

and it will provide a hospitalisation scheme for the people of that district. I support the second reading of the Bill.

On motion by Hon. G. Fraser, debate adjourned.

ADJOURNMENT—SPECIAL.

THE CHIEF SECRETARY (Hon. H. S. W. Parker—Metropolitan-Suburban): I move—

That the House at its rising adjourn till 2.15 p.m. on Tuesday, the 19th July.

Question put and passed.

House adjourned at 4.48 p.m.

Legislative Assembly.

Thursday, 14th July, 1949.

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

QUESTIONS.

IRON AND STEEL.

(a) *As to Shortage of Supplies and Export.*

Hon. J. T. TONKIN asked the Minister representing the Honorary Minister for Supply and Shipping :

(1) Is bar iron and steel in very short supply in Western Australia ?

(2) Is he aware that arrangements have been made to ship from Fremantle a considerable quantity of bar iron and steel for use in the Eastern States ?

(3) Is the large profit which will be derived from this business deal the reason why this State is to be deprived of much-needed material ?

(4) Will he take immediate action in an endeavour to have the iron and steel kept in Western Australia ?

The PREMIER replied :

(1) Yes.

(2) No.

(3) and (4) If the hon. member will furnish me with particulars of the exports he has in mind, inquiries will be made, although there is no power to control transactions in iron and steel from Western Australia.

(b) *As to Firms Intending to Export.*

Hon. J. T. TONKIN (without notice) asked the Premier :

Arising out of those answers, I now desire to ask him if he will have inquiries made of International Harvesters, Ltd., and H. V. McKay, Ltd., and if so, ascertain whether these firms intend to export this iron and steel ? If this is so, will he use every endeavour to have this much needed material kept in Western Australia ?

The PREMIER replied :

I told the member for North-East Fremantle that if he could furnish me with particulars as to where this steel is and who is exporting it I would have inquiries made. I can only repeat that if those particulars are supplied I will have the necessary inquiries carried out.

NORTH-WEST.

(a) As to Advertising for Doctors.

Mr. RODOREDÁ asked the Minister for the North-West :

(1) On how many separate occasions since five doctors were secured in England for this State have advertisements been inserted in English papers seeking doctors for the North-West ?

(2) How many replies were received in each instance ?

(3) Why have no doctors been secured as a result ?

The MINISTER replied :

(1), (2) and (3) Advertisements appeared in Britain during March and April, 1949. A number of applications were received, from which a first selection has been made in Perth. Final selection of three doctors is being made in England now and advice of names and probable dates of arrival is expected soon.

(b) As to Vegetable Growing, Udialla Station.

Hon. A. A. M. COVERLEY asked the Minister for the North-West :

Does he agree with the general consensus of opinion held by the residents of West Kimberley that the Udialla Station is the largest and most economical area for vegetable production ?

The MINISTER replied :

When I was in the West Kimberleys with the hon. member I inspected a number of vegetable gardens and a request was made that the Government should assist, wherever possible, vegetable growing in the North-West and the Kimberleys. However, I do not remember any opinions being expressed to me that Udialla Station was the best, the largest and the most suitable area in which to grow vegetables. At this stage I can only say to the hon. member that I will have inquiries made as to whether that is the most suitable spot for vegetable growing.

FREMANTLE HARBOUR.

As to Tydeman Report.

Mr. GRAYDEN (for Mr. Yates) asked the Minister for Works :

(1) Has Mr. Tydeman's report on the Fremantle Harbour been published yet ?

(2) If so, is it his intention to lay it on the Table of the House ?

The MINISTER replied :

(1) Volume 2 has not yet been printed. It is in the hands of the Government Printer.

(2) Yes, if so approved in due course by the Government.

COMPREHENSIVE WATER SCHEME.

As to Mains and Southern Limit.

Mr. PERKINS asked the Minister for Water Supply :

(1) (a) What diameter is the proposed main from Wellington Dam to the Great Southern ?

(b) What tonnage per mile of steel sheet does the above main require ?

(2) What is the average annual rainfall at

(a) Narrogin ?

(b) Bruce Rock ?

(3) Is it planned to carry the Great Southern portion of the scheme as far south as Mt. Barker ?

The MINISTER replied :

(1) (a) 30 inch effective diameter (cement lined pipes) from Wellington Dam to Narrogin.

(b) 200 tons per mile.

(2) (a) Average rainfall Narrogin—20 inches.

(b) Average rainfall Bruce Rock—13½ inches.

(3) Ultimately.

PIG MEATS.

As to Export and Home Consumption Tonnages.

Mr. NALDER asked the Minister for Lands :

(1) How many tons of pig meats were exported from Western Australia—

(a) to England,

(b) to other countries,

for the periods 1938-39, 1945-46, and 1948-49 ?

