in order to provide some poultry for himself.

Hon. A. H. Panton: It would cost too much for the poultry feed.

Mr. PERKINS: The wheatgrower takes strong exception to subsidising cheap poultry for anyone's dinner table.

Mr. Styants: No, they only want their wheat carted for next to nothing.

Mr. PERKINS: I think some of the subsidies to which members of the Opposition are referring might not be necessary were it not that the wheatgrowers are being asked to subsidise so many other people. It is certain that if the wheatgrower had been receiving export parity for his wheat over the last seven or eight years, the amount that has been paid out in the super subsidy would not make him bat an eyelid.

Mr. Styants: And then there is the 25 per cent. extra.

Mr. PERKINS: The member for Kalgoorlie is getting on to another question. If I suggested to him, as a member representing a Goldfields constituency, that gold should be re-valued, he might be more concerned than would be the representatives of other primary producers.

Mr. Griffith: If this Bill were lost, and the wheatgrower continued to provide wheat at 10s. per bushel, would you not say that was cheap stock feed?

Mr. PERKINS: If the member for Canning had listened to what I said earlier, he would realise that while I think most wheatgrowers accept the fact that a drastic change cannot be made overnight, the wheat industry could not accept the position in which it had to make stock feed available for 10s. per bushel and still find the whole quantity for any great length of time. Obviously Government policy

will have to be altered in order to rectify that position. Surely there is some other way of doing it, apart from accepting the objectionable principle in this Bill, to which I have referred!

I listened with great attention to the Minister for Education. The whole burden of his speech in justification of the action of the Government was that no better bargain was possible. Perhaps members of the Government are entitled to hold that view, but it certainly is not one to which I can subscribe. When the Minister for Education read a telegram from Mr. McEwen, stating that failure to reach an agreement such as has been reached would deprive the growers of any return greater than 10s. per bushel, frankly I did not believe it. With regard to those Eastern States that have proved so difficult in these negotiations—I refer particularly to New South Wales as I do not know how difficult Queensland and Tasmania may have been in this regard—I think that if we sum up the position we will find that they were not holding the trump cards. Those cards were held by the States that had the wheat and, if we were prepared to play our cards properly, we should have been able to call their bluff.

Mr. Ackland: New South Wales bought Tasmania and Queensland over by offering them this freight concession.

Mr. PERKINS: The point is that if those States had not reached agreement they would have been in difficulties. The Australian Wheat Board is not to be directed by any Government at present. It has on it majority grower-representation and those representatives are there as trustees for the wheatgrowers. Can anyone imagine that those men on the Australian Wheat Board would allow themselves to be bludgeoned by certain of the Eastern States? They could turn round and say, "If you do not come to light with a reasonable price for this wheat we will not give the instructions for it to be shipped." When all is said and done, the Australian Wheat Board is in control of the growers' wheat, and it was therefore vital for the deficiency States to come to some agreement so that a proper scheme could be organised in order that they might receive regular supplies of wheat.

I am afraid that is where we must disagree with the way in which these negotiations have been carried on. Although we were in a very strong position, we did not play our cards as well as we should have. I fail to see how the deficiency States could have held a gun at the heads of the other States when, in fact, they had to secure agreement with the Commonwealth and with those other States if they wished to see their people fed and their industries supplied with stock feed. While I think it most unlikely that the argument would be carried to such lengths that it would jeopardise wheat for home consumption—that is, the wheat necessary for gristing into flour to feed the people of those States—I think they would have had a very poor chance of obtaining any wheat for their stock feeders.

The Premier: Do you not think it would be to the detriment of wheatgrowers if this Bill were rejected at the second reading stage—completely rejected?

Mr. PERKINS: I will deal with that in a moment.

The Premier: I wish you would.

Mr. Ackland: The chairman of the Wheat Board sent a telegram which said that wheat would definitely be made available.

The Premier: At the lower price?

Mr. Ackland: Yes. There was never any thought of stock starving for the need of wheat. That is one of the red herrings that has been drawn across the trail.

Mr. PERKINS: I will show members the absurd position now obtaining in relation to the attitude of the other States. At present, we are making arrangements to export wheat for home consumption to Queensland and also sufficient wheat for stock feed purposes. I have every reason to believe that 1,000 tons of maize is at present in Brisbane, while the owners are awaiting an export license to export it from Australia. I ask members, does that make sense? The wheatgrowers are being asked to subsidise the transport of wheat to Queensland for use as stock feed and, at the same time, Queensland is exporting 1,000 tons of maize.

Mr. J. Hegney: Is there any bounty on the production of maize?

Mr. PERKINS: Maybe there is; I do not know very much about the production of maize. But the point I want to emphasise is that in negotiations with other States all these things have to be taken into consideration. When our representatives discuss these matters, it is highly desirable that they should be armed with full information. Unless they have the full facts about the situation, they are at a disadvantage. I am afraid that the Minister for Agriculture has stumbled rather badly on this matter, although I give him credit for thinking he was doing his best. However, he has done something which we as growers cannot possibly accept.

I now wish to refer to the Premier's interjection about the best way to deal with this measure. We who represent wheatgrowers desire to scotch this principle at any cost, but, as far as the Bill is concerned, the first half of the main clause does not contain anything objectionable. It fixes the home consumption price at the International Wheat Agreement price which growers have ac-

cepted as a matter of expediency. It is an improvement on what they have been getting. The really objectionable principles are on page 3 of the Bill. As far as I am concerned, if we can get rid of those two clauses it will serve my purpose. If we had reason to believe that we could succeed in deleting those clauses in Committee, I would be prepared to support the second reading. The Leader of the Opposition, during his second reading speech, raised this point, and both the Minister for Lands and the Premier interjected and said,"If you delete these clauses, then you kill the Bill."

Hon. A. H. Panton: Don't you?

Mr. PERKINS: If we do and the Bill is killed, why not be honest about it and boot it out at the second reading?

The Premier: You had better give it a second thought.

Mr. Ackland: Give it five or six thoughts.

The Premier: We had better not kill the Bill.

Mr. PERKINS: It is up to the Premier to make that point clear. We who are looking for some support from the Opposition side of the House are certainly not going to alienate any support that may be coming our way in our efforts to scotch this principle, whether we kill the Bill at the second reading, the Committee stage, or the third reading. But if those on the Opposition side of the House are content to let the second reading go and will support us in our endeavours to have these obnoxious subclauses struck out—I understand that they object to them almost as strongly as we do—perhaps we may be able to meet the Premier and agree to the second reading. But I would stress that the principles contained in Subclauses (6) and (7) are so objectionable that we must use whatever opportunity we have to have them deleted from the Bill.

MR. BOVELL (Vasse) [8.56]: While I represent an electorate in which no wheat is produced, it is essentially a primary producing one, and I have very grave doubts about the principle contained in the measure. My chief objection is the portion of Subclause (6) which states—

> . . . . less the estimated costs of and incidental to transporting the wheat to, and landing it at, the principal port in that other State.

In the Vasse electorate there are a great number of dairy farmers and potatogrowers, and I consider the principle contained in the Bill is dangerous to them. It may be treated as a precedent in future years, and I am whole-heartedly against the principle of making a producer pay freight on the commodity he produces. That is against all accepted principles and for that reason, during the second reading debate I want to express my views on the matter. From the Premier's interjection during the speech of the member for Roe, I am encouraged to believe that one could now support the second reading. If the Premier will give us an assurance that something will be done about the objectionable portion of this Bill, which I have read to the House, I shall be prepared to support the second reading.

Mr. Ackland: We have been trying to get him to do something about that for days, but without any result.

Mr. BOVELL: That may be so, but if the Premier will give the House an assurance that the matter will be considered in Committee, I shall be prepared to support the second reading. With the exception of that portion of the Bill, the measure is in order as far as I am concerned.

Hon. E. Nulsen: What would be the effect of the Bill if the subclause were struck out?

Mr. BOVELL: That can be dealt with in Committee when the subclauses are before members.

The Premier: That is a very sensible outlook: highly commendable.

Mr. BOVELL: With the Premier's assurance, I will support the second reading if we can have some encouragement from Cabinet to think that this objectionable part will be deleted. Before concluding, I want to state that I do not condemn the Minister for Agriculture for his actions in this matter.

Hon. J. T. Tonkin: Let us be specific about the assurance.

Mr. BOVELL: I believe the Minister for Agriculture sincerely believed that he was doing the best thing for the wheatgrowers of Western Australia. He had to make a spontaneous decision, and I consider he was quite sincere in his efforts to assist the wheatgrowers of this State.

MR. HOAR (Warren) [9.0]: This matter is something upon which a compromise cannot be arrived at. I do not agree with everything that I have heard said in this debate, either by the member for Vasse or by any wheatgrower member who is endeavouring to convince the Government that there is nothing in the Bill which can possibly meet with their approval. That being so, I do not see what good we can do by allowing the measure to go through Committee. The principles in it are so clear and so objectionable from the viewpoint of primary producers that if we were to deal with them in Committee we would have nothing left but a bare skeleton to offer the wheatgrowers of the other States of the Commonwealth.

I am prepared to speak as strongly as I can against the Bill, but not altogether with the same viewpoint held by other members representing wheat areas. I know that the member for Roe said that growers of wheat for stock feed should be paid whatever price is offering on the world market. He referred to principles in relation to the Bill and the long-range effect that would result unless we followed this principle in toto. He said that if we lose our grip on principles we are on slippery ground indeed. In reply to that I say that my principle in relation to the price of wheat is that it should be supplied to the Australian public at the lowest possible figure, sufficient to give a return to the wheatgrower which would cover all the costs of his production, plus a reasonable margin of profit. Beyond that price I would not go.

It is ridiculous to imagine for a moment that the people of Australia should pay the same price for wheat as do the people of some countries of the world because they may be impoverished or in distressing circumstances over which they have no control, and as a result must pay the price for their wheat no matter what it may be. To imagine that Australia should do that would mean that it would reduce our economy to the level of those countries. In other words, we would never be able to compete with other countries of the world in the marketing of our other products if we are going to force up the cost of production in our country.

If we are keen to stick to principles I would point out that should we adopt such an attitude we would assist in increasing the costs of production in Australia not only in the wheat industry, but in all other industries, more so than if we were to increase the price on the local market. I am opposed to the Bill from that point of view. I represent not one wheatgrower, but I do represent large dairying and pig-raising industries that will suffer in consequence if this legislation is passed. I will not be doing any harm to the wheatfarmers by my advocacy in this matter.

Only this evening I was able to obtain a rough copy of the figures taken out by the committee appointed, and which is still in existence, under the chairmanship of Mr. Justice Simpson. These deal with the cost of production of wheat in Australia and cover the period from 1947-48 up to the present 1951 season. In his survey, Mr. Justice Simpson does not miss one item of wheat production costs. From the figures it is shown that in the year 1947-48 the basic wage for labour employed was £6 10s. per week, although we know full well that today a farmer cannot get labour on his farm for less than £13 per week.

Mr. Marshall: What does the committee allow for taxation?

Mr. HOAR: I have not the full figures; I have only a rough copy of the details. These are the figures—

	1947/48 (per bushel)	1950 Crop (per bushel)	1951 Crop (per bushel)
Total cost wheat produced	98.96d.	122.12d.	196.04d.
Less sidelines	33.96	42.12	67.34
	65d.	80.6d.	128.7d.
Rail freights, handling charges, interest, storage, etc.	10	13.53	15.3
	75d.	94.13d.	144d.

If we go a step further and add to that figure 18d. per bushel which was promised to the wheatgrowers by Mr. Menzies in 1949 and again last year, the total price per bushel amounts to 13s. 6d., which allows for every contingency and item of cost. Therefore, why should the Australian consumers pay 16s. 1d. per bushel? Cannot we realise that by adding this extra impost on to the cost of production of other industries we are doing nothing to decrease the inflationary spiral in this country which constitutes such a serious problem today? We can see the pressure groups working again. We know that the Commonwealth Government, which, only a short time ago, refused the dairy farmers a subsidy, is willing to go the whole hog, almost, to pay subsidies to other industries. No effort is being made by this Government in respect of the subsidy on butterfat—

The Premier: Rubbish!

Mr. HOAR: —but it is adamant in its attitude in relation to this Bill.

The Premier: I wonder what the member for Moore would say in reply to your suggestion of a price of 13s. 6d. per bushel for wheat?

Mr. HOAR: I do not care what the member for Moore thinks. If the member for Roe is right we will have very little wheat left for export; may be none at all. What does the Premier think the Australian people should pay for the wheat in those circumstances; should we pay 20s. a bushel as it is in America or 18s. per bushel in Great Britain? The price we should pay for it is that which it costs to produce. Why should we base our local consumption price on the export price?

The increased costs of production are causing great harm to other industries throughout the Commonwealth, and are taken into account when adjustments are made to the basic wage. We cannot overlook the fact that what we are attempting to do for the wheatgrower is something that eventually will be to the detriment of the whole of Australia. The principle at stake is a most objectionable

feature of the Bill, and as members opposing it are no doubt right I am in wholehearted agreement with them on that point. I do not want it to be thought for a moment that I think 16s. 1d. per bushel is a fair price for wheat because I know that the competent tribunal which is set up to determine the price of wheat in Australia is fully capable of determining the correct figure, and it is less than 16s. 1d. per bushel.

Mr. Ackland: The price for home consumption wheat is 10s.

Mr. HOAR: That may be so, but whatever portion of the total cost of production is met by subsidy it means that it comes out of the taxpayer's pocket, and in one way or another the community as a whole is going to pay 16s. 1d. for this wheat. Whatever proportion is met by way of subsidy is paid for by the community eventually. There is no argument about that. The only question is, are we to continue the principle of subsidy and keep prices down, or abolish subsidies and allow prices to go skyhigh. As the House knows, I have always been an advocate of subsidies so long as a fixation of prices goes with it, and it is in this regard that I find myself at variance with those speakers who support the wheatgrowing areas. As the member for Moore has said, the home consumption price is 10s. but the amounts that will be paid by those who use stock feed will be 12s. It is only just recently that we have arrived at the price of 10s.

Mr. Ackland: If this Bill is defeated it will be 10s.

Mr. HOAR: Prior to that it was 7s. 10d. To the class of farmer I represent this means an increase of 4s. 2d. a bushel, which he has to add to the cost of his dairy and pig industries. These are facts and I would like to know what we are going to do about them. Whilst I am in agreement with the members who represent the wheatgrowing areas, my opposition to the Bill is for entirely different reasons from those expressed here tonight. I do not see any sense in permitting this Bill to reach the Committee stage. It will do no good if these proposals are defeated in the Committee stage; we might just as well face the fact now and defeat the Bill on the second reading.

