

Hon. C. G. LATHAM: Yes, we are experiencing a bad season. The fact remains that the coal strike did interfere extensively with industry in New South Wales, and the unemployment figures for that State are doubtless due in a large measure to that industrial upheaval.

The Minister for Labour: The Victorian and South Australian figures are high.

Hon. C. G. LATHAM: They are high everywhere, and they are not very satisfactory in Western Australia.

The Minister for Labour: Ours are the second lowest in Australia.

Hon. C. G. LATHAM: Queensland has the lowest figures.

The Minister for Labour: No, Tasmania.

Hon. C. G. LATHAM: Yes, that is so. I do not propose to delay members any longer. We shall have an opportunity to deal with the financial position when the Estimates are before us, and for that reason I have refrained from dealing with that phase.

On motion by Mr. Needham, debate adjourned.

*House adjourned at 7.45 p.m.*

## Legislative Council.

*Wednesday, 31st July, 1940.*

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

### QUESTION—RAILWAYS.

#### *Diesel Electric Coaches.*

Hon. H. SEDDON asked the Chief Secretary: 1, What was the total mileage travelled by Diesel electric coaches on each of the sections during the year ended the 30th June, 1940? 2, What was the total

number of passengers carried in each district? 3, What were the total earnings in each district? 4, What were the total coaching earnings, inwards and outwards, on the Kalgoorlie-Leonora-Laverton section during the same period? 5, What were the total coaching earnings, inwards and outwards, on the Kalgoorlie-Norseman-Esperance section during the same period?

The CHIEF SECRETARY replied: 1, 2, and 3—

Section.	Mile- age.	Passengers.	Revenue £
Perth-Merredin (main line) ..	49,686	13,574	5,602
Perth-Merredin (via Wyalkatchem) ..	64,178	12,688	7,164
Perth-Corrigin (via Quairading) ..	64,042	10,784	5,637
Perth-Katanning ..	67,078	15,419	8,338
Perth-Bunbury ..	11,158	5,316	1,600
Bunbury-Busselton and Northcliffe	29,728	14,617	3,855
Geraldton-Mullewa and Yuna ..	44,246	8,804	1,919
	330,116	81,002	34,115

4 and 5, The sectional earnings between Kalgoorlie and Leonora branch and Kalgoorlie-Norseman-Esperance branch are not recorded separately.

### QUESTION—PETROL RATIONING.

#### *Producer Gas Plants.*

Hon. L. B. BOLTON asked the Chief Secretary: 1, Is the Government aware that the harbour authorities refuse to allow trucks fitted with producer gas plants to enter the goods sheds at Fremantle? 2, Does the Government consider this is helping the proposed petrol rationing scheme being introduced by the Federal authorities? 3, Is the Government aware that the Underwriters' Association considers that no additional risk is entailed by the use of producer gas, inasmuch as no additional premium is required on vehicles so fitted? 4, If so, will the Government reconsider this decision in order to assist the drive for petrol rationing, and thus encourage further development of a local industry?

The CHIEF SECRETARY replied: 1 and 2, Yes; the Fremantle Harbour Trust Commissioners have restricted motor vehicles so equipped from entering the cargo sheds upon Victoria Quay, for the reason

that, until some greater experience is obtained in the matter of these vehicles it is considered that as these vehicles are also equipped for petrol consumption and thus convey both petrol fuel and a producer gas plant in operation, the combination of the two upon the one vehicle represents a serious risk when such vehicles are within a confined and very often congested area inside the sheds. This restriction, whereby such vehicles are not permitted to enter the sheds, does not disadvantage the owner of the vehicle so equipped in obtaining goods from, or delivering goods to sheds, but it does disadvantage the Trust to the extent that in all such cases it has to deliver goods to or receive them from the loading platforms of the sheds, whereas if this restriction were not imposed the vehicles could be brought into the sheds to a position nearer their cargo, and opportunities for the more convenient handling by this method occur to a considerable extent. 3, Yes. 4, This question will be reviewed by the Fremantle Harbour Trust after further experience.

#### COMMITTEES FOR THE SESSION.

On motion by the Chief Secretary, Sessional Committees were appointed as follows:—

*Standing Orders.*—The President, the Chief Secretary, Hon. J. Cornell, Hon. C. F. Baxter, and Hon. J. Nicholson.

*Library.*—The President, Hon. C. F. Baxter, and Hon. G. Fraser.

*Printing.*—The President, Hon. E. H. Gray, and Hon. W. J. Mann.

*Joint House.*—The President, Hon. J. Cornell, Hon. E. H. Gray, Hon. V. Hamersley, and Hon. G. W. Miles.

#### BILL—SUPPLY (No. 1), £2,500,000.

##### *Standing Orders Suspension.*

On motion by the Chief Secretary, resolved—

That so much of the Standing Orders be suspended as is necessary to enable the Supply Bill to pass through its remaining stages at one sitting.

##### *Second Reading.*

**THE CHIEF SECRETARY** (Hon. W. H. Kitson—West) [4.42] in moving the second reading said: This is a Bill such as

is usually submitted early each session to authorise the financing of operations until the Estimates shall have been passed. The Estimates are in course of preparation and will be presented to Parliament at an early date. The Government is making every effort to keep down expenditure as far as practicable, and the Treasury is scrutinising all accounts in an endeavour to economise wherever savings can be effected. The amount of Supply required is £2,500,000. This is similar to the amount asked for in the Supply Bill (No. 1) of last year, and is to cover a period of three months. The money is allocated as follows:—

	£
Consolidated Revenue Fund ..	1,700,000
General Loan Fund ..	500,000
Treasurer's Advance ..	300,000

The expenditure from Consolidated Revenue Fund for the first three months of last financial year was £1,745,511, which does not include expenditure under Special Acts such as interest, sinking fund contributions, etc. The provision from the General Loan Fund will be used to carry out essential works and at the same time provide as much employment as possible. The Treasurer's Advance is to provide funds to meet immediate requirements which, for the time being, cannot be cleared or charged to specific Votes. Last financial year it was estimated that there would be a deficit of £31,288, but the actual deficit amounted to £146,825. Details of expenditure are—

	£
Actual .. ..	11,266,768
Estimated .. ..	11,217,300

Increase on estimate .. £49,468

Details of revenue are—

Collected .. ..	£11,110,943
Estimated .. ..	£11,186,012

Thus collections were less than the estimate by £66,069. I move—

That the Bill be now read a second time.

**HON. J. J. HOLMES** (North) [4.46]: In compliance with the expressed wish of many people to shorten our debates, I propose, in speaking on this Bill, to dovetail some remarks that I had intended to make on the Address-in-reply. At the outset I should like to welcome the new members and endorse what has been said about them,

and also to express my regret for those who were not returned. The new members will realise the truth of what has been stated and what I believe to be correct—that amongst all the branches of the legislatures of the Commonwealth, this one is the best conducted.

This Bill is to grant Supply, but I gather from the remarks of the Chief Secretary that out of the £2,500,000 asked for, three-quarters of a million has already been spent. Thus we seem to be departing from the principle formerly taught that there can be no expenditure without the consent of Parliament. To-day we are asked to endorse the illegal expenditure of three-quarters of a million of money. The fact that other Governments may have acted similarly does not affect the position. I am afraid that unless Parliament closely scrutinises matters, its control of the finances will become even less than it has been in the past. In my opinion every attempt is being made to ignore Parliament. A perusal of the Lieutenant-Governor's Speech discloses how little it contains. If we refer to the Speech delivered for 1938-39, we find a record of what had happened in all directions, a record of the revenue and of the expenditure. This, I take it, is a document that goes forth to the world so that people who lend money to Australia may know how it is being expended. Yet there is nothing of any importance in the Speech to throw light on that matter. The only conclusion I can come to is that the Government has nothing of importance to report.

I should like to direct attention once more to the manner in which the finances of the State are drifting. I take the year 1935 as a basis, as I shall deal with the five-years period from that date. In round figures the public debt of 1935 was £88,000,000. In 1940 it was £98,000,000. So that we spent 10 millions of money. I wish to ask hon. members, if they travel this country, can they see where that 10 millions of money has gone to and what results we are getting from the expenditure? During the year 1935 the revenue was £9,300,000. In 1940 it was £11,100,000. There we have £1,800,000 increased revenue in 1940 as against 1935. And this I think worthy of note, that during the same period taxation receipts increased from £1,900,000, in 1935, to £3,000,000, in

1940. During that same period, I repeat, the annual revenue increased from £9,300,000 to £11,100,000, an increase of £1,800,000. We are told that this is balancing the Budget. The Budget has been balanced entirely by increased taxation. One thing we have been told by the Premier in his statement published in the Press recently is that it is impossible for the Government to increase its revenue by added taxation. So, during the five years period I have referred to we have carried on the Government by means of increased taxation, and that was in a time of peace; and now we are told by the Premier and Treasurer that there will be no additional State taxation in this time of war. How the Government proposes to carry on is a matter for it to set out and for us to accept. The Premier in his published statement prides himself on a deficit of only £148,000 for the last financial year. There would have been a surplus but for the fact that the measure dealing with traffic fees was rejected by this House.