(2) How many tons were used for home consumption during the same periods ?

The MINISTER replied :

(1) (a) 1938-39—1,114,500 lb.

1945-46—7,141,055 lb.

nine months ended 31-3-49—
398,255 lb.

(b) 1938-39—170,040 lb.
 1945-46—1,965,095 lb.
 nine months ended 31-3-49—
 1,278,308 lb.

(2) Consumption for calendar years—
 1946—17,995,000 lb.
 1948—15,289,000 lb.

Consumption figures for years 1938 and 1939
 are not sufficiently reliable for accuracy.

HOUSING.

As to Policy of Commission.

Mr. GRAHAM (without notice) asked the
 Minister for Housing :

There is a mother of a family whose
 husband served in the last war and who
 is at present a member of the Permanent
 Army in Japan. She applied for a permit
 to build a house and received a reply from
 the Housing Commission that nothing could
 be done for her while her husband was in
 Japan. This does not sound correct to me
 and I would like the Minister to inform me
 whether that reply is in accordance with the
 policy of the department which he is ad-
 ministering.

The MINISTER replied :

I am not aware of any such policy having
 been determined or discussed by the Com-
 mission and I would be glad, if I could have
 the name of this woman, to make inquiries
 without delay.

BILL—TUBERCULOSIS (COMMON- WEALTH AND STATE ARRANGEMENT).

Returned from the Council without amend-
 ment.

BILLS (2)—FIRST READING.

1. Increase of Rent (War Restrictions)
 Act Amendment (No. 2).

Introduced by Mr. Reynolds.

2. City of Perth Scheme for Superan-
 nuation (Amendments Authorisa-
 tion).

Introduced by Mr. Needham.

BILL—THE WESTRALIAN BUFFALO CLUB (PRIVATE)—SELECT COMMITTEE.

Consideration of Report.

Order of the Day read for the considera-
 tion of the report of the Select Committee.

THE CHAIRMAN OF COMMITTEES
 (Mr. Perkins) : I report that the Bill con-
 tains the several provisions required by the
 Standing Orders.

Mr. NEEDHAM (Perth) : I move—
 That the report of the Select Committee
 be adopted.

Question put and passed ; the report
 adopted.

BILL—WATER BOARDS ACT AMEND- MENT.

Second Reading.

THE MINISTER FOR WATER SUPPLY
 (Hon. V. Doney—Williams-Narrogin) (4.50)
 in moving the second reading said : The only
 portion of the Act brought under review
 by the Bill is Section 113, which empowers
 the several water boards throughout the
 State to borrow money for approved
 works. No other section is involved unless
 it be Sections 110 and 114, but they are
 affected in only a very minor way. The
 Bill has one purpose and that is to authorise
 the Governor to cancel, in certain circum-
 stances, the permission to borrow money.
 The position at present existing is set out in
 Section 113, which reads—

A water board may, with the approval of
 the Governor, borrow money—

(1) For the construction of works for the
 storage, distribution, and supply of water ;

(2) For payment of the cost of works con-
 structed by the Minister, or charged to the
 water board under section one hundred and
 ten ;

(3) To discharge the principal money of any
 loan to or other indebtedness of the water
 board ;

(4) For any other purpose approved by the
 Governor.

Thus while there is ample power to borrow
 either by loan or by the issue of debentures,
 there is no provision in the Act, as I consider
 there should be, for cancellation by the
 Governor of his approval, not even in cases
 where the project has been abandoned.
 In those circumstances the right to borrow
 would continue indefinitely, and naturally
 a number of rather troublous situations
 might arise.

Members can visualise the great tempta-
 tion confronting municipalities and road
 boards that happened to be water boards to
 switch a portion of a loan to work other than
 the specific work for which the loan had been
 approved. There was a case in point

recently where a water board in the South-West, having secured in legal fashion the right to borrow, varied its earlier intention and sought to exclude part of the original project and to substitute other work. The Government was unable to agree to the amended project, with the consequence that an entirely new approval had to be sought—and it was given—for the amended job. This meant that the original approval was still floating and will continue to float indefinitely unless this Bill be passed.

Mr. Marshall: Has it retrospective effect?

The MINISTER FOR WATER SUPPLY: I am a little uncertain at the moment, but will look into that point. Members will appreciate that, in existing conditions, a number of misunderstandings and rather sharp differences of opinion may arise, and we should be wise to alter the Act so that such trouble may be obviated. The Bill provides that the Governor may grant an approval under the provisions of the last succeeding subsection—

- (a) unconditionally; or
- (b) subject to such conditions as he may decide to impose, including all or any of the following conditions as to the time within which—
 - (i) the water board shall borrow the money;
 - (ii) commence to carry out the purpose for which the approval to borrow the money is sought;
 - (iii) complete the carrying out of that purpose.