MR. J. HEGNEY (Middle Swan) [9.14]: I have listened with a great deal of interest to members who have spoken on this Bill and more particularly to the representatives of the wheatgrowing districts who, of course, represent the producers. I listened to the member for Moore, the member for Roe, and the member for Avon Valley, and they undoubtedly have a first-rate knowledge of the industry, and though I do not presume to be an expert on the subject I rise to speak because I will be expected to cast a vote on this Bill. Although I do not know much about the wheatgrowing industry I do know something about the poultry industry. As a matter of fact, in the district of Middle Swan, which I formerly represented, there were a large number of poultry growers, but with the redistribution of seats many of them passed into the district of the member for Canning.

When I was defeated at the election of 1947 the poultry growers played a large part in my defeat because of the high prices that existed. Many of them were friends of mine but they complained bitterly about the prices that existed then, and I know that several of them exercised their right as citizens and rejected me as a supporter of the then Labour Government. We know that prices of stock feed have increased since then and a change of Government has made practically no difference at all in those prices. Members representing the wheatgrowing districts have put the position from their point of view; they point out that if the agreement is consummated by the passing of this measure the wheatgrowers of this State will have to bear the cost of transporting wheat to another State. They have taken up the attitude that this is wrong in principle and that they should not be called upon to bear the burden of this cost of transport.

In order to maintain that principle they are prepared to defeat the Bill. Analysing the proposition from this point of view, we find that Sir John Teasdale made a statement in today's paper wherein he pointed out that if the Bill is rejected in Western Australia there will be no legal difficulty so far as the price of stock feed in Eastern Australia and Western Australia is concerned; the price here will be 10s. and in the East it might be 12s. He further stated that the amount involved to the wheatgrower in Western Australia is approximately one-third of a penny on 2,000,000 bushels and that means about £3,000 being involved. That is the submission made by Sir John Teasdale in today's paper. It is also maintained, according to Mr. Braine's analysis of the wheat position, that Western Australia will be the largest exporter of wheat and will export 85 per cent. in the coming season, and 2,000,000 bushels will be used for stock feed purposes in Western Australia. In view of the fact that it will mean a considerable impost on the industry and that the wheatgrowers of this country are not going to benefit—or will benefit very little—I cannot see any logical reason why I, as a member of this House, should endorse the Bill.

I am looking at this matter from the point of view of the effect it will have on the producer, and I think we should try to maintain our own primary pro-

ducing industries which are so essential to this country. But when the representatives of the wheatgrowing industry get up and state that they do not require this Bill because of the fact that there is an obnoxious principle in it, requiring them to do something which they feel they ought not to be called upon to do,—that is to pay for the transportation of goods to a buyer in another State—there is no doubt that the provision violates a principle. When buying goods from parts of Eastern Australia these men have to pay transport charges right on to the farm, which is very different from what will be required of them when they are disposing of their wheat.

These representatives of the wheatgrowing industry have put the matter very clearly and as a member representing a metropolitan constituency, comprising mostly consumers—although there are still several poultry farmers in my district with whom I have been in contact for many years and whose attitude I know—I am sure there is no doubt that if the price of stock feed is increased it will mean a considerable cost to the poultry growing industry in this State. Seeing that the opponents of the Bill have said that it is going to benefit them very little and that it will involve them in a considerable amount by way of transportation charges, I have no alternative but to support their attitude as it will mean cheap stock feed to the poultry growers of this State.

It is proposed that a subsidy shall be paid on egg production, which will mean on eggs delivered to the Egg Marketing Board, but there are hundreds of persons who keep backyard poultry and people on farms who may not dispose of their eggs to the board, and they will be seriously affected. Mr. Shaw, who lives in my district, and gives talks over the radio, is endeavouring to build up the efficiency of the poultry industry. This is to be done by culling the flocks so that the industry may be put on a paying pasis.

I should like to know what will be the position of those people who are rearing birds from the chicken stage until they come into production at the age of six or seven months. No subsidy will be paid to the raisers of such poultry and, if the agreement were ratified, they would have to pay a considerably enhanced price for wheat, in fact 16s. 1d. per bushel. This afternoon the Prices Branch approved of an increase in the price of wheat for poultry feed from 7s. 10d. to 10s. a bushel and an increase of 7s. 3d. on a 120 lb. bag of mash, equal to £6 5s. per ton. If the Bill be passed, taking into consideration the 2s. the poultry-farmers and other purchasers of stock feed will have to pay, it will mean that the price of stock feed will be increased another 7s. That is, the price of a bag of mash to the poultry-farmer will be increased by 14s. or £12 10s. per ton practically overnight. That would be a very substantial burden to impose upon the poultry industry.

We have an export trade in poultry-meat that ought to be considered. During the war, Governments urged the people to step up production, particularly of foodstuffs, and to grow vegetables and keep poultry in their backyards. Many people were thus induced to dabble in the poultry industry on a backyard basis. If the Bill is passed and the price of mash is increased as I have indicated, there is no doubt that the effect on the industry will be very serious indeed. I have put the position of the poultry-farmers before the House so that members may have some indication of the effect that this legislation would have.

I repeat that, though the Commonwealth Government is offering a subsidy on egg production, no account is taken of the cost of raising birds from the chicken stage to the age of six or seven months before they come into production, and that will be a very costly period for poultry-raisers. We have been told that the wheatgrowers will not benefit from the proposals in the Bill. If they would be likely to benefit I believe that every member would support the measure, but the representatives of the wheatgrowers have expressed their opposition to the obnoxious principle of calling upon growers to pay the freight on wheat transported to Queensland or Tasmania. In view of their attitude and the fact that, if we do not agree to the Bill, the cost of wheat for stock feed here will remain at 10s., I propose to vote against the second reading.

HON. J. T. TONKIN (Melville) [9.26]: In order to obtain a proper appreciation of the problem confronting this House, it is necessary to review some of the occurrences associated with the marketing of wheat and the attitude adopted from time to time by the Government and by the people. In 1938, a Bill was introduced into the Commonwealth Parliament to implement a plan called the Wilson-Uphill plan, which had been devised by two U.A.P. Senators. The idea was to provide for an equalisation price of 3s. 8d. a bushel with a permanent Commonwealth subsidy of 3d. a bushel and, when the price rose above 3s. 8d., one-half of the excess was to be paid into an equalisation fund. That Bill received little more than an airing; no progress was made and it did not come to anything.

In the same year the flour tax legislation was introduced, which provided for a home consumption price for wheat used for flour, and the price to be paid was to be 5s. 2d. a bushel f.o.r. It happened that, after the price had been fixed, the export price of wheat fell considerably, and for a period it was less than 3s. a bushel, and so the consumers of wheat milled into

flour in Australia were paying 5s. 2d. when the wheat was being sold outside of Australia at less than 3s. Thus we had the principle of the people of the Commonwealth subsidising the industry because that was necessary for its survival.

I say to the credit of the wheatgrowers that they have acknowledged what was done for them at that time and have never sought to depart from the principle then established. They were prepared to give subsequently just as they had taken in those days. In 1940, the Menzies Plan was submitted, providing for the payment of 3s. 10d. a bushel f.o.b. for the 1941-42 crop. The guarantee was to be limited to a crop of 140,000,000 bushels, but the crop in that season exceeded that total and, in fact, was 153,943,000 bushels. So that about 13,000,000 bushels had to be sold outside the guarantee, which applied only to 140,000,000 bushels. The Menzies Plan provided that when the export price rose above 3s. 10d. f.o.b., half the excess should be paid into the stabilisation fund. In April, 1942, we come to the stage of the first subsidy. The Government felt it necessary to encourage stock feeders to increase the size of their flocks. The people of Great Britain, for example, were short of food. Production of eggs, poultry and pig meat in Australia was not adequate to the demand.

The Commonwealth Government, as its deliberate policy, said to the stock feeders, "We want you to do better than you are doing already. We want you to raise more poultry and more pigs. We want you to spend more of your capital and go in for your business in a big way in order that the consumers shall get the benefit." To encourage them to do that, although wheat at the time was 4s. 0¾d. per bushel, the Commonwealth agreed to pay a subsidy of 6d. per bushel to the Australian Wheat Board so that the board could make wheat available to the merchants at 3s. 6¾d. per bushel.

I think we have an obligation to those persons who responded to that call, to see that they are not just dropped suddenly and allowed to fend for themselves. It would be quite wrong to use public money to induce people to expand their production of eggs, pig meats and so on, and then when we reached the stage when we were not so much concerned about the production of foodstuffs, to say that we were no longer interested in their welfare. That is why, in my view, it would be a very bad principle to say immediately to the stock feeders, "You pay the increased price and there will be no subsidy, so you will carry the whole burden." But that was the Commonwealth proposal. We must keep that well in mind.

Mr. Marshall: That was the proposal all right.

Hon. J. T. TONKIN: And it was a very unfair proposal in view of the action which had been taken previously to encourage those people to expand the size of their flocks of birds, the numbers of pigs they were rearing, and so on. In 1944, the subsidy had its first increase when the then Minister for Agriculture announced to the annual conference of the New South Wales Wheatgrowers' Association that the Government would adjust the concessional price to the average of the wheat sales in each pool. Then we come to No. 7 pool which, because of certain characteristics, must be taken as a very notable one. With regard to it, the Commonwealth paid a subsidy to make the return to the Australian Wheat Board equal to 6s. 5¾d. That return was equivalent to the price of export wheat that had been ruling for several months of the drought period. It was due to the drought throughout Australia that we required more than the usual quantity of stock feed. Some idea of the quantity we needed can be obtained from these figures, having in mind that this present proposal provides for 26,000,000 bushels of stock feed.

It is astounding to know that during the period of No. 7 pool, 51,431,476 bushels were retained for stock feed. The Government of the day did not say to the wheatgrowers, "Because we need your wheat in Australia, you will have to carry the full burden." It agreed to pay a sufficient subsidy to enable the growers to get a price equivalent to the export price ruling at the time. That required the payment of a subsidy of £7,869,099. Oddly enough, that is about the amount of subsidy which would be required today if the Commonwealth Government were to carry the whole of the difference between the home consumption price and the price under the International Wheat Scheme, for 26,000,000 bushels. Therefore, if we ask it to do today what we think the Commonwealth Government ought to do, it would bear no greater burden than it shouldered in connection with the No. 7 pool.

The Wheat Stabilisation Act, which brought the present scheme into operation, introduced an entirely new principle inasmuch as it required the wheatgrowers to provide cheap wheat for stock feeders without any subsidy, the same as the growers had been asked to provide cheap wheat for home consumption for flour. The growers were prepared to accept that proposal, having regard to benefits they had obtained when the export price for wheat was less than the home consumption price. But the price of wheat kept on rising and reached £1 per bushel. The burden the growers were carrying at that stage was such as to make them complain, with every justification, that they were carrying a burden they should not be

asked to shoulder and that they were subsidising other industries, whereas that subsidy should be borne by the taxpayers generally if it were felt necessary to continue such subsidies.

There was, in consequence, agitation for some change in the plan. The Commonwealth Government, not without an eye to the political advantages to be obtained, immediately submitted a plan for increasing the price to the growers and making the stock feeders carry the whole of that increase. That was the Commonwealth plan, and it is no wonder that it caused the various State Ministers a good deal of concern because they were aware of the inflationary trend throughout Australia. They were aware of the large increases in price that would occur with regard to eggs, poultry meat, pigmeats and dairy produce. I think they were genuinely alarmed at the prospect. So it is no wonder that they would not agree to asking the stock feeders in the various States to carry the whole of the increase, and requested the Commonwealth to provide a subsidy. I think they were on very sound ground. It was the Commonwealth Government that expanded the stock feeding industries, as a result of deliberate policy, as a result of subsidy.

So what justification had it at that stage to turn round to those stock feeders who had been encouraged to develop their industries and say to them, "Now that your costs are up, you will not get any cheap wheat at all; you pay the whole of the cost of the wheat up to the amount of the price under the International Wheat Agreement?" But that was the attitude of the Commonwealth in this matter. A very interesting statement appeared in "The West Australian" on the 15th October on this matter, and portion of it conflicts very seriously with what the Deputy Premier said this evening. The heading is, "Growers' Opinion on Wheat Sales," and it reads as follows:—

> The Australian Wheatgrowers' Federation was pleased that the Federal Government had "at long last" recognised that the price of wheat for stock feed should be raised to a price commensurate with the export price, said the general secretary (Mr. T. C. Stott, M.H.A.) today.
>
> The Acting Minister for Commerce and Agriculture (Senator McLeay) has promised wheatgrowers to ask State Ministers to raise the price of wheat sold for stock feed from 7s. 10d. to the export agreement price of 16s. 1d. a bushel.

That statement appeared in "The West Australian" on the 15th October. So there was the proposal. The article goes on—

> A proposal that the Wheat Board should pay freights on wheat shipped from one port to an interstate port was strongly opposed by the federation, Mr. Stott said.
>
> This was a departure from the original basis of the wheat stabilisation plan.
>
> For example, South Australia today was shipping wheat to Queensland. Freight on wheat was 4s. 8d. a bushel. This would be borne by the wheatgrowers and would offset the higher price for feed wheat sales.
>
> All State Wheat Stabilisation Acts would have to be amended to lift the price to the new level for feed wheat.
>
> The wheatgrowers' federation, which has just completed its annual conference in Canberra, carried a motion urging that the Wheat Board be given control of marketing all wheat, making financial arrangements and making payment to growers.

There are two points of conflict in that, when we consider the Minister's statement this evening. The first is with regard to the date that the proposal was known, and the second is with regard to Mr. Stott's idea of what the freight would be on wheat from South Australia to Queensland. The plan which formed the basis for the Bills which have been introduced into the State Parliaments was agreed upon following a compromise suggestion put forward by the Victorian Minister. This suggestion, if agreed to, would mean that stock feeders would bear 2s. of the difference in cost between the home consumption price and the price under the International Wheat Agreement and that the Commonwealth, by subsidy, would bear the difference of 4s. 1d.

Unfortunately, the provision that freight had to be paid by the growers cut right across the original proposal; because, when the Commonwealth told the growers it believed they were entitled to get the full price on wheat for stock feed, it then indicated its view with regard to the principle that growers were entitled to the whole amount and not a portion of it. The compromise proposal involved the payment of freight by way of deduction from the amount to be realised on the wheat, so that, if agreed to, it means that growers will not get the whole of the amount they are entitled to under the International Wheat Agreement price, but will obtain that price less something. The calculations vary. Some say the amount would be £1,000,000; some say it would be £1,250,000; some say it would be less than £1,000,000. It matters little what the actual amount is, but it represents a deviation from the original principle that the growers were entitled to a price which was the equivalent of the price ruling under the International Wheat Agreement.