There is one matter which the Premier did not disclose, and which the Chief Secretary today has not disclosed; and it is that receipts from taxation last year were £200,000 more than in the previous year. Nor have we been told by the Government that the interest bill for last year was £360,000 less than the previous year's bill, due to the fact of reduction in rates of interest. In considering these figures, let us remember that during a period of five years of peace some members have preached to the Government, have entreated Ministers, to take into consideration the fact that they ought to prepare for troubles which might be ahead. Western Australia has not yet felt the effects of the war, except as regards men who benefit by some of the unemployed enlisting and by additional Federal money being spent in this State. Of those of us who have warned the Government year in and year out to be prepared for the many emergencies that might arise, not one ever dreamt that the Commonwealth would be up against the difficulties confronting it today. Our job in the States, no matter what was said in the past, is to deal with the future and to assist the Commonwealth Government in every way we possibly can. We can, we must, and we will win this war if we all pull together. And we must win the war. We must have truth, justice and peace ruling throughout the world. I do not pro-

pose to enter into the controversy between Mr. Moore, Mr. Baxter and Mr. Cornell as to how the Empire has come to find itself in its position of today. That is a matter I do not propose to embark upon except to express my own views regarding it. I am not concerned as to whether the Empire's troubles are due to the fifth column, or whatever other factor. It is our duty, finding the Empire and the Commonwealth representing the Empire facing difficulties, to do our very best. Apart from maintaining our troops in the war, we have to keep the industries of this country going; for it is when the war is over that the pinch will be felt, when the soldiers are returning. We must then see that the soldiers are treated properly and that proper homes and positions are provided for them. Ours is a country of primary production. Everything in this State depends upon the primary producer. I admit that Mr. Hawke has endeavoured to establish secondary industries here; but Mr. Hawke has begun at the wrong end, and he has been told so. He has commenced by placing added impositions on industries, instead of relieving the industries. Take the State Arbitration Court award published yesterday. Take workers' compensation. With all these added imposts we shall never establish secondary industries in Western Australia. It is impossible for us to do so until the industries are relieved of some of their burdens. Once a week, as we know, a vessel arrives from the Eastern States carrying at least 4,000 tons of cargo on which I believe the lumpers at Fremantle work practically throughout the 24 hours. Work on the ship hardly ceases from the time that it berths until it is ready to go, and throughout the period it is discharging commodities that could be manufactured in this country. Unfortunately the opportunity is not given to those who would manufacture them to do so. The Minister for Industrial Development has commenced at the wrong end.

I trust that during the present session we will not be faced with a measure the effects of which will be to impose further taxation on industry, a measure similar to that which was put before us last year. Most of such measures have in the past been defeated and most of them will again be defeated. Mr. Hawke either does not understand the position or he does not know what is required. He approaches the manufacturer with a nice

story of what he proposes to do, and then comes to Parliament with Bills that bear the imprint of the Trades Hall. The salvation of this country is primary production. Unfortunately, however, the primary producer is facing increased cost of production, and the result is that he is getting starvation returns. If members do not believe that let them go into the country and see for themselves. Take the basic wage: In the metropolitan area we find it has increased 2s. 8d. That will be added to the cost of production, and the primary producer will have to meet the increased prices for his requirements. That brings me back to the point why the Empire is finding itself in the difficult position that is facing it to-day. Politicians and statesmen knew what was ahead of the Empire, but could not face the position. True, it must be said that when we are faced with difficulties we fight until we win through. We can bring that nearer home. During the last five years the Government has not attempted to face any of the difficulties that have presented themselves. The Government has allowed things to drift until I do not know what is going to happen to the country. The Premier states that it is not possible to impose any further taxation. I am satisfied that his Government cannot carry on if we judge it by its expenditure of the enormous revenue that is being received to-day. We have it in evidence from the Lieut.-Governor's Speech that the Government has no policy at all. I should like members to compare the Speech we heard read the other day with Speeches that have been delivered in the past on the opening of Parliament. The policy at the present time is one of borrow and spend. This will have to be reformed. In the past I have criticised the misdeeds of the Government and I have endeavoured to help when any attempt has been made to carry out anything in the right way; but when things are drifting from bad to worse it becomes our duty to draw attention to what is happening and to what is likely to follow unless the faults are remedied. This is largely the result of ignoring Parliament. There was a time when Governments came to Parliament with a schedule of Bills that it was proposed to introduce during the session. Members then knew and the country also knew what business was to be transacted

in the session, and it was only in exceptional circumstances that a Bill was submitted to Parliament reference to which was omitted in the Governor's Speech. Now what do we find? On the eve of the closing down of Parliament Bills are shot through another place and sent here to become law on the same day without the public being made aware of their contents. That brings me back to the point that everything that is being done holds Parliament up to ridicule. What the object of the Government may be in pursuing that line, I do not know.

Analysing the Speech with which the present session was opened, I am reminded of the story about the parson who was an eloquent speaker. His congregation argued as to whether he read his speeches or delivered them extempore. The parson asked his congregation to try him out on the following Sunday. When he entered the pulpit a members of the congregation produced a blank sheet of paper, which was to contain the text. The minister held up one side and said, "There is nothing there." Then he held up the other side and repeated that there was nothing there and announced, "Out of nothing the Lord made heaven and earth, and that will be my text to-day." When the Chief Secretary replies he will be able to tell us whether there is anything interesting in His Excellency's Speech. I do not propose to say anything further. I should like to vote against the Bill as a protest.

The Chief Secretary: You can take the risk if you like.

HON. J. J. HOLMES: We can do that. Sooner or later, however, the position may have to be faced. I sometimes wonder what would happen if Parliament refused to grant the £750,000 that has already been spent. I believe the excuse is that the King can do no wrong, but nevertheless the position we are in is very serious, the position of ignoring Parliament, and everything being done to make a rubber stamp of Parliament. Is it any wonder that Parliament stands as it does in the eyes of the public? I shall not vote for the Bill.

HON. A. THOMSON (South-East) [5.7]: Naturally, we all feel that the Government finds itself in a difficult position because of the trying times through which we are passing. Never in the history of the State, I suppose, has the position appeared

more difficult so far as industry is concerned. I am sure the Government must be experiencing anxiety in the steps it is taking to bring about an amelioration of the position. We are aware that our troubles are increased because of the difficulty of finance. On more than one occasion I have voiced my strong protest when asked to spend a considerable sum of money, as we are being asked to do now, in effect giving the Government a blank cheque. When he introduced the Bill the Chief Secretary said it was the usual practice to submit a Supply Bill at the beginning of the session, and that the Estimates were in course of preparation and would be presented to Parliament at an early date. Whether it is the usual practice or not, I do think we should associate ourselves with the statement made in another place, and which appeared in the Press to-day, that Parliament had little control over the finances. That is really the unfortunate position we are facing by continually adopting the practice the Government is now asking us to follow. In the present condition of world affairs we find that Governments of other countries have called to their assistance practical business men. Even the Commonwealth has found it necessary to appoint a man like Mr. Essington Lewis, as well as others, to take charge of very important undertakings. Personally I know of nothing that is of greater importance than that we should know how money that is voted by us is going to be spent. In this House and in another place the statement was made that the Estimates were in course of preparation and would be placed before members at an early date. The position, however, is that the Government has committed Parliament to the expenditure of a large sum of money and, like Mr. Holmes, I hardly know what would be the position if we were to refuse to agree to the passing of the £750,000 that has already been spent. I do not think anyone is desirous of placing the Government in any awkward position. I do think that it would be a very wise step for Parliament to refer these Bills back to the Government and request it to give us a statement as to how it is proposed to spend the money before we give our approval. Members themselves are responsible for the existing position. In this House and in another place I have, times out of number, advocated the appointment of a public works or a public finance committee. I know that one can re-

peat himself and make himself a nuisance, but at the risk of being regarded a nuisance I reiterate that if we had a committee that was placed in the position of scrutinising expenditure, I am certain that we would obtain better value and more satisfactory results than are being secured. At the close of last session we had quite an interesting discussion as to the most suitable site for new public buildings. The statement was made in this Chamber that, no matter what site was suggested, no unanimity would ever be reached. However, a joint committee was appointed consisting of men representing this House and another place and after consultation over the matter the members of that committee were able to arrive at a decision on a problem that had been declared to be impossible of solution.