That is an explanation of the proposals in the measure and I move—

That the Bill be now read a second time.

On motion by Hon. A. R. G. Hawke, debate adjourned.

BILL—RIGHTS IN WATER AND IRRIGATION ACT AMENDMENT.

Second Reading.

THE MINISTER FOR WATER SUPPLY: (Hon. V. Doney—Williams-Narrogin) [4.57] in moving the second reading said: 'Of the three irrigation districts in the State, the Harvey district is the only one to be affected by this Bill. What is known as the Harvey district is really a compound of three districts—Harvey No. 1, Harvey No. 2, and Harvey No. 3. The Act provides that the cost of work within a district or closely associated with a district shall be a charge against the revenues from that

district and be a charge owing to the Treasurer. Let me quote the appropriate provision—Section 46—so that I may make the point quite clear. It reads—

On the constitution of an irrigation district, and from time to time thereafter, the Minister shall, if the Governor so directs, prepare a statement of the works constructed within the district before or after the commencement of this Act, out of moneys appropriated by Parliament for the purpose, and the amount expended upon such works, as determined by the Minister, shall be charged against the board, and shall be a liability of the board to the Colonial Treasurer, and bear interest at such rate and be payable by such instalments as the Colonial Treasurer may determine.

There would have been no objection to that so long as the cost pertaining to a district and the income of each district were more or less fairly related but, in the position under review, they are not fairly related. On the contrary, the existing state of affairs is foolishly lop-sided.

Of the three districts, District No. 1, although it happens to be by far the smallest, is certainly the most productive of them all for the reason that it is much better developed and because its development has been spread over a lengthy period. It is fed from the Harvey dam and has been so fed, as far as I know, ever since that dam was sunk. I find that no portion whatever of the cost of the extensive and very expensive Stirling dam has been debited to the No. 1 district, but only the cost, relatively inexpensive, of the Harvey dam. As members can see, therefore, it is in a decidedly enviable position, since the charges lodged against its revenues are extremely light.

Districts Nos. 2 and 3 on the contrary—and these came later under irrigation, as is generally known—are called upon to carry the full burden of the capital cost of what I have already described as the expensive Stirling dam. I do not mean, of course, expensive out of proportion to its usefulness. The member for Northam would not like me to say that, and I do not believe it and have no intention of saying it. I mean expensive because the capital costs are extremely heavy in the special circumstances of the case I mentioned.

Hon. A. R. G. Hawke: The expenditure is not justified on the basis of giving the water away.

THE MINISTER FOR WATER SUPPLY: I think the difficulty the hon. member refers to is of his own making. However, be that

as it may, members will, I am sure, quite readily agree that the position is entirely inequitable so far as the two younger and weaker irrigation districts are concerned. It is plain that the position is one requiring correction, and this Bill is for that purpose. What is needed to secure the improved position I am referring to is an amendment of Section 29 of the parent Act by adding the following paragraphs:—

- (h) divide any district into sub-areas;
- (i) define the boundaries of any sub-area;
- (j) alter the boundaries of any sub-area;
- (k) abolish a sub-area.

If the House agrees to the amendment, it will be possible to impose differential rates in respect of the newly-created sub-areas. Those rates will be imposed according to the measure of benefit received, which means according to the quantity of water delivered and used. The capital expenditure upon the two dams, plus reticulation and other similar costs, will be a charge not against Dam 1, 2 or 3, but against the combined revenues of the whole of the irrigated areas. I am sure members will agree that that is a fairer method than that which obtains at present. I wish to make it plain that there is no increase of rating or anything of that kind wrapped up in the Bill, which is only what it appears to be on an initial reading. I point out also that neither the Audit Branch nor the Accountancy Branch is likely to raise any objection to the proposed amalgamation of the three districts or to the other changes which I have mentioned and which will, of course, naturally ensue. On the contrary I think those branches will wholeheartedly approve.

Mr. Hoar: Is No. 1 District levied?

The MINISTER FOR WATER SUPPLY: Yes.

Mr. Hoar: To what extent?

The MINISTER FOR WATER SUPPLY: Its revenue will now be sufficient to meet the new debt lodged against it, and I should say in an increasing degree with respect to the other two districts. Referring again to the attitude of the Accounts Branch, the point is that in the case of all three districts it is necessary to draw up separate annual balance sheets and statements of account. This entails much work upon a department already overburdened and suffering from a shortage of staff. The amalgamation, which is part of this Bill, means that there will be only one balance-sheet and one statement of account. Thus there will be a substantial saving of time and labour.