Now, because of that stipulation which calls upon the growers to pay freight, growers in Western Australia have expressed their opposition, and they have not altered their stand in recent days. I have had consultations with growers' representatives during the period that this legislation has been under consideration, and I was assured this evening that the growers' attitude was unchanged. They are opposed to the principle involved in this Bill, and they require that the necessary action be taken so that their protests can be registered in very strong terms. It is my view that if the various State Ministers had remained unanimous on the stand they took up originally, they would have been able to force the Commonwealth Government to recognise its obligations to stock feeders and to wheatgrowers and to provide the necessary subsidy during this period to give stock feeders an opportunity to reduce their flocks if they so desired against the time when they would be expected to carry a greater proportion of the load themselves.

But the Minister did not do that. When the compromise proposal came forward, they accepted it and they allowed the Commonwealth to get away with what kudos might have accrued for making the initial move in connection with the plan, and without having to carry the full obligation involved in the proposal. It has been suggested that the position might be met by allowing this Bill to go into Committee and deleting certain provisions from it. It is most remarkable that, although a number of invitations have been extended for somebody on the Government side to get up and say exactly what would happen if that were done, nobody has a clue. We are left to guess. I submit that it is possible to work out what would happen, and I propose to tell members what, according to my interpretation, I think that would be.

It is provided in this Bill that where the board makes in a State a sale of wheat to a purchaser who requires the wheat for transport to another State, the board may sell the wheat at a price equal to the price otherwise applicable under the section involved, less the estimated cost of and incidental to the transporting of the wheat. Having made that provision and given the power to charge the freight, the Bill has this provision—

> If it appears to the Governor—

I interpolate here that these provisions are in the Bills in every State so that where there is a reference to the Governor it refers to the Governor in each State.

> —that, in relation to the supply of wheat, produced in one State, for consumption in another State (being a State in which adequate supplies of local wheat are not available) the Board is not observing the principle that the costs of and incidental to transporting such wheat to the principal port of that other State are to be borne by the Board, the Governor may, by Proclamation, suspend the operation of Subsection (2) of this section.

Subsection (2) is the one enabling the Government to charge the increased price. So, if it appears to any State that the Australian Wheat Board is not charging freight, that State can immediately issue a proclamation and wipe out the effect of the Act. If we take from our Act the power to charge freight, how then can the Australian Wheat Board implement the plan? It would become immediately apparent to New South Wales, Tasmania and Queensland that so far as Western Australia is concerned the board could not charge the freight. Those are grounds for a proclamation to be issued in any of those States to relieve them of their obligations under the Acts that they have already passed.

So the final position might well be that we would be the only State where the price of wheat had been increased to stock feeders. We would have taken out of our Act the power to issue a proclamation to revoke it whereas every other State could revoke its legislation, and not one of those other States might be charging the increased price. That could be the effect of deleting these clauses from the Bill, and I am not prepared to take that risk. If the wheatgrowers want the Bill defeated they will, so far as I am concerned, have to defeat it on the second reading, and not by deleting in Committee these clauses which could very well leave us in the worst position of any State in the Commonwealth.

The Attorney General: Why?

Hon. J. T. TONKIN: I have just given my reasons.

The Attorney General: Could not we issue a proclamation?

Hon. J. T. TONKIN: No, because we would have taken away the power to do that.

The Attorney General: We do not propose to take away that power.

Hon. J. T. TONKIN: It is suggested that proposed new Subsections (6) and (7) be deleted.

Mr. Marshall: If you take out the power you cannot use it at some future date.

The Attorney General: I understood that if proposed new Subsection (6) is deleted your argument would not apply.

Hon. J. T. TONKIN: The only difference then would be that we could also issue a proclamation.

The Attorney General: Yes.

Hon. J. T. TONKIN: What good would that be? What we desire to do, and what I think we can do, is to indicate to the

Commonwealth that we are not satisfied with the result of the conference. I cannot imagine that the wheatgrowers of Australia will sit down, if we defeat the Bill, and say, "That is that," and let matters go on. They would immediately get busy on the Commonwealth Minister for Agriculture and say that action was required in order that a satisfactory plan might be evolved for the whole Commonwealth. In my view it would result in the Commonwealth's doing what it should have done in the first place, namely, providing sufficient subsidy to cushion the effect of the increased price, and not expect the wheatgrower to provide the one million or one and a quarter million pounds to pay the freight to Queensland and Tasmania.

If the Commonwealth feels that the concession to Tasmania and Queensland is necessary, it should pay for it; and that would not bring its subsidy to any larger figure than the Commonwealth Government of 1933-34 had to pay to ensure a proper return to the wheatgrowers of the day. I was very concerned about a matter which was raised in the House this afternoon by way of a question. This matter referred to a reported statement by the Minister for Agriculture on the air this morning. The statement also appears in the "Daily News" this evening. I was alarmed because of the effect such a statement would have and was meant to have. The heading in the paper is "'Axe Has Fallen' on Stock Feed," and the report is as follows:—

> Because of the doubts about the passage of the Wheat Industry Stabilisation Act Amendment Bill, the axe has fallen on the pig and poultry industries in regard to their feed supplies, said Agriculture Minister G. B. Wood today.

What justification is there for that conclusion of the Minister? Nobody on the Government side has attempted to give the slightest justification for it.

The Premier: The Minister thought the telegram to which he gave publicity came from the Australian Wheat Board.

Hon. J. T. TONKIN: So he jumped to conclusions.

The Premier: He did not think it was a local telegram.

Mr. Cornell: The wish was father to the thought.

Hon. J. T. TONKIN: The Minister jumped to conclusions and made a statement which could not do other than cause the stock feeders to panic. They had the experience recently of stock feed being really short. They were, for a day or two, short of wheat in this State to feed their poultry and pigs, and a statement like this coming from the Minister for Agriculture could not do other than cause them grave concern. There was not the slightest justification for the Minister's conclusion. The newspaper report continues—

> He was referring to a telegram received by all West Australian millers from the Australian Wheat Board.
>
> This said that the price of wheat for flour, breakfast foods and all other local consumption, excluding stock feeds, had been increased to 10s. a bushel on a bulk basis, free on rail ports, as from the start of business on December 1. Millers were told to cease selling stock feed until further notice.

It suited the Minister's book to throw the stock feeders into a panic because he said the reason for the cessation was due to the doubts about the passage of the Bill —as much as to say, "If you get the Bill passed there will be no doubts and you will get your stock feed, but until you do then sales of stock feed will cease." That is straightout intimidation without the slightest justification. The telegram which was reported to the Minister was of local origin. It is true it came from the secretary of the Australian Wheat Board in Perth, but it was purely a precautionary measure—one which we would all take in the circumstances.

The Deputy Premier said that the telegram was sent today. My information—and it comes from the secretary of the Wheat Board and also from two millers who received telegrams—is that it was sent on the 30th November. I repeat that I got my information from the secretary of the Wheat Board in Western Australia and from two millers who received telegrams. It was to the effect that the telegram was sent on the 30th November, and that seems the more probable date because the new price was to operate from the 1st December, and it would not be much good sending a telegram on the 4th of December if the effect was likely to be felt on the 1st. It was therefore to be expected that the secretary of the Wheat Board would take action before the new price could operate.

Mr. J. Hegney: Why should they be told to stop selling stock feed until further notice?

Hon. J. T. TONKIN: That can be explained. At the time when the telegram was sent—if we assume it was sent on the 30th November—it was not known what the price of stock feed would be, because if we passed this Bill it would be 16s. 1d.—12s. when sold here plus 4s. 1d. subsidy—whereas if we did not pass the Bill it would be 10s. plus the subsidy. Therefore on the 30th of November the secretary of the board was not in a position to indicate to sellers what the price would be and, if they sold, they did so at their own risk and were liable for the

difference it the price were increased and so, as a precautionary measure, they were advised not to sell. What was involved in that? The millers sell very little wheat. One does not go to a flour mill to buy wheat and I do not think they would sell more than one bag of wheat to every truck of offal, and it would be only the wheat about which they would be concerned. The offal is theirs and it is not the property of the Wheat Board.

When the miller grists the wheat the offal becomes his property and he is not responsible to the Wheat Board for it. He can do with the offal what he likes, and so those telegrams referred only to such wheat as millers might sell as stock feed, and that would be a very limited quantity. Instead of sales of stock feed having ceased, evidence was produced to me today that the sales proceeded today without hindrance to those who required supplies, so there was no justification for the Minister's making a statement which would cause a heading like "Axe has fallen on stock feed" to be printed, when in effect the axe has not fallen in that direction at all. Statements like that do not assist the Government in its dilemma but only make its position worse. They also make our position worse because the stock feeders, who will be very concerned, will not know the true position and will immediately assume that they are in difficulties because this Bill has failed to pass and that they will not be able to obtain stock feed until it does pass, while in reality that is not the true position at all.

Some members might be in doubt as to what would happen if we defeated this Bill. I think the best judge of the position would be none other than Sir John Teasdale, who is in the thick of this business, who knows wheat-marketing from A to Z, who was present at the conferences of Ministers and who has studied the legislation. Members must have read in this morning's issue of "The West Australian" what he had to say about this question. I will read that statement to the House, because I think it must clinch the matter for those who are in any doubt as to what might happen. That report is as follows:—

> Melbourne, Mon.—"If the enabling Wheat Bill in the West Australian Parliament is not passed, it will cost West Australian wheat farmers about one-third of a penny a bushel" the chairman of the Australian Wheat Board (Sir John Teasdale) said today.
>
> Poultry farmers and others affected would benefit to the extent that they would be able to buy stock feed wheat at 10s. instead of 12s. a bushel, Sir John added.
>
> "So far as the Australian picture is concerned, all that is in jeopardy is the return of an extra third of a penny a bushel to West Australian wheat farmers from 2,000,000 bushels of wheat," he said.
>
> "The Commonwealth stabilisation, as formerly applied, will continue until September, 1953, and the home consumption price of wheat will be 10s. a bushel all-round, excepting for stock feed wheat in the Eastern States, which will be 12s. a bushel.
>
> "The editorial in 'The West Australian' on Saturday asked . . . 'but would the Australian Wheat Board be prepared to sell stockfeed at 12s. in some States and 10s. in Western Australia?'
>
> "The board is doing that today—in other words, carrying out the law.
>
> "The W.A. Bill has not been passed, so 10s. a bushel is the legal charge."

That is the position as I saw it on Friday of last week and as I explained it to some members who asked me about it. I am glad to have my own opinion confirmed by what Sir John Teasdale has said. If one studies the legislation one finds that there is provision in the existing Act for charging the home consumption price, which has now risen to 10s., and that will be the price which the board will charge in Western Australia if the Bill is defeated. Then there will be a loss on the 2,000,000 bushels of wheat which are consumed in Western Australia as stock feed and which will be sold at 10s. instead of 12s. per bushel, and that loss will be spread by the board so that it will be borne generally. I cannot imagine that the wheatgrowers of Australia will sit down very long and allow that position to continue. I believe they will immediately take action to see that a general plan is formulated, binding on all States and on all growers. The wheatgrowers in Western Australia have adopted the right attitude in regard to this matter and that which promises them the best results in the long run. It will afford an opportunity, which has not been taken advantage of so far, to give consideration to a number of other aspects which are involved in the matter.

What is the class of wheat to be sold to stock feeders at 12s. a bushel, because the grower is to get 16s. 1d., the same price as is obtained for f.a.q. wheat if he sells it under the agreement? Would it be right to sell any sort of rubbish to stock feeders at 16s. 1d. if that is to be the price to be obtained for f.a.q. wheat? Of course it would not! That aspect has to be considered. What would happen if we had a severe drought in one State and we had to move, to meet the needs of that State, more than 26,000,000 bushels? How would that be allocated? Where would the 26,000,000 bushels come from? What proportion would be contributed by each State because 26,000,000 bushels is to be the

maximum amount allowed under this subsidy provision? I do not think that has been properly hammered out.

So there are a number of these questions on which a little delay will provide the opoprtunity for further consideration. I think it most desirable, in the interests of a number of persons, that that consideration be given. I see very little harm accruing to anybody if we defeat this Bill; on the contrary, I think it will do a great deal of good. It will demonstrate that we cannot be dragged at the heels of other people; that we have ideas of our own and that we are prepared to stand up for a principle when we think it is right.

We have been regarded as the weaker State all along; are we to be pulled into gear just because it suits other people? With all due deference to the requirements of Tasmania, I want to say that they did not show any great alacrity in coming into the scheme when the flour tax was originally introduced; they insisted upon the flour tax being rebated to them as the price of their admission. So, in the first instance, the welfare of the growers of this State, and the principles for which they are fighting, should be our consideration.

We on this side of the House are fortified in our attitude in the knowledge that the growers desire this course to be taken. They have made their position perfectly clear, no doubt after the fullest consideration, and I think they are entitled to get support for that attitude. I believe that in the final analysis they will ultimately gain their principle and establish that that for which they now take a stand is the correct attitude to adopt. It would not assist us, nor the Government, to get this Bill into Committee and to defeat either or both of those clauses to which I have referred. As I am convinced that that could possibly leave us in the worst possible position of any State in the Commonwealth, I am not prepared to take that risk.

The member for Vasse talked about some assurance which the Premier had given him. The Premier gave him no assurance at all, as the Premier very well knows. So if the member for Vasse is going to be satisfied with that, he is a very easily satisfied young man. All the Premier did was to indicate a belief which he had. I consider that the Premier has so much on his mind at the Treasury that he cannot be expected to give very close consideration to the provisions of this Bill, such as one would expect the Minister to give.

Mr. Bovell: I am not satisfied with the Premier's interjection; he has to give an assurance to this House.

Hon. J. T. TONKIN: When is he going to give it?

Mr. Bovell: I do not know—

Hon. J. T. TONKIN: The Premier cannot give the hon. member any assurance—

Mr. Bovell: I want that assurance or I will vote according to my conscience.

Hon. J. T. TONKIN: —because the Premier is not in the position to give it. That is the important thing about it.

Mr. Marshall: He would be very foolish if he did.