Hon. J. J. Holmes: A unanimous decision.

Hon. A. THOMSON: Yes.

Hon. L. Craig: Had the matter been left to this House, no such decision would have been reached.

Hon. A. THOMSON: That bears out what I am saying. It supports my contention that the time has arrived when Parliament should endeavour to control the finances of the State by the appointment of a finance committee. If a joint committee could reach a unanimous decision, which the hon. member has stated could never have been reached by the House, I am justified in suggesting that the appointment of a finance committee would lead to a considerable saving of money to the State.

Hon. J. J. Holmes: I think I am voicing the opinion of that committee when I say that the members were of opinion that a number of matters could be settled in the same way.

Hon. A. THOMSON: That is my viewpoint, too, and I am delighted to hear Mr. Holmes make such a statement. My mind goes back to the time when the Bruce-Page Government was in power, after the last war. Large sums of money were being expended and schemes were being submitted throughout the Commonwealth designed to increase productivity and employment for the people. The Commonwealth Government appointed what was termed a Consultative Committee. The late Sir Charles Nathan, who was a member of this House, was on that committee, and I know for a fact that by its keen scrutiny of the various schemes outlined, the committee was able

to prevent the needless expenditure of a considerable amount of money. For instance, a plan was submitted by an engineer and approved by the Queensland Parliament which would have cost some millions to put into effect. The committee, however, was able to demonstrate that that expenditure was quite unnecessary. Considerable money has been expended in this State in certain directions, doubtless with the best of intentions on the part of this Government and previous Governments, but if we had had a committee of the type I am suggesting, it is possible that the money might have been spent more profitably in other directions.

The parlous position facing primary producers of this State has been touched upon by Mr. Holmes. I commend the Federal Government for appointing a committee to plan some forward scheme. I consider that it is absolutely essential not only in the interests of the primary producers of this State, but also in the interests of the State as a whole, that we should have a similar committee composed not merely of Government officials, who all too frequently can see problems only from an official point of view, but containing also business men, and men engaged in the industry. I suggest that such a committee should be appointed with a view to formulating some scheme for the development of primary industries, and to act in an advisory capacity to the Government. Not for one moment do I suggest that the Government is negligent of its duty, or that it is failing to do the best it can. So far as one can judge from the suggestions of the Government, however, I do not feel it will achieve all we would like to see achieved.

I intend now to touch briefly on the position of our secondary industries. I consider that Mr. Hawke and the Government are quite sincere in their desire to establish secondary industries in Western Australia. I do not doubt their sincerity for one moment. Last session, however, Mr. Bolton made an interesting comparison between the position in this State and in the Eastern States, and drew attention to the extra impost that was placed on industry here. That matter has been further referred to by Mr. Holmes. Despite the efforts of the Government, we have the sad spectacle of the closing down of a factory employing 30 hands. An announcement to that effect is contained

in this morning's Press. The machinery of that factory will be transferred to the Eastern States. I am not going to suggest that the Government has control over the Arbitration Court. No statement has been made on the matter so far as I know, but I wonder whether it is true that the Minister for Industrial Development has said, "If conditions are better than in Victoria, we must see if we can bring the Victorian conditions to the level of those in Western Australia." If that is the attitude of the Minister, I am not very hopeful about the establishment of secondary industries in this State. I agree with Mr. Holmes that, if new enterprises are to be encouraged and employment provided for labour, as far as possible there should be an endeavour to reduce the heavy impost placed upon industry.

Hon. G. W. Miles: The Government could amend the Workers' Compensation Act.

Hon. A. THOMSON: It could. I was amazed to hear Mr. Moore state that the Government had still to provide for 6,000 unemployed men. I hope that is not correct.

The Chief Secretary: It is perfectly true and the number is growing.

Hon. A. THOMSON: Well, it is an amazing position. Many men have been taken off the labour market by the Federal Government owing to the war, a large number has enlisted, and many have been absorbed in mining. In spite of this we are facing the problem of having to find employment for 6,000 men, the same as last year. That is a heavy burden to rest upon the shoulders of the Government and of the Parliament of this State. I wonder if the position can be remedied. Can we do something about it? All we know is that there is a certain Government policy. I do not charge the Government with forcing the observance of union conditions. Quite honestly, I do not blame union secretaries for seeing that awards are kept. That is only fair and just in the interests of those men who are obeying awards. I do not blame them for that. But I do wish that in view of the serious times through which we are passing we could establish a consultative council which would not be an adverse critic of the Government but would materially assist the Government in the performance of the huge task facing it.

Those of us who have been in Parliament for a number of years are aware that the passing of this Bill is an accepted practice. In my opinion it is a dangerous one. I once had the temerity to move in another place that the Estimates should be referred back to the Government. Of course, a good deal of political capital was made out of the matter. I was accused of trying to prevent men getting their wages, and so on. Nevertheless, I think that if Parliament is desirous of controlling the finances of the State, which it has every right to do, we should take action of that sort. I have voiced my protest in previous years about being asked to pass the sum of £2,500,000 (of which £750,000 has been spent) without having any details of the expenditure, and I do so again. All the information we have been given is that the Estimates are being prepared and will be submitted in due course. In the meantime Parliament is committed to the expenditure of £2,500,000 and has no idea as to how the money will be spent. I know that when he replies the Chief Secretary will give us all the usual departmental figures, and will say, "The hon. member knows that we have to spend so much in any case," but I do not think that any private firm would agree to the expenditure of such a large amount of money without some information as to how it was to be disbursed. Parliament should endeavour to obtain control of the finances. Like other hon. members, I realise that the Bill must be passed, though I think if I were in another place I would do as I did previously, namely, move that the amount be reduced or referred back to the Treasurer for further explanation. Having voiced a protest, however, I must reluctantly acquiesce in what has become an established custom.

HON. H. SEDDON (North-East) [5.27]: I would like to address a few remarks on the Bill. Dealing with financial matters, it gives us an opportunity to discuss an aspect of Government policy that we might otherwise touch upon in the Address-in-reply. This is the usual Supply Bill, but as has been pointed out, it is presented this year in very unusual circumstances. If there is one note that needs to be sounded today, it is that of conservation and the need for utilising all our resources in meeting the emergency with which we are confronted. The full figures

for the year have not yet been made available and consequently we are not able to criticise them or make the full comparisons we should like to make. What we know, however, is an indication that there is very little change in policy. As the Chief Secretary pointed out, the estimated revenue for the year was £11,166,012, whereas the amount received was £11,119,943, or £66,069 less than was estimated. In other words the estimate was out 0.6 per cent. The estimated expenditure was £11,217,300, and the actual expenditure was £11,266,768, a difference of £49,463 up, or just over 0.4 per cent. out. Those figures indicate that the officials of the Treasury have closely attended to their work in obtaining results which have been so near to their estimates, both in regard to expenditure and revenue. We have to recognise that they have carried out a heavy task with great credit to themselves. On the other hand, as has been said from year to year in this House, the expenditure is still leading in the Budget race. Although we have tried to raise revenue in the endeavour to overtake expenditure, the revenue has never yet been guilty of catching the expenditure, notwithstanding that we have sought out every source of revenue production, and explored and exploited every avenue. This House endeavoured to effect a check last session, and brought pressure to bear upon the Government to restrain its expenditure by refusing to pass certain Bills that were submitted with the idea of increasing the revenue. Notwithstanding this, the deficit remains. The figures achieved bring credit upon the Treasury. We have been told that the demands of the departments have had to be met and that services have had to be maintained, and that we cannot see any way of cutting down expenditure. We are at war, and war brings some very drastic and serious changes that would not otherwise be contemplated. Very drastic alterations will have to be made to meet the entirely new point of view. I would like to have seen some recognition by the Government of this change of affairs. Although, as pointed out early in the war, we are up against a foe that has marshalled all its resources, both economic and military, with the intention of overpowering its enemies and the British Empire, adjustments have not yet been made that might have been made in an endeavour to induce this country to face the

completely altered circumstances. One would be justified in saying that the people of this country themselves have shown a far keener appreciation of what is going to be demanded of them by the war than has so far been shown in the accomplishments of Governments.