Mr. Marshall: Your remarks indicate that you are going to merge three districts into one. The Bill appears as though the districts will be sub-divided.

The MINISTER FOR WATER SUPPLY: No. After they are merged into one district, the resultant one district will be divided into sub-areas, so that there will be an opportunity to rate them according to the quantity of water supplied. That is the point. I move—

That the Bill be now read a second time.

HON. A. R. G. HAWKE (Northam) [5.8]: I think the powers set out in the Bill are necessary in respect of the Harvey irrigation district and I therefore support the measure.

Question put and passed.

Bill read a second time.

In Committee.

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

BILL—RURAL AND INDUSTRIES BANK ACT AMENDMENT.

In Committee.

Resumed from the 12th July. Mr. Perkins in the Chair; the Minister for Lands in charge of the Bill.

Clause 1—agreed to.

Clause 2—Repeal and Re-enactment of Section 36:

Hon. A. H. PANTON: On the notice paper I have some amendments to this clause; but as I have been advised by the staff that they have made a satisfactory agreement with the Commissioners, I do not propose to submit them.

Clause put and passed.

Clause 3, Title—agreed to.

Bill reported without amendment and the reported adopted.

BILL—ACTS AMENDMENT (INCREASE IN NUMBER OF JUDGES OF THE SUPREME COURT).

Message.

Message from the Governor received and read recommending appropriation for the purposes of the Bill.

Second Reading.

THE MINISTER FOR EDUCATION (Hon. A. F. Watts—Katanning) [5.13] in moving the second reading said: This is a Bill to amend the Supreme Court and the Constitution Acts. The Supreme Court Act provides for four judges, including the Chief Justice; and it is intended to make provision for five judges, including the Chief Justice, by altering the word "three" to "four." As explained in earlier debates, the appointment of Mr. Justice Jackson as a Judge of the Supreme Court and President of the Arbitration Court, and the increasing need for another judge to be available for ordinary Supreme Court work, have rendered it necessary to introduce this legislation. In the immediate future it is unlikely that an additional judge will be appointed, but Legislative authority for this appointment must be available as the work of the Supreme Court is increasing, and both the Chief Justice and the other judges are of the opinion that the time is rapidly approaching when another judge must be made available for ordinary court work.

There has always been a difficulty with the Court of Criminal Appeal. That court requires the three judges to sit and in recent circumstances it has been necessary for the trial judge to sit with the other two judges to hear appeals in the Court of Criminal Appeal. From some aspects that can be regarded as undesirable, because it is placing or can place the trial judge in a somewhat difficult position. Temporarily and in the very few instances where this particular situation is likely to arise, the services of Mr. Justice Jackson could be made available; but, as has already been pointed out, it is not the intention to limit him in his full-time work in the Industrial Arbitration Court; and as circumstances indicate very clearly the early necessity for the appointment of another judge of the Supreme Court, and it was never intended that Mr. Justice Jackson should do other than very occasionally assist in the Supreme Court, it became very desirable that this Bill should be passed.

The Bill repeals Section 13 of the Supreme Court Act, which provides for the salaries of the judges. These salaries are also specified in the Constitution Act; and it is contended that it would be better if they were referred to only in the one piece of legislation, namely, the Constitution Act. Consequently the Bill proposes to amend the Constitution

Act to increase the maximum amount of the principal officers of State and the Judiciary from £24,600 to £26,900, the additional £2,300 being the salary of a puisne judge. This brings the Constitution Act into line with the intention of the amendment of the Supreme Court Act, and provides the necessary authority for payment of an additional salary when the appointment is made.

Hon. E. Nulsen: Does Mr. Justice Jackson's appointment mean that he can sit on the Supreme Court Bench?

The MINISTER FOR EDUCATION: Yes, but it was not intended that that should occur except in the rarest of cases and pending an appointment under the new measure now before the House.

Hon. A. H. Panton: Will the appointment of another judge not make five judges with the President of the Court?

The MINISTER FOR EDUCATION: There will be four judges and Mr. Justice Jackson.

Hon. A. H. Panton: He is a judge.

The MINISTER FOR EDUCATION: Yes.

Hon. A. H. Panton: That is five.

The MINISTER FOR EDUCATION: The Act will make provision for it. I hope later to give reasons for that matter in reply to a motion which the hon. member has moved.

Hon. A. H. Panton: I hope so.

The MINISTER FOR EDUCATION: I do not intend to reply at this stage to the points he raised though this Bill is involved, to a small extent, in the matter covered by that motion. I move—

That the Bill be now read a second time.

On motion by Hon. E. Nulsen, debate adjourned.

BILL—ADMINISTRATION ACT AMENDMENT (No. 2).

Second Reading.