Hon. J. T. TONKIN: I ask members to examine the Bill themselves and make up their minds what would happen if we took either or both of those clauses out of the measure. Under the Wheat Bounty Act passed by the Commonwealth, which is supplementary legislation to this, the Commonwealth will pay the bounty or subsidy only if the right price is being paid in each State. Suppose one of the States says, "Western Australia cannot charge freight because they have taken the provision out of their Act and therefore we will issue a proclamation revoking our Act."! Immediately that State issues its proclamation, the Commonwealth bounty ceases. That is the position and I defy anybody to say anything to the contrary. The Wheat Bounty Act definitely provides that the bounty will be paid only if all the States have enacted that provision with regard to the price to be charged.

Mr. Bovell: That is the reason why I think, if the provision relating to freight charges could be omitted, the Bill could be passed.

Hon. J. T. TONKIN: If we omit the clause in our Bill, providing for the charging of freight, it means that so far as wheat from Western Australia is concerned, the Australian Wheat Board could not charge freight. That immediately meets the condition of the next subclause which, in effect, says that when it becomes apparent to any State that the Australian Wheat Board is not charging the freight, the State can issue a proclamation to revoke its Act.

The Attorney General: But the Wheat Board might charge it.

Hon. J. T. TONKIN: How can it do so if it has no power?

The Attorney General: It can charge it in South Australia, the same as South Australian wheat.

Hon. J. T. TONKIN: Charging it in South Australia will not help them; it cannot charge it in Western Australia.

The Attorney General: Why not?

Hon. J. T. TONKIN: Read the Bill!

The Attorney General: I have read it.

Mr. Marshall: Then try to understand it.

The Attorney General: I do understand it.

Hon. J. T. TONKIN: It says, "with regard to any State."

The Attorney General: Yes.

Hon. J. T. TONKIN: All right. Western Australia is a State and so, if we cannot charge the freight with regard to Western

Australia, we cannot meet the conditions of the Bill. There is a position where it becomes impossible for the Wheat Board to charge freight in Western Australia.

The Attorney General: Exactly, but it could start it in South Australia.

Hon. J. T. TONKIN: That would not make the slightest difference.

The Attorney General: Yes, it would.

Hon. J. T. TONKIN: How?

The Attorney General: After all, it is bulk wheat that will be exported because there are not silos in Queensland or Tasmania.

Hon. J. T. TONKIN: If they were short of wheat in some other State and we had a surplus, does the Attorney General think they would go without wheat in that State? In any case, it is not necessary to send it because immediately we introduce into our Bill something which makes it impossible, should the occasion arise, for the Australian Wheat Board to charge freight, the condition is met.

The Attorney General: No, it is not.

Hon. J. T. TONKIN: Of course it is.

The Attorney General: It is not.

Hon. J. T. TONKIN: Will the Attorney General indicate to me any clause in the Bill which prohibits such a course?

The Attorney General: The whole contingency of (7) is, if the Wheat Board ceases to do it.

Hon. J. T. TONKIN: Will the Attorney General indicate to me any provision in the Bill which prohibits such a course?

The Attorney General: Yes.

Hon. J. T. TONKIN: Then let us hear it.

The Attorney General: I will in due course.

Hon. J. T. TONKIN: I will read this provision again because it is most important—

> If it appears to the Governor that, in relation to the supply of wheat, produced in one State, for consumption in another State (being a State in which adequate supplies of local wheat are not available)—

The Attorney General: What are the next words?

Hon. J. T. TONKIN: —the board is not observing the principle—

The Attorney General: Yes, "the Board is not observing the principle."

Hon. J. T. TONKIN: Well, if we make it impossible for the board to charge it—

The Attorney General: It can charge for it in other States.

Hon. J. T. TONKIN: If we make it impossible for the board to charge, then it cannot—

The Attorney General: But then it might not have to export it.

Hon. J. T. TONKIN: That makes not the slightest difference.

The Attorney General: Your argument is fallacious; it is not logical.

Hon. J. T. TONKIN: This means that the Governor of South Australia can issue a proclamation because the Act empowers him to do so.

The Attorney General: He cannot do so.

Hon. J. T. TONKIN: It says here—

> If it appears to the Governor—

The Attorney General: He has to do it on a judicial basis.

Hon. J. T. TONKIN: I know what I am saying.

The Attorney General: You do not.

Hon. J. T. TONKIN: I definitely do and the Attorney General can get up and explain his point of view in due course. The wording of this proposed new subsection reads—

> If it appears to the Governor that, in relation to the supply of wheat, produced in one State, for consumption in another State . . .

Obviously, to me, if we pass legislation here which makes it impossible for the Australian Wheat Board to charge freight, other States can say, "If wheat has to come from Western Australia, freight cannot be charged on it. We will issue a proclamation and revoke the Act so far as we are concerned." They would then revoke the provision which makes it obligatory on them to charge the extra price for stock feed wheat in their States. We could then be the only State which would be charging it. In my view that position could arise and I am not going to take that risk.

The Attorney General: What a weak excuse!

Hon. J. T. TONKIN: On the other hand I have the explanation of Sir John Teasdale who ought to know what he is talking about. He set out very clearly what he thought would happen if the Bill were defeated. I see nothing terrible in what he sets out and that is the course I propose to follow.

MR. HEARMAN (Blackwood) [10.24]: In common with the member for Merredin-Yilgarn, I find myself confused with the conflicting statements that have been made on the Bill by people who should be able to speak with authority on its various aspects. I am interested to know what the effect would be if the Bill were defeated. So far, from the Government side we have had the Minister, who introduced the Bill, explaining its terms in general principle and we also had the Minister for Education explaining, extremely fully, the reasons which caused the Government to agree to introduce the Bill and the general circumstances which

led up to its introduction. However, as yet we have had no information as to what effect the defeat of the Bill would have. I have thought that in the event of this State's refusing to accept the legislation, the Commonwealth would be unlikely to pay its subsidy.

It seems to me that the whole basis of the Commonwealth subsidy is that there should be a uniform price in all States and I think that the defeat of the Bill in this House would mean that the Commonwealth would say, "All right, the conditions of the agreement have not been fulfilled in all States and therefore the agreement breaks down," but in this morning's paper Sir John Teasdale has indicated quite clearly, I think, that in the event of the Bill's being defeated the position would be that the agreement would still stand in the other States, the Commonwealth would have to pay the subsidy, and stock feed wheat would be 10s. per bushel in this State and 12s. per bushel in other States. I am given to understand that the Commonwealth, in any case, would have to pay a subsidy in all States and we would enjoy the benefit of it.

If Sir John Teasdale is correct in his assessment of the position—and it is certainly not for me to suggest that he is not—it seems to me that all this talk of upholding the principle of the grower in not paying interstate freight merely goes by the board because, in effect, it is already being abrogated in all States except Western Australia. If we accept his assessment of the position the principle for which members representing wheat producing areas are fighting has not been upheld, and in any case regardless of whether we pass the Bill or not, he apparently intimates that the Commonwealth Government will pay the subsidy. I find that hard to believe, but at the same time, it is not for me to quarrel with Sir John Teasdale.

With respect to the action of the Wheat Board, we have had assurances, particularly from the member for Moore, that regardless of the fate of the Bill, stock feed will be available. I am inclined to accept those assurances, especially when we know that stock feed wheat is in the process of being shipped from South Australia to Queensland under the terms set out in this agreement. I would have been prepared to accept the assurance given by the member for Moore if it had not been for the suggestion made by the member for Roe that the wheat board had a very good bargaining point inasmuch as, if it wanted to stick out, it could say, "All right, no stock feed wheat. That is the end of it." It is extremely difficult to decide what to believe. Although I am getting to the stage where I can say that I do not know anything of this matter, my information is that the Wheat Board is not obliged to make stock feed wheat available. It can, if it so desires, sell the whole of the Australian wheat crop oversea.

The Attorney General: I doubt that. Under the Commonwealth legislation it is subject to the approval of the Commonwealth Minister.

Mr. HEARMAN: I have heard that it is subject to the approval of the Minister, and I have also heard to the contrary. I said earlier that I was not prepared to be dogmatic in the matter because there is so much confusion. In any case, if the Australian Wheat Board cannot hold up supplies of stock feed, then I fail to see the substance of the contention held by the member for Roe, namely, that we have a strong bargaining point.

If, on the other hand, the board can hold up Australian stocks of stock feed, it places a different complexion on the matter, but again, I am not certain that, in doing that, the board would not be abrogating a principle, inasmuch as I gather that one of the understandings arrived at when the stabilisation plan was agreed upon was that stock feed wheat would be made available. If the board says, "We will not make it available as a means of bargaining or for anything else" it seems to me that that would be an abrogation of principle, too. However, be that as it may, I hope the Minister or the Premier can say whether the Commonwealth Government will continue to pay the subsidy if we do not pass the Bill.

Secondly, I feel there is an element of doubt about stock feed, though I am inclined to think that in any case it will be available. The only other point I am becoming convinced about in the whole argument is that, so far as stock feed is concerned—even if cheap wheat is to continue to be made available for stock feeding for any length of time, and even if it were insisted on this continuing till 1953—it would still behove stock feeders to produce their own stock feed. I know this might not help the member for Middle Swan or the member for Canning. In my own electorate, however, a lot more can be grown if an effort is made to grow it. I feel that stock feeders in those areas that can grow it will be well advised to examine closely the problems associated with production of their own stock feed wheat, because it seems to me that this is likely to be a hardy annual; that is, as to whether stock feeders are to be subsidised by wheatgrowers or not.

In discussing the matter with stock feeders in my own electorate, I find they are all agreed that there is no reason to expect the wheatgrowers to subsidise them, so I think that those farmers, and also sections of the Farmers Union such as the dairy section and the poultry section, should examine pretty closely the question of producing stock feed wheat for

those areas. I do not wish to take up a great deal of time, but it does seem to me there is a tremendous amount of confusion, particularly if we accept Sir John Teasdale's statement in this morning's newspaper that we would not uphold any particular principle by throwing the Bill out. So far as the Western Australian farmer is concerned, when in 1953 the time comes to negotiate a stabilisation plan, or put a State plan into operation, he will be in a stronger position to negotiate if there is no Commonwealth subsidy involved, because if one is involved it will make negotiations from the wheat growers' point of view more difficult.

I can sympathise with some wheatgrowers if they say they are prepared to lose a certain amount of money now so their hands may be completely free to negotiate the new agreement in 1953. Personally, I do not like this freight clause, and I think that if the proposition had been put up differently and we had said feed wheat should be at 14s. and the Commonwealth Government should pay freight, it would probably have been acceptable to the wheatgrowers. It would not have cost anybody any more, and the wheatgrowers would not have been penalised to the extent they will if the whole scheme breaks down and they continue supplying stock feed at the cost of production. I am inclined to agree with the member for Melville that, if this agreement does break down, further arrangements will be made and a more satisfactory agreement reached. But I do hope the Minister, when replying, will make very clear what his views are on what will happen in the event of this legislation being defeated tonight. Does he think that the Wheat Board can, or is likely to, withhold stock feed if this Bill is carried? It has been suggested that the board could do it if the Bill is carried, and it has also been suggested that it cannot do it if it is carried.

MR. NALDER (Katanning) [10.35]: It is not my intention to cover ground already traversed by previous speakers, but I wish to voice my opposition to the Bill. I think all representatives of the wheatgrowers must be in strong opposition to these two very objectionable clauses in it. There need be no confusion at this stage in the mind of any member of this House, because I believe the position has been adequately covered and clarified. I do not think there need be any doubt on these points because evidence has been put forward to prove that the case is quite clear in every aspect. There is one point I would like to mention: It is a supposition on which I think all members can use their imagination in this case. Suppose, for argument's sake, that in two year's time the production of wheat in the States of Eastern Australia falls below their needs and Western Australia, and possibly South Australia, are the only exporting States!

If we carry this Bill, we shall have a precedent established whereby wheatgrowers in the two exporting States will be obliged to pay freights to the consumer States. The position would then exist where wheatgrowers in Western Australia and South Australia would be paying freight on wheat grown by them and sent to the rest of the States. That is a position that is likely to arise if the trend of events continues as at present. It has already been pointed out that other States of the Commonwealth are already decreasing their acreage, and if this continues we shall find that this supposition I am putting forward could come about. I think every point has been covered and it is not necessary for me to continue the discussion on lines that have already been stated, but I think it would be unwise at this stage even to suggest that the Bill should go into Committee. No advantage would be gained in doing so and we would find ourselves in a worse position. I oppose the second reading of the Bill.

MR. GRIFFITH (Canning) [10.39]: I must join with the member for Blackwood in admitting my confusion on this matter. Since the Bill was first introduced, a great number of points have been submitted in argument, both in the House and in the newspapers, stating what will be the effect of continuing this legislation or of dropping it. When the Premier received a deputation from the wheatgrowers of this State, the tenor of their request was for an undertaking from the Premier to introduce legislation which would increase the price of wheat to 16s. 1d. a bushel. Whether it was said in so many words does not matter but it was intimated that, if the price were not increased, for certain economic reasons wheatgrowers would stop producing wheat and that the amount of production for which they would be responsible in coming years would be less, because it was explained that they could produce other cereals to greater advantage. Now we find it is stated—and I know this ground has been covered before—that if this legislation is carried it will be establishing a precedent of the grower having to pay freight on his produce. That is a principle to which I do not subscribe, but it is stated that if this legislation is carried the price of wheat will be 16s. 1d., and the price of stock feed will be 10s. It is too absurdly simple, to my mind; so much so that I am suspicious of the situation.

It is suggested that by throwing out the Bill at the second reading stage, or in Committee, the position will be that the wheatgrowers will provide the stock feeders with wheat at 10s. a bushel. The point that leaves a very grave element of doubt in my mind, apart from the fact that Sir John Teasdale made the statement that appeared in the Press this morning, is that five other States would be providing stock

feed at 12s. a bushel and Western Australia would be providing stock feed at 10s. a bushel. The doubt in my mind is as to how long that particular set of circumstances will continue. How long would it be before the wheatgrowers of this State would say they were not prepared to provide wheat for stock feed at 10s. a bushel?

In answer to an interjection by me, the member for Roe said he expected the growers would not be prepared to carry on for an indefinite period. I have now reached the stage of having to decide whether, by not supporting the legislation, we will place the stock feeders—I am interested in the point because there are many of them in my electorate—in the position that they will obtain no wheat at all. I hope that either the Minister, when he replies to the debate, or the Premier will be able to satisfy me on that particular point.