The figures for the first month of the present financial year are not available so that we cannot make the comparisons with the months of July that we have been able to make previously. We know there will be a deficit for the earlier months of the year. This month in particular must be adversely affected by the fact that there will be a loss in receipts from collections under the new Income Tax Acts, because of the inability of the Government to collect revenue under those headings. With other members I was perturbed to hear of the large number of men on sustenance work. As has been said by Mr. Thomson, a large number of men have been absorbed by the military authorities, many have found employment in the mining industry and many have been interned. That should have affected the labour market to the extent that a considerable proportion of the unemployed should have been absorbed. On the other hand it is also obvious that industries have been affected by the war. The lack of shipping has had a material effect upon our ability to get our produce away. That has also affected industry, which has been slowed down or stopped because it is no longer possible to find markets for the goods produced. With the demands of war, that position is probably going to be worse. It would be interesting if the Chief Secretary could give us a report from the department indicating exactly what industries have been affected, and what is the composition of the 6,000 unemployed men.

Hon. J. CORNELL: The situation is not peculiar to Western Australia.

Hon. H. SEDDON: An analysis of the occupations in which these men were employed would be informative and valuable as indicating what changes are taking place. It might serve to show whether there was in Western Australia, as in the Old Country, what is known as the "hard core of unemployment." That consists of a certain definite number of people who are unemployable. I suggest that, if the Chief Secretary could arrange it, he might make available to



us information from the department concerned as to the number of men who are unemployed and what types of employment they were previously engaged in. The position does affect the State's expenditure. Apart from Loan expenditure, there must be a burden upon the State's revenue in providing for the sustenance of the dependants of the unemployed. The Arbitration Court has just announced an increase in the basic wage which has been arrived at as a result of the Statistician's figures that were made available to the court. Naturally rising costs, which are a concomitant of the war, are having an effect upon the cost of living. This is one of the reasons why the figures for the metropolitan area have risen from £4 2s. 8d. to £4 5s. 4d. a week, in the country from £4 3s. 3d. to £4 5s. 6d., and on the goldfields from £4 16s. 3d. to £4 18s. 8d. The change will be a serious one for the Government. We are told that the effect of the rise in the basic wage will be to increase the State's expenditure by £120,000 per annum. Here we have to show a certain amount of commiseration and sympathy for the Treasurer who has had this additional burden placed upon his shoulders.

The Chief Secretary: I am not sure about that figure.

Hon. H. SEDDON: I understood it was a Government figure, but I may have misread the Press reports.

The Chief Secretary: I saw the same figure.

Hon. J. Cornell: It would be interesting to know the effect upon the mining industry.

Hon. H. SEDDON: There will be an increase in the expenditure for the Government. I think opportunities for economy are being found in the departmental expenditure. I expect a great deal in that direction to come from the industrial research officer. Much attention has lately been given to the fuel problem, and I understand a lot has been done concerning the change over from petrol to producer gas. It would be a good thing if vehicles could use locally produced fuel. That would assist not only in conserving petrol supplies for the Air Force and defence generally, but would assist in keeping down the demands for overseas exchange.

Hon. G. W. Miles: It would also have the effect of reducing Government expenditure.

Hon. H. SEDDON: Although producer gas is a very much poorer fuel than is petrol, the running costs of a motor car using such gas are lower than is the case with petrol. I should like to see the question of fuel efficiency gone into a great deal further. That is one of the jobs of which the research officer might make a specialty. Assistance might also be given to the Commissioner of Railways to institute a certain amount of research work in connection with the railway system with a view to ascertaining whether it is possible to make use of gas power.

Hon. J. Cornell: We are miles ahead of the Eastern States in that respect.

Hon. H. SEDDON: That may not say so much for the Eastern States.

The Chief Secretary: We have carried out a lot of work in that connection already.

Hon. H. SEDDON: I am glad to hear that. Here is a chance for further investigation work that might result in much good being done for Western Australia. The Railway Department is the greatest spending department of the State. If its finances could be put on a sound basis by economies, better results would be reflected in the State returns. The question of road transport is so important that this matter should be further investigated. I trust the Government will make available to the department the necessary funds, and will set aside trained officers to go into the matter and see if something in this direction can be done.

Some of the railway figures are very interesting. From the 1939 report, the latest available, we find that the average mileage worked during that year was 4,376. The interest charges on the capital employed in the Railway Department amounted to over £1,000,000, the working expenses were £2,911,570, and of that sum no less than £2,208,390 comprised salaries and wages. In other words, 76 per cent. of the working expenses of the Railway Department comprised salaries and wages.

Hon. W. J. Mann: Is that all subject to the rise in the basic wage?

Hon. H. SEDDON: The greater part of that amount will be affected by the rise in the basic wage.

Hon. W. J. Mann: What proportion?

Hon. H. SEDDON: The greater proportion. Perhaps salaried officers may be adjusted at less frequent intervals than is the case with wages men, but all the wages men

would be affected. On the basis of the mileage worked, these figures come out as follows:—The interest per mile worked is £229; the working expenses per mile worked come to £665; wages and salaries come to £504 6s.; and fuel to £63 per mile worked. When one investigates these figures one finds that whilst the great proportion of them consist of fixed charges, the running expenses themselves can be varied. If we could have greater efficiency in the working expenses, the costs could be reduced. Let me illustrate that by referring to the Diesel electric coaches. They can be worked very much more economically than can steam trains, and the department has already benefited to a great extent in its coach traffic by the use of such rolling stock. When we examine the passenger side of the railway services, we see that in that section not only are the losses greater, but it is there that the greatest improvements can be effected. The details regarding the number of passenger journeys for the year are extremely interesting. A perusal of those particulars shows that the number of passenger journeys in 1939 represented the smallest since 1904 with the exception of 1932. That serious decline can be attributed to one factor only, namely, that the Railway Department cannot supply the public with an effective service in competition with road traffic that has grown to such vast proportions.

Hon. W. J. Mann: And better roads too.

Hon. H. SEDDON: Yes, and also neglected to provide quicker and more convenient services. There is also an important point to be discerned in the Diesel coach figures. Probably by further exploiting the Diesel coach system, the department could win back much of the traffic it has lost. In fact, I feel sure that if the department increased the number of Diesel coaches and provided faster and more convenient services, much of that lost traffic would be regained. I hope this phase will be gone into thoroughly by the railway authorities. Naturally the importation of Diesel coaches of the type now used on the railways is almost impossible at present, but it should not be beyond the capacity of the technical officers of the department to improvise some substitute that would operate equally efficiently and effect a much needed improvement.

Hon. J. Cornell: What is wrong with the electrification of the railway from Fremantle to Midland Junction?

Hon. H. SEDDON: That would concern a small section only of the railway system.

Hon. W. J. Mann: And it would take a long time to pay for the conversion.

Hon. H. SEDDON: That is so. The greatest opportunities exist for effecting improvements such as I suggest in the better transport of people in the outlying areas. I would like to see the activities of the railway authorities extended in that direction so as to provide a more modern type of passenger convenience for the people in the outer areas. During recent years the department has spent much money on re-grading, and this work must have had a material effect on railway working costs. The goods loads have been substantially increased, with the result that the department is enjoying greater earning power from engines and rolling stock than formerly. Incidentally a rather remarkable feature has developed in consequence of these operations. Members will doubtless be astonished to learn that Kalgoorlie is now four miles further away from Perth than it has been for many years past.

Hon. J. Cornell: That is, four miles further away by rail?

Hon. H. SEDDON: Yes. That is the effect of the departmental policy regarding deviations and re-grading. A regulation has been issued setting out that Kalgoorlie is now further from Perth to the extent of four miles.

Hon. L. B. Bolton: Has the department increased the fare to Kalgoorlie?

Hon. H. SEDDON: The alteration will undoubtedly affect railway revenue, because goods will have to be carried over the additional mileage and, of course, that will apply to centres further along the track. I merely mention that as an illustration of the direction in which the department can effect economy. All that is necessary is to increase mileage which means added revenue, and so the position is quite all right!

Hon. J. Nicholson: That was done in the early days of the railway system when the line from Geraldton to Northampton was constructed.

Hon. H. SEDDON: Evidently the department is reconsidering this move as another possible means of increasing revenue.

The Chief Secretary: At any rate, the fares have not been increased in consequence.