Debate resumed from the 7th July.

MR. STYANTS (Kalgoorlie) [5.18]: This Bill proposes to amend the Administration Act. It refers only to the disposal of intestate estates and will not affect any estate the disposal of which is provided for by a will. There is no alteration of principle regarding the existing percentages that will be paid to other than the spouse of a deceased person. The existing law provides that in

the case of intestate estates of a lesser value than £500, the spouse of the deceased shall be entitled to the whole of the amount; and in estates where the amount is more than £500 where there is no surviving issue the spouse shall be entitled to the first £500 and half of the remainder and where there is surviving issue the spouse shall be entitled to one-third of the amount in excess of £500. It is not proposed to alter those percentages. The only change proposed is the increasing of the figure from £500 to £1,000, as the share of the spouse of a deceased person who dies without making a will.

I think the Minister said, when introducing the Bill, that the main reason for its introduction was the lessened purchasing power which money has today. I do not know that that is a particularly sound reason because, while we admit that the money which would be received by the spouse of a deceased person has a lesser purchasing power, so also has the money received by the other beneficiaries. The same ratio of decreased purchasing power applies. The real basis, in deciding whether we shall agree to this increased amount, is to determine whether £500 is or is not sufficient for the spouse of a deceased person. I believe that in nine cases out of ten it is not. In most instances, I think it would be found that the spouse is deserving of a greater amount from the estate of a deceased person, before any one else derives any benefit. For that reason, I propose to support the Bill. We know that some people rich and poor alike, have a dread of making a will. They seem to have a superstition that if they make a will it will bring about their early demise. But I think if those people knew the amount of trouble and expense that beneficiaries are put to in the disposal of an intestate estate, they would take the precaution of making a will.

Most members of Parliament have had some experience, particularly with their poorer constituents, in endeavouring to correct the omission of a deceased person who did not make a will. It often happens that the spouse, in addition to having to provide for herself, has to support the children. Whilst that is so, I understand that there is another Act, the provisions of which have to be invoked to enable the spouse of a deceased person who dies intestate to make application to get the use of the money which, under this measure,

the children inherit. I think, on general principles, the amount of £500 is insufficient because I believe that, in the vast majority of cases, the spouse is entitled to a greater share than is provided for in the existing legislation. For that reason, rather than because of the lessened purchasing power of money, I support the Bill.

On motion by Mr. Nimmo, debate adjourned.

BILL—FARMERS' DEBTS ADJUSTMENT ACT AMENDMENT (CONTINUANCE).

Second Reading.

Debate resumed from the 5th July.

HON. F. J. S. WISE (Gascayne) [5.25]: This is an ideal measure if one wished to talk out time, or take up a lot of time, because I think I would have no difficulty in addressing the House for some hours on the subject. But, on reflection, I find I have already spoken for about ten hours in this Chamber on this subject, and my views are very well known. They are recorded, as a matter of fact, in the fourth report of the Rural Reconstruction Commission which, in my view, is the handiest compendium of experiences and systems which have been used in Australia since farmers' debts adjustment was first instituted. That being so, and since I believe the principal Act should be continued so that a fund should be kept as a nucleus, which could be added to, to be used when prices fall and farmers are again in financial difficulties, which is sure to occur, I support the second reading of the Bill.

MR. HOAR (Nelson) [5.26]: I support the Bill. I rise mainly to voice my objection to having, every year or two years, to pass a continuance Bill for a measure of this importance to the State. The Act, of course, is administered by a director who is given power to appoint such officers as he may deem necessary to enable the provisions of the Act to be properly carried out. The Act itself is complete in every way to assist the farmer and the creditor to come to an agreement acceptable to both. For that reason, it is a distinct advance on any other method of debt adjustment that existed previously. The Act, which has given valuable service to farmers in the past—in some cases it has assisted them to rehabilitate themselves—is so important to the farming industry that I see no reason why we should

be called together every year or so to pass a continuance Bill of this kind. The Act was passed 19 years ago, and every year from 1930 to 1947, with the exception of the war years, it was continued by a measure such as this. In 1947, it was continued for two years, and the present Bill provides for a similar period.

I cannot for the life of me understand why we have to do this. It may be that in the days to come we shall find a Ministry that will have sufficient courage to say that the measure is important enough to be passed for five years, or even ten years. If we did the right thing in regard to this Act, we would so amend it as to make it permanent, and an integral part of our statute book, because no-one looking into the future can imagine that the present good conditions in the agricultural industries will last for ever. Wheat and wool will certainly suffer a deterioration in prices, probably within the next few years. When the other countries of the world rehabilitate themselves, we shall find that Australia will be, perhaps not relegated entirely to the background, but placed in a much less favourable trade situation than at present. Even in the dairying industry, to which the Act does not to a great extent apply, although on occasions it has been invoked, we find that our present main butter market may within the next few years be lost to Denmark.