THE PREMIER (Hon. D. R. McLarty—Murray) [10.43]: Naturally, I am perturbed at the turn that this debate has taken. In common with the Government of the other five States and the Commonwealth, the State Government here agreed to implement the legislation that is now before the House. In the other five State Parliaments and in the Commonwealth Parliament as well, the legislation has already been passed. It seems to me most remarkable that certain members are perplexed regarding the Bill. If we take the position of our sister State of South Australia, which exports nearly 23,000,000 bushels of wheat, we find that the legislation went through both Houses of Parliament there without any amendment.

Mr. May: They have not awakened yet.

The PREMIER: I think they are just as wide awake as we are. In every other State—some of them large wheatgrowing States—the legislation has been passed. It has been accepted by all Governments, irrespective of their party complexion. So we come to the crossroads here tonight, and the fate of the Bill seems to be uncertain. It is uncertain because it is said that certain principles are involved. I have no quarrel with the man who objects to something or supports something because of the principles he holds. I think that any man who fails to support his principles is not a very worthy individual. When we consider the matter of principles, I would remind members that, so far as primary producers are concerned, the same principles we are arguing about tonight do not apply only to the wheatgrowing industry. Here is a telegram I received from Canberra today. Let us look at the butter industry. The telegram sets out—

> Commonwealth Dairy Produce Equalisation Committee meets freight costs of butter and cheese moved interstate to meet needs. Estimated interstate butter transfers this season will total approximately 16,000 tons at average cost of £7 per ton, including 1,000 tons to Western Australia at freight cost of approximately £11,000.

Mr. Kelly: Who pays that—the butter people?

The PREMIER: Yes, it comes out of the butter proceeds. That is what I am pointing out.

Mr. Cornell: Do two wrongs make a right?

The PREMIER: I am explaining that these principles we are arguing about tonight do not apply only to wheatgrowers and that is indicated by this telegram. It goes on to refer to the position regarding sugar prices, and we know that sugar freights are borne by the producers of sugar through their organisations.

Mr. Bovell: But there are certain subsidies to be taken into account, and it is not a direct charge on the producers.

The PREMIER: There are the subsidies in connection with wheat.

Mr. SPEAKER: Order!

Hon. A. R. G. Hawke: And butter, too.

The PREMIER: Yes. I intend to repeat the telegram that was read out by my colleague, the Deputy Premier. I refer to the extract from the telegram from Mr. McEwen, the Federal Minister for Commerce and Agriculture who says—

> For your information, I comment that the adamant attitude of all Eastern States Governments in insisting upon the present plan meant that if any Government, either Western Australia or Commonwealth, for instance, had refused to accept the present plan the only and certain result would have been to deprive the wheatgrowers of any return higher than 10s. per bushel.

It is remarkable that in this case we have set out to help a section of primary industry—the wheatgrowing industry. Because of our desire to render that help, we are in serious trouble. I do not think any member of this House could imagine that this Government would set out to do something to the detriment of the wheatgrowing industry. When we look at the position in which the Minister for Agriculture was placed, we must appreciate that he attended several of the conferences where it was necessary that agreement should be reached. Apparently, agreement was reached with some difficulty.

It was the desire of the Minister for Agriculture that any agreement reached should react favourably upon the growers in Western Australia by providing more finance for their product than they are receiving for it at the present time. One can realise the responsibility that rests upon a Minister should he refuse such a plan and the higher price that wheatgrowers would obtain, simply because of

the freight provision. I think it has been clearly indicated that the Minister made a genuine and sincere attempt to help the wheatgrowers of this State. This House faces a very grave responsibility. I have already said that five States and the Commonwealth, irrespective of their party affiliations, have agreed to this legislation after mature consideration.

Mr. Kelly: Was it not agreed to under duress?

The PREMIER: I do not think so.

Mr. Kelly: I think it was—a lot of duress.

The PREMIER: Not at all. By rejecting the Bill, it is quite likely that we could upset the plan and that the whole scheme would go overboard.

Mr. Hoar: And then we could start afresh.

The PREMIER: And probably, while we were waiting, the growers of this State would suffer considerable loss. If the member for Moore is prepared to accept the responsibility of rejecting the Bill, he knows what he is doing. Would it be wise to defeat the measure on the second reading? I certainly think it would be most unwise. I suggest that members think most seriously before they take that extreme step. I have heard a number of members say that there are certain provisions in the Bill that they would not agree to, but does that mean that they have to defeat the Bill on the second reading? I have made fairly exhaustive inquiries and endeavoured to obtain all the information possible and, as the member for Melville pointed out, I have had other things on my mind and very important matters, too, but I felt that I ought to take some interest in this very important question.

We have entered into an agreement with all the other States and the Commonwealth, and I should like to have the Bill passed as it stands. If we pass it and it is amended in Committee, as some members desire, we shall still have part of the Bill and portion of the agreement, and that would probably have a legal or constitutional effect throughout the Commonwealth; whereas if the Bill be rejected the whole scheme will go overboard. Various members, and I think also the president of the wheatgrowing section of the Farmers Union, are not objecting to the Bill other than the freight provision. In the circumstances, is it desirable to reject the measure and thereby upset the whole Australian scheme when probably, with the deletion of that clause, the Bill would be a legal measure, and we would still have a Commonwealth scheme that would benefit not only the growers of Western Australia but also those of Australia as a whole?

Mr. Hoar: How would you propose to amend it?

The PREMIER: Might I revert to the matter of principle, which I do not decry in the slightest degree? It is remarkable that the growers of South Australia have never raised this question; nor has it been raised in any other State, excluding for the time being Queensland and Tasmania. Therefore it seems remarkable that this should apply only to the growers of Western Australia and not to the growers throughout the Commonwealth.

Hon. E. Nulsen: The growers of Western Australia would be making a sacrifice of one-third of a penny per bushel for a principle.

Mr. Cornell: Has the Premier read the article attributed to the Minister for Agriculture in New South Wales and published in the South Australian Press on the 30th November?

The PREMIER: No.

Mr. Cornell: The member for Melville has the article. If he hands it to you, will you read it to the House?

The PREMIER: Even at this late stage, I ask members not to reject the Bill. I admit that the Government is in a most difficult position, but that is not the sole reason why I ask that the Bill be not rejected. I say that, in the interests of the wheatgrowers of Western Australia and indeed of the Commonwealth, it is desirable that the measure be passed, even though it be amended in Committee in the direction certain members have advocated.

Question put and a division taken with the following result:

Ayes	....	....	....	19
Noes	....	....	....	25
Majority against			....	6

Ayes.

Mr. Abbott	Mr. McLarty
Mr. Brand	Mr. Nimmo
Mr. Butcher	Mr. Oldfield
Dame F. Cardell-Oliver	Mr. Read
Mr. Doney	Mr. Thorn
Mr. Grayden	Mr. Totterdell
Mr. Griffith	Mr. Watts
Mr. Hearman	Mr. Wild
Mr. Hill	Mr. Bovell
Mr. Manning	*(Teller.)*

Noes.

Mr. Ackland	Mr. McCulloch
Mr. Brady	Mr. Moir
Mr. Cornell	Mr. Nalder
Mr. Graham	Mr. Needham
Mr. Guthrie	Mr. Nulsen
Mr. Hawke	Mr. Panton
Mr. J. Hegney	Mr. Perkins
Mr. W. Hegney	Mr. Sewell
Mr. Hoar	Mr. Sleeman
Mr. Lawrence	Mr. Styants
Mr. Mann	Mr. Tonkin
Mr. Marshall	Mr. Kelly
Mr. May	*(Teller.)*

Pairs.

Ayes.	Noes.
Mr. Owen	Mr. Coverley
Mr. Hutchinson	Mr. Rodoreda

Question thus negatived; the Bill defeated.

BILL—BUILDING OPERATIONS AND BUILDING MATERIALS CONTROL ACT AMENDMENT AND CONTINUANCE.

Council's Message.

Message from the Council received and read notifying that it insisted on its amendment.

BILL—WORKERS' COMPENSATION ACT AMENDMENT.

Second Reading.

Debate resumed from the 21st November.

MR. W. HEGNEY (Mt. Hawthorn) [11.1]: A measure to amend the provisions of the Workers' Compensation Act is long overdue, and I must express keen disappointment that the Government left it until such a late hour in the session to introduce such an important Bill. The increase in the basic wage over the last two years eminently justified a measure being introduced much earlier into the House. As a matter of fact, when the Deputy Premier brought down an amending Bill in 1948, the basic wage was in the vicinity of £5 17s. 5d., and on that occasion the maximum lump sum compensation allowable was increased from £750 to £1,250. When one looks back over the years to 1944, when the Act was previously amended, one finds that the basic wage was only 16 per cent. less then than in 1948; but the basic wage has increased by approximately 75 per cent. since the last amending Bill was introduced by the present Deputy Premier.

It was in consequence of the Government's abject failure to introduce an appropriate Bill during the last session of Parliament that I was deputed by members on this side to bring down a measure to give injured workers some relief from the disabilities to which they were subjected, apart from their physical disabilities. You, Mr. Speaker, may recollect that this Government, by force of numbers, had that Bill ruled out on the ground that it did not comply with the Constitution. The Government did not take into account the moral justification for passing such a Bill, but simply used its numbers and endeavoured to show by the Standing Orders and the Constitution that the Bill was out of order.

As a result of the Government's neglect to pass a measure in the interests of injured workers, those who have suffered disability through injury in the course of their employment, during the last 15 months especially, have not had that measure of relief to which they were justly entitled; and I regret to say that the Bill the Minister has introduced does not, in my view, or in the view of the industrial unions of this State, face up to present-day requirements. The Minister was approached some time ago by the general secretary of the State Executive of the Labour Party and myself, and on that occasion we submitted a series of proposed amendments to an amending Bill when he thought fit to introduce it; but I notice that quite a number of those suggestions have been brushed aside.

As far as I am aware—I stand open to correction—the Workers' Compensation Board has not been taken into the confidence of the Minister with respect to the amendments in this Bill. I trust that the Government through the Minister will not be adamant on the provisions of the Bill as introduced, because I hope to show during my remarks that quite a number of the major provisions in the Act fall short of those prevailing in the Eastern States.

To indicate to the Minister, and to members, how illogical it is to assume or for the Minister to contend that the provisions of this Bill are the last thing, I would point out that for the financial year ended the 30th June, 1951, the Estimates of revenue and expenditure provided for a sum of £700,000, that being the estimated increase in the basic wage for that year. If members will turn to page 42 of the current Estimates, for the year ending the 30th June, 1952, they will find that a sum of £1,250,000 has been set aside for increases in the basic wage. That is a definite indication that the Government expects the cost of living to rise.

The Government must expect that the basic wage will increase to a great extent during the next seven months, which will bring us to the end of the financial year. That being the case, I would like to impress upon the Minister that even though he may think today that the provisions of the Act are adequate, in less than 12 months' time the present unsatisfactory position of the Act will still obtain.

The Act provides for a maximum payment of £6 per week. That amount was provided when the basic wage was £5 17s. 5d. in 1948. If one looks up the statistical register showing the basic wage for a number of years past, one finds that it increased very slightly from 1942 to 1948; but since 1948 it has increased from £5 17s. 5d. to £10 5s. 8d., or by approximately £4 10s. per week. I would ask members opposite whether injured workers of this State have been treated decently and fairly and in a humane way since the session of 1950.

Why did not the Government bring down a measure in 1950 to give injured workers that compensation to which they were justly entitled? The Government knew the basic wage was rising and would continue to rise, because it legislated for such an increase in its Estimates of revenue and expenditure. It is absolutely unfair and preposterous to think that over the last two years workers have been subject to a maximum of £6 per week. Some measure of relief should have been granted to them.

There are many workers in this State—tradesmen—rearing families, and when they meet with an injury during the course of their employment they immediately receive £6 a week compensation, whereas they had been earning £11 or £12 a week. Apart from fares to work, all their usual payments must still be met. They must pay rent and provide food and clothing for themselves and their children, and face up to all the other household expenses. The industrial unionists of the State are not at all pleased at the inaction of the Government in not having brought a measure down in 1950, or earlier this session.

I might say that the present session started last August, and here we are within eight or nine days of its completion, and this industrial and social measure is still before us. I have a vivid recollection of similar measures being thrown out in another place because they reached there in the dying hours of the session. It is quite unfair that such an important Bill, affecting so many people throughout the State, should be treated so lightly by the Minister and the Government.

I propose now to deal with the main provisions of the Bill. I shall outline the amendments we propose to submit, and I hope that the House will look at them from the humane point of view and ensure that every injured worker will get that measure of relief to which he is entitled, in accordance with present-day trends. There was a time, not many years ago, when there was no workers' compensation Act. It was considered by the employer and the employee that the contract between the master and servant provided that if the employee or the servant were to meet with an injury in the course of his employment, compensation did not enter into the engagement at all. Over the years, however, workers' compensation Acts have been introduced into various Parliaments of the Commonwealth and the British Empire until today we have the measure we are now seeking to amend.

In dealing with the main provisions of the Bill I shall be as clear and concise as possible because numerous figures are involved, and I know the Minister will want to examine our viewpoint, and I hope that he will then see that we have logic and force in our contentions. The present limitation, so far as remuneration is concerned, in the definition of a worker is £750 a year, and the Minister proposes to increase that to £1,000. We ask, in our amendment, that the sum be increased to £1,250. The measure also provides for insurance cover for workers travelling from their place of residence to their place of employment, and vice versa, and for apprentices or workers travelling from their place of employment to attend a technical school for trade instruction. I am pleased that this provision has been introduced. I might say that a similar provision is in operation in most of the Eastern States. This was included in a Bill submitted by the Deputy Premier some three years ago, but it was rejected in another place. I hope that further consideration will be given to this by the Legislative Council because, from inquiries I have made, I find there has been little abuse, if any, in the Eastern States since the introduction of the provision giving workers insurance cover during the periods I have mentioned. The time has arrived when such an advantage and protection might be given a reasonable trial in this State.

The Bill sets out that a register of specialists shall be set up from which the workers will be entitled to select the services of a specialist in regard to their particular disabilities. I have no quarrel with this at all; in fact, I think it is a rather desirable provision. Another clause provides power to increase the amount of £8,000 for the administration of the board under the present Act. The suggestion is that any sum may be fixed by regulation. It may be beyond £8,000, and there is no quarrel with that. A provision which the Minister seeks to introduce and which in my opinion is undesirable, is that which seeks to eliminate from the Act certain powers which the Workers' Compensation Board has under Section 29. Paragraph (a) of Subsection (ii) of that section provides—

> The board shall when requested furnish workers and employers with information as to their rights and liabilities in respect of injuries sustained by workers in connection with their employment.