Hon. H. SEDDON: Perhaps not, but a perusal of the rate book will show that an additional charge of a few pence per ton will probably result because of the extra mileage. However, there is no doubt that the department has benefited materially from the re-grading operations and this is reflected to a marked extent in the increased train loadage. It would be interesting if the Minister were to make available details of the load table on the line to Yellowdine. If we had those particulars I think they would show that great economies had been effected.

The Chief Secretary: The Commissioner of Railways provides a lot of information in his annual reports.

Hon. H. SEDDON: Yes, but not exactly along the lines I have suggested. He shows that the loading has been increased, but does not give the exact loadage table. All these phases affect the finances, and I have drawn attention to them as indicating directions in which the Government could effect economies by making additional use of the technical skill available to the Commissioner of Railways. I suggest that that technical skill should be used in the right direction, which is along the lines of modernising the stock and equipment so that the best results may be achieved. I trust the Government will make the fullest use of the services of the industrial research officer and other technical officers as well, so that much needed economies, which are so essential today, may be instituted in order that Western Australia may shoulder its share of the heavy financial strain that will be imposed by considerations arising out of the war.

**THE CHIEF SECRETARY** (Hon. W. H. Kitson—West—in reply) [5.52]: I feel sure members do not expect me to reply at this juncture to many of the points that have been raised by those who have taken part in the debate. Each member has admitted that the practice followed this session is similar to that pursued for many years past, practically ever since the inception of the State Parliament. In those circumstances why should they raise at this stage arguments against a procedure that has stood the test of time? Parliament is not losing control of the finances in the manner

some members would suggest. The Estimates will be introduced in another place before long. In fact, I believe they will be presented at an earlier stage than usual. Parliament will then have an opportunity to deal with the Government's expenditure proposals. On this occasion the Government has merely continued the practice that has been followed for many years past and the amount covered by the Bill is similar to that included in initial Supply Bills during earlier sessions. In view of that fact I fail to see why members should take such strong exception to the adoption of that practice at this stage. If members desire that they should always have an opportunity to deal with the financial proposals of the Government before granting Supply, the necessity would then arise for Parliament to meet before the end of the financial year so as to discuss the Estimates for the succeeding year. On the other hand, throughout the British Empire, Parliaments have been compelled to adopt the method we have followed in Western Australia. That method has apparently been quite satisfactory in past years. When I speak on the Address-in-reply I shall take the opportunity to deal with points raised by members who have spoken on the Supply Bill. I understand that some members have taken part in the present debate instead of speaking on the Address-in-reply, and in those circumstances any information I can supply I shall be only too pleased to present later on.

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.

Bill read a third time and *passed*.

## ADDRESS-IN-REPLY.

*Third Day.*

Debate resumed from the previous day.

**HON. G. B. WOOD** (East) [5.58]: Many, both inside and outside of Parliament, think that the Address-in-reply debate should be dispensed with this year because of the war. I am not of that opinion. It would be a great pity if we did not have this opportunity of airing some of our grievances and tendering certain advice to the Govern-

ment. At the same time, I have no doubt members, in view of the circumstances, will be more brief in their utterances than usual. I think the public generally look to members to be brief so that they may the more quickly turn their attention to the essential work of Parliament and particularly to the war legislation that is predicted. I wish to add my welcome to the new members, some of whom come to us with past legislative experience. Mr. Roche has had some previous experience in public life and no doubt, with the guidance of his friends in this Chamber, he will quickly find himself on the right track. Earlier speakers made one omission in that they failed to congratulate those members who have been returned for another term in Parliament with increased majorities. I offer my congratulations to those gentlemen, particularly in view of the fact that they have returned with increased confidence in them indicated by their electors. I mentioned that we had a few grievances. One I have is that although members of this Chamber had every desire to assist the Government last session, and doubtless are imbued with that desire again this year, the Chief Secretary did not give them much opportunity to deal with their private Bills. I had one measure on the Notice Paper throughout the whole session. It may not have been very important to me or to the Government, but it was important to the people concerned. That measure was debated in the dying hours of the session. In another place an important measure dealing with the primary industries was introduced—an amendment of the Rural Relief Fund Act. While I do not lay any blame on the Minister in this House, that measure was not brought down here for nearly three months and it, too, was debated in this Chamber at about 2 o'clock in the morning in the last hours of the session. I am prepared to accept defeat with a majority against me, but I do not like such procedure, putting off measures until there is not a reasonable chance of debating them.

I desire to say something with regard to Mr. Moore's remarks about the fifth column. This is not the time when such remarks should be made by a member of Parliament. I am quite prepared to believe that the downfall of some of the small European countries was perhaps not so much attributable to fifth-column activity; but I am quite sure that the fifth column had much to do

with the downfall of France. Why otherwise should England have taken so much trouble to deal with traitors, or fifth columnists, in the way she has done? Certainly, England was profiting by the experience of other European nations. I hope that Australia will take no chances so far as traitors are concerned. We cannot afford to take chances. I hope that the Intelligence Department, or whoever is responsible, will investigate every complaint lodged, even should such investigation entail the spending of a little money. Any charge made against people who are presumed to be against the British Empire should be carefully and systematically sifted. Mr. Moore also spoke of what he said was the excellent work the Government had done with regard to defence and manufacture of munitions and he added that he hoped the Government would continue such activities. I want to know what the Government has done. I know it is a Commonwealth matter and that our Government is urging the Commonwealth Government to allow munitions to be manufactured in Western Australia; but we must bear in mind that trade unionists in Midland Junction did their part. They expressed a desire to be allowed to manufacture munitions, but so far no steps in that direction have been taken.

Hon. L. B. Bolton: We want to make other things besides munitions.

Hon. G. B. WOOD: I am coming to that point. Mr. Hawke, the Minister for Industrial Development, is extremely conscientious. He has done his utmost to establish secondary industries in this State; but I venture to say that had he devoted some of his energy to the manufacture of munitions in Western Australia six months ago, we would have been in a much safer position today.

Hon. G. Fraser: I have a recollection of noticing in the Press some nine months ago that the Government was urging the Federal Government to manufacture munitions here.

Hon. G. B. WOOD: The Government has not done much since; but trade unionists in Midland Junction said they desired to manufacture munitions. The Government has been urged to do many things. When I first entered this Chamber, I listened with great interest to a speech by Mr. Angelo. He knew what the position was in the North-West perhaps better than any other person in

the State, and on that occasion he said that the sooner we had 250,000 men and 1,000 aeroplanes in Australia, the better. He said that no time should be lost in placing us in a position of more assured safety. My only fear is that already we may be too late. I hope we are not, but had these matters been attended to many years ago we could perhaps deal with a certain power in a more forceful way than we are doing today.

Another suggestion was made with regard to the North-West with which I do not agree. North-West members have said that the North-West must be populated and that perhaps we should settle refugee Jews there in the interests of the defence of Australia. I am not in accord with that suggestion at all. If we are to depend on refugee Jews for the defence of Australia, God help Australia. We know what has happened in Europe and possibly we would require a standing army to keep a check on such settlers. I am not saying they would not serve a useful purpose there; perhaps they would, but we should not depend upon them for our defence. I have no desire to make recriminations. Perhaps all shades of political opinion are to blame, but I think we would be falling down on our job if we did not profit by the mistakes that have been made. Take compulsory service; we have been too busy in the past arguing amongst ourselves to give that important matter the attention it deserved. We have been concerned with whether the farmer should receive 3s. or 4s. per bushel for his wheat and with the number of hours workers should be employed. Those questions are all right in their place, but we have overlooked the main issue, our security. As I have said, I sincerely hope we shall profit by the mistakes of the past, because there is no doubt mistakes have been made.

With regard to unemployment, Mr. Moore reminded us that we still have 6,000 unemployed in Western Australia. I would like to know what the Government has done to cope with that position. It is no use employing those men on roads. Relief workers have my sympathy; I am not one of those who say that because a man is on relief work he is no good. There are loafers amongst them, but I recently had the opportunity to work with relief men on my own property. I made it my business to study them and found that most of them were excellent workers, but some were like fish out of water. They

knew nothing about the job. I do not know where they came from, but they honestly tried to work well. Unfortunately, they were not experienced in felling trees, digging out stumps and other work of that kind. Last year I suggested that some relief workers should be placed on farms. It seems extraordinary to me that while in Australia we are facing a definite shortage of farm labour, we are at the same time employing relief workers on road work, work which could be left undone for a year. It is useful work, but certainly not urgent. I think the Minister said by interjection that the system would be abused.

Hon. W. J. Mann: It was abused.