An agreement between Great Britain and Denmark was drawn up recently, and it will involve an expenditure of between £200,000 and £300,000 for butter from Denmark. The contract is expected to begin on the 1st October this year, when the United Kingdom will get 75 per cent. of Danish butter with a maximum of 115,000 tons in any one year. This might well seriously interfere with our dairying industry in the years to come. So I ask the Minister, although I have no intention of saying anything further on the Bill at this stage, to give consideration to so amending the measure—that is, if his Government unexpectedly wins the next elections—as to make it a permanent feature and an integral part of our statute book.

Question put and passed.

Bill read a second time.

In Committee.

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

MOTION—PRICES CONTROL.

As to Appointment of Commission.

Debate resumed from the 29th June on the following motion by Hon. A. R. G. Hawke :

That in the opinion of this House the Government should introduce legislation to establish a Prices Commission, and to give consumers and business interests direct representation thereon, with an independent chairman appointed by the Government.

THE MINISTER FOR EDUCATION (Hon. A. F. Watts—Katanning) [5.33]: In the absence of the Attorney General I propose to offer the House some views on the motion moved by the member for Northam. His submission was that instead of there being a single Prices Commissioner there should be a trio of such gentlemen, one to represent the consumer and one to represent the producer—by that I refer mostly to the manufacturer of different articles—with a Government appointee in the middle as chairman. Perhaps I had better call the second representative a representative of industry, which I think was the language used by the hon. member. The member for Northam argued, I think, that the result of such a change would be that there would be greater public faith in price control. While he stated that he believed the Prices Commissioner to be a capable man who was carrying out his duties efficiently, the member for Northam still expressed the view that some change should be made.

I am not too sure that the hon. member has a complete conception of the practice of price control—or price fixing as it is commonly known—as it is now and has for some years been conducted. Until approximately September of last year, and for a period of some years during the war, as is well known, price control was dealt with under the National Security Regulations, by persons in the employ and under the control of the Commonwealth Government. The present Prices Commissioner, who now operates under State legislation, was under the control of the Commonwealth for a considerable period as Deputy Prices Commissioner, in charge of price control in Western Australia. As I understand it, the main objective of that price control was to ensure that the public was charged only a reasonable and proper price, having regard to the production costs of such goods as were in

short supply owing to emergency conditions existing as a result of the war, and to ensure that no excessive prices were charged.

The Prices Control Commissioner was appointed with a large staff to investigate the prices being charged to the community and to determine what was the maximum price that could be charged for any goods controlled. I submit that under both Commonwealth and State legislation and control the Prices Commissioner has been and is the direct representative of the consumers. He has been and is appointed by those who, I think, can be regarded as the only real representatives of the consumers. I refer to the Government or the respective Governments that are responsible to the people; first to Parliament and then to the people.

The Governments are elected directly by the adult community of the Commonwealth and the State respectively, and I think they must be taken, therefore, to be the real representatives of the great body of those people who consume the goods in question. When they take power and authority to control anything and delegate that power to a responsible and efficient officer, I think it must be said that he is representing the consumers. If he does not perform his duties in a satisfactory and effective manner he may be removed by the Government of the day.

Mr. Graham: Are you not taking a circuitous route to arrive at the wrong conclusion?

The MINISTER FOR EDUCATION: I may be doing so, as I said to the hon. member last evening, but I do not think so. I do not think anyone can successfully deny that the Prices Commissioner is there to represent nobody but the consumers. Whom does he represent, if not the consumers? He certainly does not represent industry.

Mr. Graham: The only people who supply him with evidence are the producers.

The MINISTER FOR EDUCATION: He certainly does not represent industry, and I do not think it is correct to say that the only decisions he makes are those from evidence supplied by the producers.

Mr. Graham: I said the only representations made to him are made by the producers.

The MINISTER FOR EDUCATION: Nothing of the kind! I, personally, have in the past made to him many representations that had nothing whatever to do with the manufacturer or the person producing the goods that were on sale. I would say it is the responsibility of the Government to appoint to this position such a person as it thinks fit and conceives will act in the interests of the public to ensure that the prices charged shall be only such as are reasonable. That, I think, is the whole basis of the price control system that has been in use in Australia in the last six or seven years. It is quite clear, of course, that the Prices Commissioner himself could not determine all the questions that must come before him or have made all the investigations that are necessary, were he not provided with a large staff of persons to assist him.