Paragraph (b) provides—

> Make all reasonable efforts to conciliate and bring parties to agreement where dispute has arisen concerning compensation claims of injured workers.

The Bill seeks to eliminate the words "the board" and to substitute the words "the registrar". I have given close consideration to the amendment, and I must say I am very hostile to it, because from my inquiries I have found that the board consists of a legal practitioner, as chairman, together with two representatives. Under the Act one representative is nominated by the State Executive of the A.L.P. and the other by the Employers' Federation of Western Australia. That board, or any member of it, gives to injured workers, or to employers as far as lies within its powers, information as to their rights and liabilities under the Act; and furthermore, it has on many occasions adopted conciliatory measures between the employer and the injured worker, thereby saving both parties considerable legal expense.

The Attorney General: No.

Mr. W. HEGNEY: I know what is in the Minister's mind. It may be said that the chairman, who is a legal practitioner,

would in the course of his duties, give to the employer or the employer's agent certain information as to his rights or liabilities. The same may be done with respect to the workers' representative. He could give information either to an employer or to an injured worker. The argument may be raised that the board, or its members, is today giving information to injured workers or employers, and tomorrow is sitting in a judicial capacity to hear the case.

The Attorney General: That is so.

Mr. W. HEGNEY: When that position is examined, it will not hold water, because all that the board, and especially the lay members—

The Attorney General: It is the board.

Mr. W. HEGNEY: —and also the chairman, as I visualise it, do is that they or he would give advice on the statements made by the employer or the worker. All any member of the board would do would be to give what he thought was a correct interpretation of the Act, but if the position was different when the matter came before the board, or if there was further evidence, neither the board nor any member of it would be compromised by the advice that would be given.

The Attorney General: But they would prejudge it.

Mr. W. HEGNEY: No. All they do is to carry out the provisions of the Act and, when requested, furnish employers or workers with information as to their rights or liabilities in respect of injuries. I do not propose to enlarge my argument at this stage, because no doubt this matter will receive attention when the Bill is in Committee. The measure seeks to increase the dependent wife's allowance from £1 to 30s. and the amendment I have on the notice paper is for the purpose of increasing the allowance to £2. The Minister does not propose, in the Bill, to increase the child's allowance of 10s. but there is an amendment on the notice paper seeking to increase it to £1.

The Bill proposes to increase the travelling allowance from 10s. to 13s. per day, and we are seeking by amendment to provide for an increase to £1 per day. Where the maximum board and lodging expenses are now £3 per week, we hope to increase the maximum to £6. Under the schedule, the maximum lump sum for the dependants of a deceased worker is £1,000 where death results from injury. The Bill proposes to increase that to £1,250 but we are seeking an increase to £1,750. The Bill proposes to increase the maximum of £1,250 for total disability by 20 per cent. to £1,500, but we seek to increase it to £2,000. The present maximum weekly payment is £6, which the Bill proposes to increase to £8, whereas we are seeking a maximum of £12. The Bill proposes to increase payments under the Second Schedule by 20 per cent., whereas we will seek to increase those payments by 60 per cent.

One aspect of the Bill which I have purposely left until now is the reference to cases of hernia. There are references under Section 10 with regard to hernia and the evidence which workers must produce before they are entitled to receive compensation for hernia. I will not at this stage deal with them exhaustively, but I have on the notice paper an amendment which seeks in some small degree to make it easier for workers to receive compensation under that provision. As an indication of how some workers are reacting with regard to this provision in the Bill, I would point out that only recently a member of the Water Supply Employees Union contracted hernia and had difficulty in proving that the disability was due to an accident incurred in the course of his employment.

The Attorney General: That was because he was not examined within a reasonable time.

Mr. W. HEGNEY: I do not think he received compensation.

The Attorney General: Yes, he did.

Mr. W. HEGNEY: Not in accordance with this provision. The union has taken steps to warn its employees not to lift heavy weights, and that is difficult in a job such as theirs. I can visualise that as time goes on whatever Government is in office will have to modify this provision in regard to hernia. I would draw attention to the fact that under the Act at present an employee who is working under the direct supervision of or within a short distance of the employer has to notify the employer as soon as he contracts hernia, but there is provision in the Act making it obligatory on the worker who is not under the direct supervision of the employer to cease work as soon as he meets with the disability. That provision reads—

> For the purposes of this Act a worker's incapacity resulting from hernia shall be deemed to be incapacity resulting from injury by accident arising out of or in the course of this employment only if—
>
> (a) the hernia is—
>
> (i) clinical hernia of disabling character appearing to have recently occurred for the first time.

It continues—

> (c) when the employer or his agent or other representative is immediately available, the worker reports his condition to his employer or his agent or other representative im-

> mediately after the occurrence of the accident, or when the employer or his agent or other representative is not immediately available, ceases work at the time of the accident and reports his condition to his employer or his agent or other representative so soon as practicable, but within forty-eight hours—

The Attorney General: Read on.

Mr. W. HEGNEY: It continues—

> —of the accident and no later, the provisions of paragraph (a) of the proviso to subsection (1) of section nine of this Act notwithstanding, unless the Board is of opinion—

I want the Minister to mark these words—

> —that, owing to circumstances beyond the worker's control, he was unable so to report within that time, the intention being that every such case of hernia shall be reported as soon as is practicable.

My point is that where the employer is not immediately available the worker must cease work immediately.

The Attorney General: Unless—

Mr. W. HEGNEY: No, not "unless." He must report within 48 hours unless the board is satisfied that it was impracticable for him to do so. Take the position of a bread-carter, or a butcher whose place of employment is in Hay-st., West Perth! If the bread-carter is over in Wembley Park delivering bread and has a hernia, what is the position? Under the Act as it stands, he must cease work immediately. I invite the Minister to examine this position because it is a most important point. The man must cease work immediately and report to his employer. To do that he has to leave his horse and cart, or his motor truck, where it is and proceed to his place of employment and notify his employer forthwith. If he drives his cart back to the depot he will not have fully ceased employment because he will still be carrying out one of the ordinary functions of his employment.

The Attorney General: I do not think that would be so. Have you had any legal decision on it?

Mr. W. HEGNEY: From my inquiries the position is as I have outlined, and in my amendments on the notice paper I have made provision for the protection of those who may be in the category I have mentioned. Those are the main provisions of the Bill and, as I said before, I am not at all happy about the position. With the indulgence of the House I propose to outline a few of the main amendments that we are seeking. The first amendment is an important one and the Minister for Native Affairs may be interested in it. He might be able to retrieve some of the lost ground of latter weeks. Under Section 36 of the Native Administration Act a native is specifically precluded from enjoying the provisions of the Workers' Compensation Act. Under the Native Administration Act it is incumbent on an employer, before employing a native, to obtain a permit and pay a nominal fee; he also pays into a medical fund and from that fund the native receives certain medical attention but no compensation.

The Attorney General: He receives help, does he not?

Mr. W. HEGNEY: He receives no compensation as such. If the Attorney General makes inquiries as to the help a native receives if he meets with an injury he will find that the assistance is not very impressive. The point is that he does not now come within the provisions of the Workers' Compensation Act. I have worked with a number of natives in the North-West and many of them have received a primary education and have lived as white people, but they are natives according to the law. But if an employer finds it necessary to engage a native, pay him wages and treat him as an employee, and that native meets with an injury in the course of his employment, I say quite definitely that that native should be entitled to have the same insurance cover as any other worker. With that object in view I have submitted an appropriate amendment and hope there will be no objection from any member on the opposite side of the House.

Another aspect of the Bill to which I find it necessary to draw the Minister's attention is that which deals with the application of the Act, when it becomes law. In 1948 the Deputy Premier was good enough to make certain provisions and he qualified the position by an amending Act, No. 33 of 1949. He qualified the position with respect to workers who were injured prior to the passing of the 1948 and 1949 amending measures. Those measures received the endorsement of the House, and one provision related to workers who were injured prior to the new Act becoming law; they are now entitled to receive the benefit of the new provisions. If a worker was injured before the new Act came into operation and he had a recurrence of that injury after the new Act was passed he now comes under the provisions of the new Act. I hope the Minister will adopt the same attitude as his predecessor and I have an amendment on the notice paper to that effect.

The Attorney General: Does that apply in any of the other States?

Mr. W. HEGNEY: I am open to correction on that point, but I believe the practice has been to bring workers under the new Act in the same way as I have men-

tioned; the position in South Australia may be different. We propose to move to increase the remuneration for a worker to £1,250 and in this connection I will make some comparisons with other States. However, before doing so I will briefly outline our other amendments dealing with lump sums and weekly payments. We desire that the payment to dependants of deceased workers be increased to £1,750 and the payment for a total and permanent disability to be increased to £2,000; the weekly maximum compensation to be 75 per cent. of the average weekly earnings—at present in this State it is 66 2/3rds per cent.—with a £12 maximum. We also wish the payment to a dependent wife, during the course of an injured worker's disability, to be £2 a week and £1 for each child, and the maximum payment, where no dependents are left by the deceased worker, to be increased to £200 from £100 for medical, burial and general expenses. I intend to move an amendment to increase the allowance for medical and hospital expenses from £100 to £150 and from £50 to £75—that is at the discretion of the board.

Another amendment relates to the minimum payment to a dependant where death results from the injury; we desire it to be not less than £500 plus £50 for each dependent child, and the essential travelling expenses to be increased to £1 a day or £6 a week. We also want provision made in the First Schedule for the obtaining of hearing aids for workers who become deaf through their employment—this applies particularly to boilermakers and others who are subject to continual noise while working and thereby suffer defects in their hearing. It is proposed to endeavour to increase all the Second Schedule payments to 60 per cent. and we also wish to delete the 12 months' restriction on the board before the compensation for a worker who is under 21 years of age can be reviewed.

Members will note that there is a rather lengthy proposed new clause set out on the notice paper. I tried to have this introduced into the Act in 1950, but it was unceremoniously thrown out with other amendments. This proposed new clause has relation to Section 10 of the First Schedule, which deals with the payment of lump sums for permanent and total incapacity. In some cases where a worker has accepted a lump sum payment under Clause 10 of the First Schedule in redemption of all future liability by the employer, the employee has later on discovered that the injury has been aggravated. The lump sum that he received subsequently was entirely inadequate. As the comprehensive amendment indicates, it is proposed to grant to the injured worker a measure of protection and provide that if he receives a lump sum—we will assume it is £200—and it is found that his injury has become worse, then regardless of his signing the agreement he shall not be deprived of any further rights.

The Attorney General: I can see that, but if his injury gets better and is not as bad as it was originally, do you think—

Mr. W. HEGNEY: I will ask the Attorney to pause for a moment while I give an illustration, and he can then ascertain whether the disability has any chance of becoming better. Let us assume that a worker has had his hand severed at the wrist and receives a lump sum of £300 or £500 as the case may be and signs an agreement, with his left hand, to forgo all rights under the Workers' Compensation Act! After six or twelve months the injury develops to such an extent that the worker has to have his arm off at the shoulder. Now, can his hand get any better?

The Attorney General: Not in that case.

Mr. W. HEGNEY: According to the agreement he has signed, he has no further rights under the Act, after his arm has been amputated at the shoulder. All my amendment seeks to do is to ensure that if he receives £300 compensation for a disability such as I have outlined he will not be entitled to further compensation until 50 weeks have elapsed, assuming he was entitled to receive £6 per week compensation. That is desirable protection in an Act of this nature because, whilst the medical officers endeavour to give faithful service and whilst they cannot forecast what may happen in six or twelve months' time, they must grant a certificate in the light of the circumstances which exist at the time of their examination of the worker. But if circumstances which cause his injury to become worse, arise over which neither the employer nor the worker has any control, the worker should not be debarred from further compensation. That is the intent of the comprehensive amendment that I have placed on the notice paper.

I mentioned earlier that I hoped to show, by comparison, that many of the major provisions contained in the Bill are conservative—and I do not use that term in a critical sense—compared to the provisions contained in Eastern States' legislation. I have gone to the trouble of compiling a table of the compensation payments granted in other States of the Commonwealth to serve as a comparison with our own legislation. In our Act, under the definition of the term "worker" the maximum amount allowable is £750 and the Minister has suggested that it be raised to £1,000. We ask that it be increased to £1,250. Without reading all the figures, I would like to point out that in all the other States of the Commonwealth the definition of the term "worker" embraces anyone who receives a yearly income up to £1,250. In fact, in Tasmania, by an Act passed during the last six weeks, £25 per week, or approximately £1,300 per annum, is regarded as the limit of remuneration for a worker.

I come now to the maximum compensation amounts that are paid in the different States. In this State it is £1,250. The Bill proposes to increase that amount to £1,500. In all the other States of the Commonwealth the amount provided is £1,750, with the exception of New South Wales which provides for a maximum payment of £2,000.

The Attorney General: What about Tasmania?

Mr. W. HEGNEY: I said that all the other States of the Commonwealth, with the exception of New South Wales, provide for a maximum amount of £1,750. In fact, only in the last few days, I have received a copy of the workers' compensation legislation in South Australia and that Act provides for £1,750. Where death results from an injury the total amount for dependants is £1,000. The Bill provides for £1,250, but in South Australia the amount is £1,500, in Victoria £1,400, Queensland £1,500, New South Wales £2,000 and in Tasmania £1,750.

For dependent children the amount provided in Western Australia is £25 and I am pleased that the Minister is going to increase that figure by 100 per cent in the Bill. In all the other States, with the exception of New South Wales, £50 is the figure; in New South Wales, £75. The allowance for a wife is £1 per week in Western Australia. The Bill provides for the payment of £1 10s. per week and we are asking for £2 per week. In all the other States, with the exception of New South Wales, it is £1 10s. per week and in New South South Wales, £2 per week. In this State the allowance per week for each dependent child is 10s. per week. No alteration of that amount is proposed in the Bill. South Australia, Victoria and Queensland provide for a payment of 10s. per week to each dependent child, and in New South Wales and Tasmania 15s. per week is allowed.

In regard to weekly payments to the injured worker, the present Act in this State provides for 66-2/3rds per cent. of the worker's average weekly earnings, with a maximum of £6 per week. As I mentioned earlier, we are hoping that the payments will be increased to 75 per cent. of the average weekly earnings, with a maximum of £12 per week. The South Australian legislation provides for a maximum of 75 per cent. of the worker's average weekly earnings, with an average of £10 per week. Recently, Mr. Playford introduced a Bill in the South Australian lower House containing a provision for a maximum payment of £12 per week, but in the copy of the legislation I received the other day I noticed that the amount had been decreased to £10 per week by the Legislative Council in that State. Victoria provides for a payment of £5 10s. per week compensation, and a worker can receive an amount up to the maximum of his average weekly earnings. That is to say, if his earnings were £700 per annum, he would be entitled to receive compensation at an amount per week based on that figure.