Hon. G. B. WOOD: The first system is not what I suggested. In the first system the farm labourers who were in receipt of 30s. or 40s. per week were paid by the Government. My suggestion was that the labourer should receive the basic wage. The farmer, who fed the men, should pay a proportion and the balance should be paid by the Government. My suggestion, however, fell on deaf ears. I make another suggestion to show how some of these people—not all of them—can be employed.

Hon. L. B. Bolton: We would like to do that in the city also.

Hon. G. B. WOOD: Yes. I know almost everything is abused. The present system under which relief workers are employed is abused; but Western Australia is to-day facing something which it has never faced before, and that is the problem of transport. In the near future we shall be using thousands of tons of charcoal. I venture to say that all the transport throughout the country districts will be wrapped up with the question of the supply of charcoal.

Hon. L. B. Bolton: There is no doubt about that.

Hon. G. B. WOOD: I have no desire that the Government should interfere in any way with private enterprise, but I believe we shall experience a shortage of charcoal in the near future. I suggest the Government explore the possibility of employing relief workers to burn charcoal.

Hon. L. Craig: That will be costly. I am not speaking for the Government, but the Forestry Department is already investigating the matter.

Hon. G. B. WOOD: I am glad to hear that. Even if charcoal is expensive, we know that the work upon which relief

workers are now engaged is also expensive. The Government would be creating a definite asset, even if the cost is greater than it would be if the work were done by private enterprise. I offer this suggestion to the Government in good faith.

Hon. G. Fraser: Do you mean to start another State industry?

Hon. G. B. WOOD: No. I said I did not want to interfere with private enterprise; but I am afraid that private enterprise will be unable to cope with the big demand for charcoal in the near future.

Member: Any number of contractors will burn charcoal for 1s. a bag.

Hon. G. B. WOOD: I do not think so. I have another suggestion, whether it is sound or not I cannot say, but I desire the Government to permit its experts to investigate the possibilities of compressed producer gas. I am aware that manufacturers of gas-producer plants will not welcome this suggestion.

Hon. L. B. Bolton: Why not? They will welcome it.

Hon. G. B. WOOD: I am pleased to hear the hon. member say so. There will consequently be no opposition from that source. Ordinary coal gas can, of course, be compressed. I fail to understand why charcoal gas also cannot be compressed into cylinders and those cylinders placed on cars, thus doing away with the elaborate apparatus now used to burn charcoal on the road. As I say, there may be nothing in this suggestion, but on the other hand there may be and so I hope it will be thoroughly investigated.

I was glad to hear Mr. Baxter speak of the possibility of utilising our phosphatic rock. I intended to bring that matter up and so made some inquiries about it. I understand there is a considerable quantity of phosphatic rock some distance from Dandarragan and possibly on one of our islands. Sir James Mitchell made inquiries about the deposits some 25 years ago, but the cost of getting the rock was considered to be prohibitive and the matter was not proceeded with. However, in times such as these through which we are passing, we must face our difficulties. It may be possible with the use of motor trucks to transport this phosphatic rock economically. I am quite in ac-

cord with Mr. Baxter's suggestion and sincerely hope the Government will earnestly consider it. Sir James Mitchell knows a great deal about the deposits.

Considering the active part I have lately taken in the controversy over the meat question—I will not say the fixation of price—the producers would be disappointed if I did not say something in this Chamber on the question. When the Profiteering Prevention Act was passed we were told, among other things, that it was to protect the farmers from possible exploitation by machinery merchants and others. Mr. Moore was enthusiastic about the measure, and I am sorry he is not present tonight, so that I might ask him what he thinks about it now. It was never suggested during the debate on the measure in this Chamber and another place that the Act would be used against primary producers, nor that its aid would be invoked to fix the price of any primary product. Right throughout the debate manufacturers and secondary industries were mentioned, but not primary producers. In my opinion the Act is not applicable to the meat market. It cannot be used against the meat market, because the Act definitely fixes a starting point and provides that the prices which prevailed on the 31st August, 1939, must be taken as a basis.

*Sitting suspended from 6.15 to 7.30 p.m.*

Hon. G. B. WOOD: I was suggesting that the Profiteering Prevention Act was never intended to be used against primary products and commodities the prices of which fluctuate and are regulated by the law of supply and demand. It is very interesting to read what the Minister for Labour said on this measure when moving the second reading last year. He remarked—

Profiteering has already taken place here, war conditions being put forward as an excuse for such unconscionable conduct on the part of those responsible. I am not suggesting that every increase which has taken place has no justification at all. Since the commencement of the war—

I wish to point out that the war has nothing to do with the price of meat.

Since the commencement of the war there may have been price increases made which have complete justification. In the majority of instances, however, I am sure there has been

either no justification whatever, or very little justification indeed, for the increased prices imposed upon the Western Australian public.

I propose to show that there has been some justification for the increase in the price of meat. The Prices Commissioner, backed presumably by the Minister, did not use the Profiteering Prevention Act to fix the price of meat. It was fixed in three different ways: by negotiation, by agreement, and by an arrangement, apparently a different way on different days. What the Commissioner did was to say to the wholesale butchers, "If you do not fix a minimum price to the retailers, I will use the Act and gazette a price." Thus the Commissioner held the Act over the heads of the wholesale butchers. That is where we country members who assisted the Government by supporting this legislation have been let down. I hope to be able to prove that throughout the debate we were told that the measure would be used against monopolists, secondary industries, and so forth, not against primary producers.

Hon. G. Fraser: It could be used against anybody.

Hon. G. B. WOOD: I am not condemning the Act; it has worked very well, but I say it should not be used against a primary product, the price of which is governed by the law of supply and demand and by auction sales, and fluctuates from day to day.

Hon. L. Craig: Except where a primary product is deliberately held back.

Hon. G. B. WOOD: That is a different matter; there has been no attempt by the producers to hold back supplies of meat. The only occasion on which an attempt was made to control the market was when the Sales by Auction Bill was introduced in 1936 to prevent the wholesale butchers from putting their heads together; otherwise the producers have been entirely in the hands of those butchers. Take today, which was a market day; the price might have fluctuated 3s. or 4s. Therefore I say the Act is quite inapplicable because it is impossible to go back to the 31st August and say that so and so was the price of meat on that day. The simple reason is that there was no price for fat stock and that a price cannot be fixed. Not only does the price of meat fluctuate but sheep differ in quality, one being fat, another prime, another store and so on.

It was definitely stated in the Bill and also during the debate that the Prices Commissioner should investigate various costs. He was empowered—

to investigate the probable requirements of the people of the State in regard to any commodity; to investigate the means and cost of supply or transport of any commodity.

Whatever I might say here tonight, I do not consider that the Prices Commissioner or the Minister deliberately set out to do an injury to the primary producers. The Commissioner, I think, acted out of exuberance or anxiety—

Hon. H. S. W. Parker: Or innocence.

Hon. G. B. WOOD: Perhaps innocence. I told the Commissioner that he had undertaken something about which he knew nothing, and that in his desire to do something for the consumer, he had slipped. The Minister, in his reply to my question yesterday, stated that the interests of all parties concerned had been considered. I say that the interests of all concerned were not considered.

Hon. V. Hamersley: They were not consulted.

Hon. G. B. WOOD: That is so. This was an arrangement between the wholesalers and the Commissioner. The producers did not figure in the picture at all. No attempt was made to investigate the cost of production because to do so was obviously impossible. What might apply to me as a producer in the matter of costs might mean one thing, whereas to another farmer it would mean something entirely different. The following appeared in the "West Australian":—

A list of maximum retail (cash and carry) beef prices was submitted yesterday by the Master Butchers' Association to the Deputy Prices Commissioner (Mr. W. A. White) and approved.

He fell for precisely what the master butchers put up.

This development followed the arrangement—

There was an arrangement.

—the arrangement announced on Tuesday between the wholesale butchers and the Commissioner whereby the wholesalers agreed to charge the retailers not more than 5½d. per lb. for beef by the carcass or side.

That shows the extent to which the various interests were consulted, and I repeat that all were not consulted. Even if they had

been consulted, the Prices Commissioner could not possibly have arrived at the cost of producing fat stock.

Hon. J. J. Holmes: He could not arrive at such a value unless he valued each bullock and each sheep as it went into the yard.