I suggest that those officers are in many cases persons who have a sound knowledge of the work they are asked to undertake or who are capable, because of their training, of conducting investigations into matters where finance and costs are involved. The determinations of the Prices Control Commissioner—particularly in Western Australia where I believe he is regarded as a hard, if fair, man so far as industry is concerned—seem to me to achieve the fullest possible result and, so far as any system of this kind can be effective, to provide the most effective control possible. It is a well known fact that during the years when the present State Prices Commissioner was under Commonwealth control, it was not always possible to prevent dissatisfaction. It was certainly not possible to prevent the necessity for prosecutions.

In the place of the Attorney General, in the last couple of days, I have had the unfortunate experience, or fortunate in some respects, of authorising prosecutions against traders who have offended under the very Act which we are now discussing. There are 19 charges altogether, in two or three instances, and they are for offences against orders made in the interests of the consumers by the Prices Control Commissioner. The summonses were issued as a result of careful investigations made by one of the expert officers of the department concerned. I have no hesitation in saying that the effectiveness of that management, and the effectiveness of the investigations, is as good under the State regime—it is substantially in the hands of the same officers—as it was under the Commonwealth regime. In the

present system, as I have been endeavouring to point out, no one is represented on the commission but the consumers. Except insofar as is necessary to ensure that fair play is provided for other sections of the community, the persons whose interests are being served by the Prices Commissioner and his officers, are the consumers.

I am not too sure that it would not place the Prices Commissioner, and the whole set-up, in a somewhat invidious position if there were direct representation of industry on this trio, with power of action. It seems to me that it would be better for the present set-up to continue rather than that a change should be made. Members are, of course, aware that industry has a representative on the advisory committee set up to consider any review that might be desirable, any decision by the commission or any matter about which the Minister, on behalf of the Government, might wish advice. There is a representative of the consumers on that committee in the person of Mr. Schnaars who, although now Conciliation Commissioner in the Arbitration Court, was formerly employees' representative on that bench.

As a Minister of the Crown, I have been in contact with Mr. Mathea and his officers during the last couple of years, and I have had frequent arguments with him, but I have no hesitation in saying that he is an able and devoted officer and one who has always sought to give good service, fair treatment and reasonable protection to all concerned in their respective situations. I know, too, from contact with the price fixing authorities in the other States of the Commonwealth that he is regarded as one of the most able commissioners who has ever occupied such a position either in the Commonwealth or State service. I have already stated that I believe he is regarded by industry as a fair but hard man and I am convinced that the interests of the consumers are well protected in this particular case. I believe that the consumer always gets the benefit of the doubt, if Mr. Mathea has any doubt on any particular point. Of course, there is an appeal from a decision of the commissioner but I am advised that there have been very few of these.

I feel that people in general have, over the last few years and up to the present, been worried about the increase in prices. Every responsible person realises—and I will give some figures of interest on that subject later—that before the States took over

price control, prices were rising and they have continued to rise. In the absence of some considerable change in the present set-up in Australia—and I am not able to judge at this stage what it should be or whether any particular method would be desirable—I consider that the prospects of lowering prices, at present, are not over-favourable. The original plan, I think it was called a stabilisation plan by the Commonwealth, was first to stabilise industrial conditions by pegging of wages and hours of work. That was continued for a considerable time during the war period. I do not know whether any members of this House are anxious to revert to such a means of endeavouring to stabilise prices at their present figure, or to reduce them.

Mr. Styants: Not while we have to import so much, anyhow.

THE MINISTER FOR EDUCATION: I am of the opinion that it would be extremely difficult to reinstate such a system and I am personally of the opinion that it is not practicable to do so at present. The next part of the stabilisation plan of the Commonwealth was in connection with subsidies, particularly where oversea prices were involved, and I will deal with the question of subsidies to some extent later on. The third proposal was price fixing or prices control. This plan came into operation in April, 1943, and with those three compartments of the plan working, it kept prices fairly stable. Under the system, prices were pegged at the level ruling on the 12th April, 1943, at which period, I understand, there had been a rise of approximately 25 per cent. over and above the prices ruling at the commencement of the war—that was about the middle or end of 1939. After the 12th April, 1943, no prices could be increased without application to, and approval by, the Prices Branch.