In Queensland the same provision obtains, with the exception that the basic wage variation is applicable to the amounts payable. In New South Wales 75 per cent. of the average weekly earnings or £5 15s. per week is payable to the worker. The maximum is £9 per week subject to the basic wage variations, but there is no time limit for compensation payable in that State. The worker is entitled to receive his weekly compensation for an indefinite period. In Tasmania the amount is based on 75 per cent. of his average weekly earnings or £6 per week. Those are the main provisions of the Acts operating in other parts of the Commonwealth.

I now come to an important feature. The Bill makes no provision for it but I hope the Minister will examine what I am about to say, make any inquiries that he may think fit and, if he considers that I have made any mis-statement, I am prepared to withdraw any request that the provision I am going to mention should be included in the Bill. Then there is the position that arises when a worker dies as a result of an accident. Our Act at present provides for a maximum of £1,000 compensation in the case of death and, if the worker receives, we will say £300 by way of weekly payments, his dependants only get the balance. If he receives during his lifetime, as a result of injury, £700, the dependants would only receive the balance. In the other Acts I find with regard to compensation—and we have included this provision in our amendments—that in South Australia it does not matter what payments are made to the injured worker during his life-time, on his death—if death results from injury—the widow dependant must receive a minimum of £500 plus £50 for each child under the age of 16.

In Victoria no weekly payment received by the injured worker before death is deducted from the lump sum paid to his dependants. In Queensland we find that weekly payments are deducted but a minimum of £300 must be paid to the dependants; in New South Wales no lump sum payment prior to the worker's death is deducted when payment is made to the dependants; in Tasmania no amount paid or payable to the worker before his death is deducted from the lump sum of £1,750. That will show the trend of compensation law in the Eastern States and I hope the Minister will agree to allow the provisions I have placed on the notice paper to be written into the Act. Those are the main amendments to which it is hoped the Minister will agree.

I would again appeal to members opposite to view a measure of this nature not from the angle of pounds, shillings and pence, but from the viewpoint of humanity.

The Minister will not seriously contend that industry cannot stand the increased cost by way of premiums, because in the last 12 or 18 months the premium rates committee has reduced the insurance premium by 25 per cent. I do not think the premiums will need to be increased to any great extent if all the provisions I have mentioned by way of amendments were to be incorporated in the Bill before the House. The Act that was passed in 1948 to a great extent only brought up to date the weekly and lump sum payments as contained in the Act that was passed or amended in 1944 when the changes in the purchasing power of money were taken into account and, as I said earlier, on that occasion the lump sum payment was increased from £750 to £1,250, when the basic wage had only increased by 16 per cent. over a period of three or four years.

The measure we are now considering only seeks to increase the lump sum payment by 20 per cent. and the Second Schedule payment by 20 per cent. when the basic wage from 1948 to the present time has increased by over 70 per cent. As I said earlier, the Premier has budgeted for an amount of £1,250,000 on account of the increase in the basic wage for the year ending 30th June, 1952. That surely must be an indication to the Government that the basic wage is going to increase to a large extent during the coming months. With all the vigour and sincerity I can command I say that if the Bill as now introduced is going to be passed without any major amendments—such as these I have indicated—the workers in Western Australia are going to be done a serious injustice.

The basic wage will increase and the purchasing power of money will decrease, and men on the Goldfields who are receiving the basic wage plus £2 gold industry allowance—and many men get margins over that figure—and are keeping wives and families will, if they meet with an injury, drop back to £8 a week. It is not fair. If any Government in this State desires to obtain the goodwill and co-operation of the worker in this country; if it desires to demonstrate that it regards the worker as something human rather than so much of a trade expense, then it should, without being fantastic, not only introduce a measure which will bring the Act up to present-day requirements, but also visualise what is going to happen during the next 12 months.

I do not mean to criticise the Government for not controlling the increase in the basic wage. I am merely trying to fix attention on the fact that the basic wage will increase and, if this measure is passed with a maximum of £8 a week and a lump sum of £1,500, the workers will have been done a disservice, because once it is passed it will be at least 12 months before the Act can be amended. I think the Minister will agree with me on that point. I hope he will give serious consideration to the proposals which have been submitted for the consideration of the House. They are not extravagant amendments and I have only endeavoured to take a cross-section of the position in the Eastern States.

The Attorney General: And you have chosen the maximum in each case.

Mr. W. HEGNEY: I am glad the Attorney General made that interjection, because I want to focus his attention on the fact that if the trend of the cost of living continues in an upward direction I have no doubt that the Parliaments in the Eastern States will again increase the provisions set out in their Acts.

The Attorney General: Next year.

Mr. W. HEGNEY: Very well; the amendments I have placed on the notice paper provide not only for today but for the next 12 months and, if they are passed, I feel sure the workers in this State will not be ahead of those in the Eastern States. If it is considered on a cross-section basis the measure of injustice meted out to the workers will only be what they deserve, having regard to the circumstances within the next 12 months or two years. I support the second reading, and hope that in the Committee stage the Minister will take into account the remarks that have been passed and will not seriously oppose the amendments that have been placed on the notice paper.

MR. LAWRENCE (South Fremantle) [12.0]: I feel that I must comment, even though my remarks may be caustic, on the Bill as introduced by the Attorney General. I desire to impress upon members the fact that today the matter of compensation for workers injured in industry has become a very serious social problem. When I look at the provisions of the Bill, I feel sure that the Government does not know just what a problem it has become. If it did, the amendments embodied in the measure would be much more favourable, and it would have taken greater steps than have been apparent in the past to have a full inquiry conducted regarding the Workers' Compensation Act as it affects employees in various industries. Furthermore, it would have given the whole subject more serious consideration than has been apparent so far. The Act was last amended as far back as 1949. Since that date, workers injured during the course of their employment have been asked by the Government not to live, but to exist on £6 per week, which, I feel sure the Attorney General and members will unanimously agree, is totally impossible for men to do.

There are many and varied reasons why the principal Act should be amended; I do not mean to the extent that the Bill deals with the position, for it is only fair and just to the workers in industry that it should be amended much more drastically than the Government proposes. It

must be clear to members generally that the intent of the Act is to protect the worker who has been injured in his or her employment, in order that justice may be awarded to the person concerned and that the best medical treatment available may be afforded so that his or her ultimate recovery may be assured. If full recovery from the effects of injuries so sustained is not possible, then the worker should be paid a sum of money that would not only compensate him for the injuries received, and the discomfort he has suffered during his incapacity, but would allow him to rehabiltate himself in some lighter form of employment or a small business in which he could invest his lump sum payment so that, if he were a married man, he would be able to maintain himself, his wife and family on some reasonable basis of economic security.

I fear that the Government is also at fault in not realising that in these days industry has certainly taken an upward trend with the installation of machinery, and consequently has overlooked the fact that many more accidents occur today than were apparent even three years ago when the Act was last amended. There is no doubt that machinery takes a foremost place in the operations of the majority of the industrial ventures in this State, and therefore it is only to be expected that more accidents will occur in factories, mines and industry generally. It must be obvious in the circumstances that the matter of workers' compensation, from the standpoint of the social evils involved, must be considered more fully and given closer study than it has received in the past.

Dealing specifically with the Bill, I find that there are three main requirements that must be fulfilled before the worker becomes entitled to compensation payments under the Act, and I shall enumerate them. Firstly, he must be a worker within the meaning of the Act. Secondly, he must have sustained an injury arising out of an accident that arose during, or in course of, his employment. Thirdly, a medical officer must furnish a written report that the injury sustained was due to the accident caused in, or by, his employment. To discuss these three questions in turn, I find that the definition of "worker" in the present Act specifies that the man who comes within the ambit of the legislation, must, broadly speaking, earn less than £750 per annum.

The Bill indicates that, in the opinion of the Attorney General, that amount should be increased to £1,000. I must strongly disagree to that suggestion on a matter of principle, because today in industry and in ordinary types of employment such as clerical and other similar sections, many workers earn more than £750 per annum. In fact, it is common for them to receive salaries of £1,000 per annum. Many are employed in more laborious industries, such as mining and waterside work. I know for a fact that in those two industries many workers earn over £1,000 a year. Even though they are workers in every sense of the word, they are denied the right of coverage under the Workers' Compensation Act.

I have interviewed various employers and have gone so far as to approach seven insurance companies that carry liabilities under the Workers' Compensation Act, and I found they were unanimous in the opinion that we should model our workers' compensation laws on the New Zealand Act in regard to the definition of "worker." The legislation in that Dominion stipulates no maximum earnings that a worker may earn. In effect, it means that so long as a man is employed, naturally by an employer, and he is injured in the course of his work, he is entitled to coverage under the Workers' Compensation Act there.

Managers of these firms have told me that quite a number of people permanently employed by them receive salaries in excess of the £1,000 per annum proposed by the Bill. If those men were injured in the course of their employment, what would be their position? The Attorney General does not reply. They are workers, and yet they would be denied any rights under this legislation. They would just fall by the wayside, and the Lord help them! It must be evident to the Minister that the Bill does not propose a fair deal for such men.

I think it was the Minister for Housing who, when introducing another measure, said that carpenters were earning much over the amount stipulated in the Act in question, and therefore the ante should be increased. This applies not only to clerical workers but also to carpenters, wharf labourers, engineering employees, seamen and men engaged in quite a number of other industries. When we consider the control that is exercised over industry by the Commonwealth Government and the fact that the basic wage seems destined to increase, if we accept the terms laid down in this Bill, we shall probably find that in 12 months most of the workers in this State will be outside the ambit of workers' compensation.

In this evening's paper appears a statement that a basic wage rise of at least £1 a week in February is suggested by data to be submitted to the Federal Government in Canberra today. This will mean at least another £50 per annum added to the earnings of workers as from the first quarter of 1952. An employer admitted to me that he had a worker receiving £740 per annum, and insurance under the Act cost approximately £23 or £24 per annum. The employer raised the salary of that employee by £11 per annum, making his total £751, which placed him outside the scope of the Act so that in his case insurance became unnecessary.

Because he gave that employee an additional £11 per annum, the employer saved an annual outlay of £24 for insurance, or a profit to the employer of £13 a year. Consider the effect if an employer had 100 workers in his factory! On that basis he could save himself £1,300 a year. I am not suggesting that every employer would act in that way, but members know that in some cases it would be done and that the workers would not be protected. This example shows that the definition of "worker" contained in the Bill could impose upon employees a serious injustice.

Let me bring the matter nearer home I consider the Attorney General to be a very good worker who draws salary as a worker. Suppose he met with an accident, he would, because his salary exceeds the limit laid down, be outside the ambit of the Act. Does not he consider that he would be entitled to some recompense if he were injured in the course of his employment? Or would he consider it fair and just if he had to pay his medical expenses and received no salary?

The Attorney General: I would get mine.

Mr. LAWRENCE: That is exactly what I wanted the Attorney General to say. He would receive his salary, I shall not say as a matter of charity, but by the grace of the Government.

The Attorney General: Nearly everyone on a yearly salary, not a daily wage, would be paid.

Mr. LAWRENCE: Suppose the Attorney General had a serious accident and was unfit for work for 12 months. I am sure he would not suggest that such a happening could not occur. It does occur; of that I shall give concrete examples presently. This is one reason why I fear that the Government and the Minister have not given this Bill full consideration, but have treated it as a measure affecting workers for only a short space of time. I shall produce figures over the signature of the Australian Stevedoring Industry Board dealing with that point, and shall be prepared to lay the information on the Table of the House.

I was suggesting that the Attorney General might have an accident in the course of his employment that would render him unfit for work for 12 months and that he might have to pay his medical expenses and not receive any salary. I can quote cases where that has happened, but there is nothing in the Bill to rectify that state of affairs. I reiterate my previous statement that this matter has not been considered fully—far from it.

The provision in the Bill relating to a worker travelling to and from his place of employment is worthy of commendation, and it is not hard to explain why it should be commended. To the best of my knowledge, all the States of the Commonwealth and the Dominion of New Zealand have had a similar provision in their legislation for some time. However, there are certain words in that provision with which I disagree and about which I shall have something further to say when the Bill is in Committee. The Government does not seem to realise the seriousness of the position into which an injured worker is forced when he is compelled to live on £6 per week. The situation is especially serious when he is a married man with two, three, four, five or even 10 children, and is forced to attempt to sustain himself and his wife and family on that mere pittance.

The last amendment to the Workers' Compensation Act was made on the 8th April, 1949, when the weekly compensable payment was raised from £4 10s. to £6. Now, after these men have suffered untold worry and want over a period of 2¾ years, the Minister has the temerity to offer them only £8 per week. Let the Minister cast his mind back to the basic wage rate for male workers in the metropolitan area on the 8th April, 1949. It was £6 4s. 9d. per week, which meant that the worker who was on compensation was receiving only 4s. 9d. per week less than the basic wage. The Minister now offers the injured worker £8 per week, which means that instead of receiving only 4s. 9d. less than the basic wage he will receive £2 5s. 8d. less.

It is the considered opinion that the basic wage will increase again by £1 next February, so that the injured worker will then be receiving £3 5s. 8d. less. God only knows how far he will be behind in the future if the present Government is in power and its attempt to amend the Act is as belated as it has been on this occasion. It will be impossible for the worker on compensation to live. It is all right for the Government to sit back and say, "You will get by on it." As has happened in many cases and will probably happen here tonight, the Government will not realise that these things exist till the chopper falls.

When he thought out this provision, I guess the Attorney General had never been to see any of the people who have tried to exist on this meagre weekly payment. Still he must have realised that they have been under a grave disability or he would not have increased the amount. But they are now being subject to a worse penalty than has been the case for the last two years and nine months. It is totally unjust, and I hope the Minister will consider making some amendment to the provision.

I do not know whether the Attorney General has given any thought to the matter of a sliding scale for married men and single men. If so, he certainly did not

mention it when introducing the Bill. It is a matter to which a lot of thought could be given. I feel shocked that the Minister has seen fit to recommend such a miserable increase in the weekly payment. He and the Government believe in arbitration and conciliation. Statements appear daily in the Press from the Commonwealth Government and the State Government telling the working class—that is, the people who are liable to injury in employment—that they should abide by Arbitration Court decisions. But the Government is not prepared to back its words by seeing that the weekly payment for an injured worker shall be the sum laid down by the Arbitration Court as the lowest on which the worker can live per week. If the Minister is able to bring forward any argument in support of the Government's not making such a provision, instead of being hypocritical about it, I would like to hear it.