Hon. G. B. WOOD: And he would have had to ascertain the cost of carrying the bullock or sheep for the preceding 12 months. I wish to show the enormous costs which have been imposed on the industry during the last three or four months, costs which never before in the history of the State have had to be borne by the farmers. The Commissioner adopted an extraordinary attitude. He said his action had nothing to do with the price at Midland Junction. That was a most amazing statement which I think no one would believe. He is reported as having said—

There was no evidence to show that his action in requesting wholesalers to moderate their prices to retailers had affected last Wednesday's market. As was pointed out by the secretary of the Livestock Buyers' Association, numbers and quality did that. This view was confirmed by agents.

Now what did the agents say? Something quite different. A report in the "West Australian" stated—

Stock salesmen, commenting on the decline in prices at Midland Junction yesterday, said that buyers knew that agents could not withhold from sale the sheep sent for auction. Protected by the price agreement, buyers had forced them to accept the poorer prices offered. As a result of the day's sharp fall, it was possible that growers would not send in their sheep and thereby add to the existing shortage. The recent high prices were due to the unusual seasonal conditions and the larger yarding this week was an indication that growers had desired to quit their sheep at a reasonable price rather than risk carrying them.

It was also stated that the agreement regarding mutton prices did not become operative until next Thursday, but that buyers had forced the market down yesterday in order to buy in and protect themselves against the possible shortage next Wednesday. This action had cost the growers much financial loss. In addition the agreement only concerned the price of top quality mutton, but most lots offering did not reach that grade.

The Chief Secretary: And that is the reason prices fell.

Hon. G. B. WOOD: Two reasons I am prepared to admit. I suggested to the Commissioner that if he withheld action for a month prices would automatically come down, though not to the extent that they

were forced down by him. No matter what a farmer is getting for his wethers, even if he is getting 50s., he deserves every penny of it. If a producer received 35s. or 40s., he might be selling at a loss, so great has been the cost of carrying sheep during the last 12 months. The Pastoralists' Association is quite a conservative body. Very seldom is any complaint heard from that organisation.

Hon. J. J. Holmes: And non-political.

Hon. G. B. WOOD: Well, I am a producer and am discussing the question from that standpoint. This is what the secretary of the Pastoralists' Association said in answer to the claim by the Commissioner that his action had nothing to do with the price of stock—

There had been occasions in the past when producers had to accept prices which barely returned the expense of marketing. Such occasions would undoubtedly recur in the future, but it might be taken for granted that when they arose, there would be no approach from the butchering trade to the Prices Commissioner to ensure that growers received at least an adequate return for the stock marketed.

I am aware that a lot of people argue that there should be a fixed minimum price, but I contend that there should not be a fixed price at all. Sheep have realised as much as £3 a head temporarily. Such advances in price usually occur in the autumn. This time the position has been accentuated by reason of the very adverse season.

Hon. L. Craig: Wethers went to £5 a head in Victoria a few years ago.

Hon. G. B. WOOD: I think this is information that should be brought to the notice of people in the city. Here is a statement by Mr. Draffin, one of the gentlemen who went to the Commissioner and made an agreement with him. As the head of the wholesale butchers, he is reported to have said—

Strong criticism of the attitude by the Primary Producers' Association was voiced. The view was taken that the prices now fixed were favourable from the growers' point of view compared with the prices on which butchers in the Eastern States operated.

That is definitely not right; the growers are not getting a fair price. Fancy comparing prices in Western Australia with those in the Eastern States! I do not suppose Western Australia has ever experienced such a drought in the northern and southern districts as that through which producers have



just passed, whereas in the Eastern States, there is generally some district that can supply fat stock. Sometimes the position is the reverse and the advantage is with us. In the year before last we had better conditions for our lambs whereas the Eastern States were suffering from the effects of drought. To draw such a comparison with the Eastern States was ridiculous.

The producers are very annoyed. Letters and petitions have been drawn up and meetings have been held in many centres. I understand that Mr. Thomson and Mr. Roche came to Perth with a petition signed by 60 producers. At York, which is a very conservative place and from which little is heard in the way of complaint, I organised a meeting in a few hours by using the telephone, and producers from all the surrounding districts attended. Producers who had never before bothered to attend a public meeting made a point of being present on that occasion. They were most indignant about the Commissioner's action. People had been at the Midland markets and had seen what happened there—sales dropped from 7s. to 10s. per head. It is ridiculous for the Commissioner to contend that his action had nothing to do with the price of meat. The Commissioner definitely departed from a principle which has held good in this State for 50 or 60 years; that is, that the law of supply and demand should prevail. Everybody has been satisfied to work under that law. Many producers in other years have sent sheep down to the metropolitan market and had them sold at 3s. or 4s. per head. A big pastoralist at Port Hedland a few years ago sent down 7,000 or 8,000 wethers, and—I am speaking from memory—received 5s. or 6s. per head; at all events, a price that did not cover expenses. And nobody went to his assistance. That is only one instance. I could quote similar instances for a long time.

Next I wish to state briefly what has happened in the farming districts this year. If the farmers were putting their heads together and making huge profits, I would say they deserved all they got.

Hon. L. Craig: And all they did not get.

Hon. G. B. WOOD: Yes. In this case, however, they have suffered. They did not know what happened to them when such an action as that of the Commissioner was taken against them. Farmers have been

feeding their sheep for four and five months—a thing they have never done before. After they had thrown in all their resources, they had to buy feed for their sheep. It cost one farmer 5s. or 6s. per head to keep his sheep alive. I have here a statement from an insurance company domiciled in Perth. I said to the management, "Give me a fair sample of what is happening." The management replied to this effect:—A man at Wickpin on a fair average property had 1,200 sheep and obtained a 30 per cent. lambing. He fed the stock 40 tons of hay, plus 15 tons obtained from a neighbour at £5 per ton. He also bought concentrated feed and one ton of bran. Thus he incurred very heavy expense indeed. After losing many of his sheep, he finished up, as I have said, with a lambing of 30 per cent.

I have here other cases of a similar description. Purchases of feed are merely supplementary to reserves of wheat or barley held by the farmers. A man frequently retains 500 bags of wheat or barley on his farm with a view to selling on a better market later. But all those reserves are gone: they have all been fed. In addition, Co-operative Bulk Handling, Limited, in a letter to me dated the 16th July last, stated as follows:—

The following details were telephoned to the Primary Producers' Association this morning for your information:—

Co-operative Bulk Handling, Ltd., has recently returned 1,170 bushels of bulk wheat at Goddard and Greenhills to the growers thereof for the purpose of feeding their stock.

Arrangements are in train for the return of 1,000 bushels to three growers at Yealering for the same purpose. Applications for the return of 2,300 bushels have been received from growers at Goomalling, Konnongorring, Yarramony, Meckering, Welbungin, Kondinin, Beverley, Wickpin, and Lake Grace. Applications for the return of wheat to feed their stock have also been received from growers at Bilbarin and Bungulla. Applications are still coming in.

In addition, The Westralian Farmers, Limited, are making arrangements for the return of 560 bushels of wheat at Borden to growers for the purpose of feeding their stock, and another application has been received from Woodanilling asking for the return of 550 bushels there for the same purpose.

I make these quotations because they are most suggestive as showing that all over the State farmers are railing stuff back. Everybody knows that when stuff is railed back,

costs are mounting all the time. But farmers are compelled to adopt this course in order to keep their sheep alive. Those few men who did have a few fat sheep to sell did not receive even the cost of production, because they were stabbed in the back by the Commissioner. It was a stab in the back to the producers just as if the Commissioner had gone to Midland Junction and there directed what price was to be paid for the sheep.

Information has also been received by me from the Barley Board, to the effect that 18,000 bags of barley have gone back to the wheat and stock areas. A considerable proportion of that barley would be used for feed for sheep. Again, I have a letter from a road board stating—

Many farmers are faced with abandonment of their farms, their flocks of sheep with destruction (by lack of feed, or by lack of petrol for water-carting).

Fallowing fuel has been stopped, and unless Government action comes quickly, vast areas of occupied lands will be deserted.

Why are these things happening at such a time as the present? It is indeed hard to understand. I think the Commissioner took on something he knew absolutely nothing about, and I do hope the right course will now be adopted. My belief is that an honest mistake was made. The honourable course now would be to withdraw, to do as I have suggested to the Commissioner: pull out and see what will happen. I shall say no more about the meat question, having probably said enough.