I know the Government will say that workers obtain compensation in order to have a loaf. But, believe me, in these days when it costs the family man £11 or £12 a week to live—and there are not many luxuries attached to that type of living—a man does not willingly put himself in the position of receiving a miserly sum of £6, which necessitates his drawing on the slender reserves he has built up from his labour. It must be evident to members of this Chamber that the weekly payment should be at least equivalent to the basic wage, together with a rise and fall clause.

The amounts for total and permanent disability are absolutely inadequate and I can quote many cases to support that contention. Unfortunately, the Minister has seen fit to regard compensation cases as being always of short duration, but I assure members that many are of long duration. I will quote a typical example to demonstrate that the Act does not provide fair coverage in this regard. But before I do so, I have papers here that I will make available to the Attorney General. They show that for the week ended the 17th August, 1951, the estimated daily average number of persons on compensation on the Fremantle waterfront was 29. For the week ended the 21st August, the figure was 30. For the week ended the 31st August, 1951, the daily average on compensation was 30 men; for the week ended the 7th September, 1951, the daily average was 32; and for the week ended the 14th September, 1951, the estimated daily average was 31. This is not to say that we had that number of accidents per day, but it does prove that we had this many cases of long duration because, whilst we might have three or four new accidents a day, there would be three or four men going off compensation.

The other 28 would be men who had been on compensation for as long as three or four years, and were still under medical care. This is conclusive proof to the Minister that at no time must he consider these cases as all being of short duration. To quote a typical example of how the present Act is unjust to the worker, and how the amendments proposed in the Bill will still be unjust, I would like to refer to the case of one, William Walter Turner. I have here his form 22A. Turner was working for the Commissioners of the Fremantle Harbour Trust. He was aged 46, and had an accident. At the time of the accident he was earning £9 13s. 4d. per week. Turner was injured on the 13th October, 1948, and was on compensable weekly payments to the 31st July, 1951, at the rate of £6 per week, which means that he received a total of £837 18s. When it was found that no further medical aid would help him the percentage of his disability was assessed, and the agreement reads as follows:—

> The claimant was unfit for work from the date of the accident and received compensation payments until and including 31/7/1951. This man's permanent disability has been assessed at 80 per cent. loss of use of the right leg. On that basis he would be entitled to £748. As Turner has already drawn £837 18s. by way of weekly payments, the balance remaining out of the £1,250 (maximum) is £412 2s.

This is a typical example of where the Act is most unjust, yet the Attorney General has not seen fit to increase the amount to any great degree. This case shows that whilst the employee has been assessed by specialists as suffering an 80 per cent. total incapacity of his right leg, and was entitled to £748 to rehabilitate himself in life, he was given a paltry £412. This means, in effect, that he lost 50 per cent. of what he was entitled to. The compensation he received brought him back to a 30 per cent. disability even though the medical evidence said he suffered an 80 per cent. disability. This is proof that the Act itself assesses a man's disability and not the medical evidence; yet we find that by the Bill the Attorney General proposes that a board of specialists shall be set up. But if a board of specialists decides a man's incapacity and what he is entitled to, the position will be that the Act will say, "He is not entitled to it and cannot get it."

This case is just one of many. I point out that not only did this happen to the poor unfortunate fellow, but at the end of the last 12 months, when he was being paid £6 a week, he got a bill from the Taxation Department for £14. Had I not taken action in the matter on his behalf he would have been summonsed. Further, on the question of financial payments to workers, I shall quote figures given to me by the Attorney General in answer to questions I asked in the House on the 5th September, 1951. I asked the Attorney General what profit or surplus

was made by the State Insurance Office on workers' compensation for the annual periods of 1946-47; 1947-48; 1948-49; 1949-50 and 1950-51. The Attorney General replied that for the years I have stated the general accident surplus was £39,327; £47,165; £80,630; £92,148; and £77,608. In the industrial diseases section there were, for the first two years, deficiencies of £57,538 and £32,174 respectively. For the three remaining years the following surpluses were recorded, £34,472, £54,355 and £108,711. This footnote was added to the Minister's answer—

> The industrial disease surplus is not a true surplus and is transferred to a specific reserve and held against the huge potential liability for claims not yet notified.

Therefore, let us discard the profits, or the surplus which is a profit, for those years on the industrial diseases section and reflect on the general accident section. We find here that the total surplus or profit for the five years is £336,878. And out of that we could hazard a close guess that there would be nearly £200,000 profit in the general accident fund since the last amendment was brought down by the Government. Yet during that period we have seen no raising of the ante and no rise in the weekly compensation payments. I will be interested if the Attorney General can tell me where that profit has gone. That is further proof that the Government has not been doing its job in this regard, and I am more than ever convinced that that is the case because when I have asked questions on this matter the Attorney General has not been able to give satisfactory answers.

When I asked what was the number of employees dealt with by the State Government Insurance Office for the periods mentioned, the Attorney General replied that the information was not available because no record was kept of the number of employees insured. He said that many employers do not show the numbers on the form furnished by them. I can understand that, to some extent, but when I asked what was the number of the employees who received weekly compensation payments from the State Insurance Office under the Workers' Compensation Act, for general accidents and industrial diseases, in the annual periods 1946-51, the Attorney General said that the figures were not tabulated and that he therefore regretted being unable to supply the information desired. That shows that the State Insurance Office is not run on a proper basis.

If I was making weekly payments I would certainly keep a record of the people I paid the money to and would consider it a matter of elementary book-keeping. The reason why I have raised those last two questions is that £200,000 profit has been made since the last rise and the Attorney General has not told us what has happened to it. When amendments are brought forward during the Committee stage I hope, therefore, that he will give them serious consideration. In Clause 6 of the Bill we have the provision relating to hernia cases and I think it simply adds to the general misunderstanding of what is contained in the Act. Its only outcome will be that litigation in this regard will be more frequent than it was before. As a member of the legal profession, the Attorney General must know that lawyers —I have been to two or three of them— are never keen to take on cases where hernia is involved. The whole of this patch-work amendment is a disappointment to me.

The original Section 10 of the Act proved a dismal failure and gave rise to continual litigation. Even with the large number of cases that have come before the Workers' Compensation Board on this question, only a few have been clarified, as can be verified from the records of the board. This provision should be scrapped and a new section inserted if it is the desire of Parliament to have a special section dealing with one disorder, though why that is necessary is beyond my comprehension. As I have said, there was too much litigation following the 1948 amendment and this further proposed amendment will, if agreed to, only create more trouble. The effect of this provision would be that every worker would need to be provided with a copy of the Act.

As the member for Mt. Hawthorn pointed out, it is often impossible for a worker to know that he has contracted hernia and especially clinical hernia. It is only a matter of a slight strain and the abdomen wall may be ruptured sufficiently to allow a very small protuberance. The worker may not feel any disability until perhaps a month later when, as the result of a further strain, the rupture of the tissues increases and the lump becomes more apparent. When he reports it after the second accident—not knowing that he has had a first accident—this provision will debar him from compensation and that will cause still further litigation. The provision could be made much more simple and I think the Attorney General should give that aspect consideration when the Bill is in Committee.

I do not think the question of election has been fully dealt with in the Bill. Under the Act at present if a worker injured in the course of his employment elects to accept weekly compensation payments he immediately denies himself the right to proceed by civil action, even though the employer, through negligence, may have caused him serious injury. However, because he can proceed at civil action, which he does so elect to do, and he loses his case, that does not deny him the right to proceed to receive weekly compensable payments. I cannot, for the life of me, see why that section is allowed to exist in the Act; I would like the Attorney General to

explain that to me. I have a perfect case at the moment which concerns one, J. J. Murray who fell down the hatch of the "Kooringa" some two and a half to three years ago. He was a leading sportsman in this State and, because the employer was absolutely negligent and did not carry out the navigation loading and unloading regulations, the accident happened; the hatches were not covered when the ship was not working. Because Murray's wife, while her husband was in a semi-coma, went along and accepted £6 a week, Murray was denied the right to proceed at civil action. If he had proceeded, he would probably have been awarded many thousands of pounds in damages. The upshot was that Murray finished up by getting the grand sum of about £227 because he had been receiving weekly payments.

The point that the Attorney General should consider is that if a worker is injured during the course of his employment owing to the gross negligence of his employer, under the Act as it stands, if that employee wishes to proceed at civil action, he cannot accept weekly compensable payments otherwise he is denied the right to proceed. Before he can go to the court to claim damages he must, to some degree, be recovered from his injuries so that he can be assessed as to the disability incurred by the accident. That could be a period of 12 months and because he wants, and is lawfully entitled, to proceed at civil action, he cannot claim a compensable weekly payment. Therefore he, and if married, his wife and children, must live on nothing for 12 months because he cannot receive the £6; if he does so, that denies his right to proceed at civil action. I do not know whether the Attorney General has considered that question.

Then we find that the Attorney General has not made much effort on the point of agreements. This is a most important aspect today. Where a worker signs a memorandum of agreement he denies himself any further right to proceed against the employer for compensable payments. The case I have already quoted could be used again because when Murray eventually signed his memorandum of agreement—and I distinctly remember the wording of it—he accepted that sum of money and all medical expenses were paid. The fellow accepted that in good faith and, after a period of four months from the signing of the memorandum of agreement, Murray received a bill for £45 15s. for medical expenses which were in excess of the £100 allowed under the Act. Murray was placed in the unfortunate position that because he had signed that agreement he was denied the right to proceed further against the employer for any medical expenses. If he had only known, or the employer had told him, that these amounts were outstanding he could have got a further extension of £50.

I approached the board, and under Section 15 (1) (e) of the first schedule it agreed to withdraw the memorandum of agreement. I might point out that application can be made to the board only within a period of six months after the agreement is signed. That was done and the board ordered that the £45 15s. be paid by the employer. But Murray is in the unfortunate position, again, that because the memorandum of agreement was withdrawn he has had a summons from the solicitors appearing for the company to repay the amount of settlement—that is the lump sum settlement given to him to compensate him for his total or partial incapacity. That was just one further example of agreements.

I have another typical example of the inadequacy of the Act, and its looseness, on this point. There was the case of J. A. Anderson who received a sum of approximately £250. I am sorry to say that this worker has been for two and a half years totally and permanently incapacitated—that is to say he will never work again. He cannot get a further penny to help himself or his wife and family because he signed an agreement. I have a letter from Anderson which reads as follows:—

> Dear Sir,
>
> I hereby make application for a list to be taken up on my behalf owing to the fact that I have reached the end of my financial tether. Main reason: four months' work in two and a half years. Total income is £2 10s. social services with which I have to maintain six children and a wife. Yours sincerely, Jack Anderson.

I know this case personally. I think the Attorney General would do well to go to the board and find out about some of these cases, because I feel sure that while he is sympathetic towards a genuine case, he does not know of other bad cases that exist. Therefore, I consider it his duty, and it behoves him to do something about the matter. On the point of agreements, we find that in the annual report of the chairman of the Workers' Compensation Board, as at the 30th June, 1951, he has this to say—

> The number of agreements lodged with the registrar for recording totalled 590. Of this number five were as at the 30th June, 1951, held pending expiration of the time allowed for objection and 10 were rejected because of objection by a party, and withdrawal prior to recording. Each of the agreements was scrutinised by the registrar in the first instance and in a number of cases agreements were amended at his suggestion. In 10 cases only the registrar found it necessary to refer the agreement to the board.

The number of agreements filed showed a slight reduction on the preceding year, and the reason for this was the growing resistance of workers to enter into them where they contain what are considered to be inequitable waiver provisions. I feel that it would be unfortunate if the useful function of agreements were lost because they effect less than justice in a few cases and a possible remedy would be statutory provision for the board to review the terms of an agreement in the case of a recurrence or deterioration of condition in the same manner as it can its own award, all or any provisions for the discharge of waiver of future claims contained in the agreement notwithstanding. This should satisfy the present objections raised by the workers' organisations.

Mr. Marshall: What are you quoting from?

Mr. LAWRENCE: This is the annual report of the Workers' Compensation Board for the year ending the 30th June, 1951. On the words of the chairman, it must be evident to the Attorney General that he should do something in this matter. There are many other points relating to the provisions of the Bill which I could raise, but I do not wish to take up any more of the time of the House. I appeal to the Government to consider these matters carefully. It should go out and inquire into the seriousness of the problem and the number of cases that arise. It would probably surprise the members of the Government to know what a serious problem has arisen in this State, and how much more serious it will become in the future if proper steps are not taken to remedy it.

Members may think I am exaggerating because I have picked out bad cases but, if necessary, I could stand here probably until 8 o'clock in the morning and quote case after case. Members who are concerned with trade unions and industrial organisations are only too willing, with myself, to bring these cases to the attention of the Attorney General and the Government, so that the problem that has arisen can be considered in its true and full light and that justice, in which I know the Government believes, can be meted out to injured employees. I sincerely trust that members will favourably consider the amendments that will be brought forward at the Committee stage of the Bill.

On motion by Mr. Moir, debate adjourned.

House adjourned at 1.3 a.m. (Wednesday).

Legislative Council

Wednesday, 5th December, 1951.

CONTENTS.

The PRESIDENT took the Chair at 2.30 p.m., and read prayers.

BILL—MOTOR VEHICLE (THIRD PARTY INSURANCE) ACT AMENDMENT.

Read a third time and *passed.*

BILL—ACTS AMENDMENT (FIRE BRIGADES BOARD AND FIRE HYDRANTS).

Second Reading.

Debate resumed from the previous day.

HON. H. S. W. PARKER (Suburban) [2.38]: I do not propose to oppose this Bill but I would like to point out that to me it is not quite fair. The contributions made to the Fire Brigades Board are as follows:—Two-ninths by the local authority; two-ninths by the Government, and five-ninths by the insurance companies. For some years there has been an argument as to who should pay for the installation of hydrants that are attached to water mains and now the Bill proposes that the Fire Brigades Board shall pay for all those hydrants which, in effect, means that the insurance companies will be paying five-ninths of the amount. When the insurance companies pay, it means that those who insure contribute the five-ninths and not the companies. These hydrants are for the benefit of the whole community and I think it would have been much fairer if the local authority had paid for them in view of the fact that they are for the general benefit of all householders in the particular district served, irrespective of whether they insure or not. People who do not cover up their possible losses by insurance have to pay nothing towards these hydrants which are, of course, paid for by the insurance companies. I think it should be borne in mind that the right thing would have been for the local governing authorities to have paid for the installation of