Now I wish to deal with the general position of farmers. I am sorry to have to say a number of things which have been said here frequently since I have been a member of the House. To-day, however, the farmers are in a worse position than ever they were in before. Nobody knows what will happen to them. Take the case of farmers in the Eastern wheatbelt. No water is available there. The farmers are carting water now. Whatever happens to them, they merit the sympathy of Western Australia's Parliament. An hon. member has said that we should prepare for a clean-up in the country, whatever the result may be. Certainly it will not help the State if those farmers leave their lands. That cannot better the position. I know that Western Australia has previously faced a similar situation, but things are going to be a hundred times worse from now on. The farmers will come into

the city to look for relief work. They are being harassed. Even if no money can be granted to them, surely things can be made easier for them. The other day a farmer showed me an account for £50 he had received from a water board—failing payment, the water was to be cut off. He has not a dog's chance of being able to pay. The peculiar feature of the case is that he is being charged for water he has not received.

Hon. L. B. Bolton: For what period?

Hon. G. B. WOOD: I do not know. However, this farmer was charged for water which he never had, because the water was not in the dam for him to get. Things like that are pinpricks. Some farmers need to be financed. Surely the general taxpayer can carry some of these burdens. This instance is like that of meat prices; I am sorry to get back to that subject again, but I ask why the farmer should bear all these burdens? I have seen a letter in "The West Australian" from a soldier's wife, stating that she cannot pay current prices for meat and that something should be done. I agree that something should be done, but the farmer should not shoulder all the responsibility. If that course is adopted, the effect will only come back on the State eventually. I suggest that the State should not give these men anything, but should desist from all these pinpricks. At Narembeen a farmer was threatened with cut-off of water. He also was charged for water that he had never received. Such treatment makes people highly discontented.

The Chief Secretary: There is another side of the picture.

Hon. G. B. WOOD: No. I was at Narembeen with Mr. Millington and Mr. Andrew when the case was put up. The answer given was that the water scheme had to be paid for. We know that it has to be paid for.

Hon. V. Hamersley: The department asked the farmer to pay, and charged him £50 for water that he had never had.

Hon. G. B. WOOD: The water scheme should be nationalised.

The Chief Secretary: Not one of those schemes is paying.

Hon. G. B. WOOD: But why harass the farmers? This particular farmer, when showing me the letter from the department, asked, "What shall I do? I cannot pay this account." I could only advise him to wait and see what would happen. Such things

hang over the farmers and worry them, and goodness knows they have enough worries without this additional one.

The letter from a road board which I quoted just now made reference also to fallowing. Would it not be a good thing to lend farmers the necessary money for fuel to be used in fallowing, against a lien on the future crop? The policy adopted by the Government will result in much of the light land in that road board district going back to grasshoppers. It is well known that if land is not fallowed, it goes back to suckers, rabbits and grasshoppers. I do not wish to detain the House longer. I believe I have said quite enough to prove my case, and I conclude by supporting the motion for the adoption of the Address-in-reply.

**HON. F. R. WELSH** (North) [7.58]: Initially I desire to thank hon. members generally for the welcome they have extended to new members of this Chamber, including myself. At the same time I must remark that some of us new members will find it hard to live up to what has been stated of us; personally, I shall try to do so. A great deal has already been said about the North-West. I wish hon. members to understand that one has to live in that portion of the State in order to become aware of all the disabilities existing there. So far as this debate has proceeded, nothing has yet been said about what the North-West can produce and does produce. Some little time ago I was greatly interested to see some figures taken out by the Engineer for the North-West, Mr. Drake-Brockman. They show that in an average year the North-West is capable of producing goods and commodities to the value of £2,250,000. This annual return can easily be maintained, given good seasons and normal conditions. Except for a few areas which under irrigation conditions might admit of closer settlement, and apart from further development of mining, the North-West in my opinion must remain purely a pastoral country for many years to come. Until recently the attitude of people of the south towards the North-West apparently has been that that country is too far away to bother much about. However, latterly the North-West has been coming into something of its own. I ought to mention that the present Government has shown itself sympathetic in its treat-

ment of the North as regards assistance to those industries that have fallen back. The Government has rendered assistance not only to the pastoral industry, but to the pearling and the banana industries. The hospitals in the North-West have also been placed on a better footing. While on the subject of hospitals, I should mention that the equipment that is provided at those institutions is largely the result of the excellent assistance rendered by the Lotteries Commission. Particularly does this apply to the Port Hedland district with which I am most familiar. There are young and up-to-date medical men at nearly all the ports on the coast and in addition, there is an aerial medical service which, I believe, is subsidised by the State Government to the extent of £500 per annum. This has proved to be one of the greatest boons the North-West has ever had. It has given women rearing families outback a feeling of security by reason of the fact that they have known that medical advice was available. Formerly it meant travelling hundreds of miles to visit a doctor. Generally speaking the service has made things in the North-West really worth while. In addition the women in those parts have been given the opportunity to form a circle of air friends, and discussing, by means of pedal sets, matters of interest to themselves.

The appointment of a Royal Commission to investigate the position of the pastoral industry has given great satisfaction, and we are hopeful that the result of the Commissioner's investigation will lead to some tangible recommendations being made, recommendations that will throw some light on the rehabilitation of the industry, which, as we all know, has suffered tremendous losses through drought in recent years. Whole flocks have been decimated through drought and many pastoralists have been ruined. The result of many years of hard work has gone completely and the money that has been spent in establishing valuable flocks has been lost. It is problematical whether the standard of the flocks will be regained, in our life time at least, owing to the shortage of sheep and the difficulty of finance. There is no hope for some of these people who have lost their all and now have no outlook on life. The wool position is not so bad despite the fact that the two early appraisements were low. Had it not been for the British Government taking over the

wool we would not have been able to ship a bale.

The banana industry has suffered from the effects of drought. As we all know, when the Gascoyne River began to dry up the planters found it necessary to sink to considerable depths to obtain water. Even then when water was obtained it was found to contain too great a degree of salinity to be of value to the plants. The Gascoyne River fortunately has run again this year and fresh water supplies are once more available. It speaks volumes for this industry that it was on its toes as soon as the river began to run. Not only will it thrive under good conditions, but the people in that part of the State will be in a position to produce beans, tomatoes and vegetables. These products are equal to anything that can be grown in any other part of the State and will always be available for sale in an early market. The growers are to be complimented because of the way in which they have hung on against adverse conditions, and no one will begrudge them what little profit they are able to make.

The Government has rendered assistance to the pearling industry by making a grant in the last year or two to assist pearlers to fit out their boats. This action has been greatly appreciated. There are very few pearlers there who are in the position of being independent of the assistance given by the Government. Really the assistance to this industry should be a Commonwealth matter. Poachers are allowed to enter Broome to re-fuel and obtain water; they come in and go out as they please. Surely some means of protection could be afforded our own pearlers against the poachers who in some cases are cleaning up shell within the three-mile limit. I was wondering whether anything could be done to extend that limit on the coast. If poaching is permitted to go on, in a few years time there will be no pearling industry at all. The industry is of national importance and if poaching goes on much longer I am sure Broome will be deserted. My opinion of that part of the State is that from Derby southward the country will be carrying sheep in the future and the North-West will then come into its own once more. I trust that will be the case.

I should like to say a few words about the State Shipping Service. Cargo that is sent

to Darwin occupies a great deal of the space on the State vessels and very little is left for our own people. I know of many instances where cargo for the North-West ports has been shut out because the vessels have been loaded with commodities for Darwin. I have always been a believer in the State Shipping Service and have supported it. The State vessels have been responsible for most of the concessions that we have on the coast, but I am bound to admit that at the present time the service along the coast was far better 30 years ago than it is to-day. At that time we had vessels of the Adelaide Steamship Company and the Singapore steamers trading on the coast and carrying both passengers and cargo as it offered to every port. Now we find commodities being shut out because space is fully occupied with cargo for Darwin. In some cases it is Commonwealth freight and we know that the Commonwealth is able to commandeer whatever space it requires. So I contend that during the war period at any rate we should permit the Singapore boats to carry cargo as far north as Derby. That would not do any harm at all. On the contrary it would relieve the difficult position in which the settlers in that part of the State now find themselves. The Singapore vessels pass the ports and would give the people of the North the service they require. The State vessels are running a very good service, but it is not adequate to meet the requirements of our coast. The Darwin cargo is increasing continually and eventually the coastal ports may be shut right out. I trust the Government will do something to relieve the position and I repeat that while the State ships are carrying on an excellent service, we have not sufficient of them to meet the needs of our own people. During the period of the war the Government should permit the Singapore vessels to call at all the ports and thus ensure the carrying of all cargo offering on the coast. That might easily be arranged.

On motion by Hon. H. L. Roche debate adjourned.

*House adjourned at 8.11 p.m.*