In many instances the increased cost of consumer goods was met by subsidies. These subsidies—leaving out the assistance to primary producers from the calculations—entailed a payment of £35,031,000 in five years. That huge sum, if it had been transferred to the price of consumer goods, would have obviously been reflected in a considerable increase in charges. Therefore it had great effect in respect to items to which it was payable, and kept the prices of those items much lower than otherwise would have been the case. I now propose to quote from, "Australia, In Facts and

Figures," No. 21, which is issued by the Commonwealth Department of Information to indicate what happened when price and wage pegging was withdrawn. It is interesting, I think, to consider this quotation under the heading of "Prices" and, *inter alia*, it reads—

The effect of the stabilisation plan was to hold Australian retail prices at 22½ per cent. above the pre-war level for three years, and in 1946 the price level began to rise again as price control in the international sphere broke down after the war. Soaring export and import prices exerted strong pressure on the internal price level, and the upward movement really commenced when wage pegging was abandoned late in 1946. Twelve months after V.P. day retail prices had risen to 25 per cent. above pre-war; 12 months later to 30 per cent. above pre-war. In the June quarter of 1948 they had risen to 40 per cent.

and I would point that Commonwealth control then still existed. So that while the wage pegging, unaltered hours, stabilisation of subsidies and price control had maintained prices almost at an invariable level of 22½ per cent. above the pre-war figures for three years, immediately the wage pegging was withdrawn, although the subsidies still then continued—that is one point I wish to make clear—in two years those prices from 22½ per cent. above pre-war level had risen to 40 per cent. above pre-war level.

Mr. Reynolds: What was the maximum amount ever paid by the Commonwealth in subsidies?

The MINISTER FOR EDUCATION:

The maximum amount granted by the Commonwealth in subsidies was over £25,000,000. That does not include the subsidies on primary products. I now pass to some notes of my own. There was a further rise from the June quarter of 1948 to the September quarter, that being during the period when the States took over. This rise was approximately three per cent. Of course, members will recall that the State took over fairly late in that quarter but before it actually expired. At the same time the Commonwealth Government also decided to abolish many of the subsidies paid under the stabilisation plan, thus further accentuating the rise in prices. I have already pointed out that with the subsidies still maintaining and with the passing of the wage pegging only, the prices had risen from 22½ per cent. to about 40 per cent. above pre-war level. What

position could therefore be expected when not only was the wage pegging gone but also the majority of subsidies? I am sure it was naturally to be expected that with the lifting of wage pegging legislation, the abolition of subsidies on certain goods and—now to bring the last item into it—the introduction of the 40-hour week, there should be considerable price rises with all these three things combining together.

As I mentioned earlier there was the control not only of wage pegging but also of hours of work. So the status that existed when apparently price control was eminently or reasonably successful under the Commonwealth provisions of 1943, for the next two and a half years had ceased. Therefore it becomes interesting to examine what the position was after all that, so far as it can be ascertained. As I pointed out the rise commenced clearly long prior to the States taking over price fixing and this is demonstrated by the figures that I gave, and also by the index figure supplied by the Statistician in this State, which figure on June, 1947, was 1,160 and on June, 1948, 1,247. Of course, during both these periods Commonwealth control and subsidies were in operation. The figures for the September quarter of 1948, during which there was a considerable period of Commonwealth control, showed an upward trend of 1,291. So that we have, from June, 1947, to September, 1948—a matter of 15 months—a rise from 1,160 in the index figure to 1,291.

Now we come to the first quarter, under State management, without wage pegging, without subsidies, and we find that the index figure rose from 1,291 on the 31st December to 1,325. So that the rise in figures was 34, as against the previous quarter during which there was a substantial portion of Commonwealth control, to no less than 44. Therefore, we find that in the first quarter under State control the rise was less than it had been, in any period during the time since wage pegging was abolished, under Commonwealth control. In March, 1949, we find the figure is 1,348, a rise of only 23, a lesser rise than in the preceding quarter and a much lesser rise than in the last quarter during which there was no measure of Commonwealth control. So in March, 1949, we reached the figure of 1,348. Upon inquiry yesterday I found that the June figures were not available. These

figures are known, and members are probably aware of this, as the five towns weighted average including the metropolitan area; Kalgoorlie and Boulder as one town; Bunbury; Northam and Geraldton and cover what is known as all items of household expenditure—

Mr. Hoar: All the dire fears of what would take place with the 40-hour week and the lifting of subsidies!

The MINISTER FOR EDUCATION: The hon. member must make no mistake that the rise has been steady and is not desirable. Everyone knows that. But I am saying, so far as one can ascertain, that the position is as good as one can expect under the changed circumstances. The point of this motion as I understand it—and I hope I have not misunderstood the member for Northam—is that he thinks there would be greater effects with a commission of three than with a commission of one under the present system. I am saying, now—and I do not think I have attempted in any way to criticise or condemn the Commonwealth administration—that the present system, notwithstanding the more adverse conditions that now exist, has not made the position any worse than it was under the preceding administration, and therefore there is no justification for making a change.

Mr. Triat: In those five towns, rents are a big factor and are not included.

The MINISTER FOR EDUCATION: I did not inquire whether rents were included. The items given to me were for household expenditure. If the hon. member so wishes, I shall make inquiries on the point, but no reference was made specifically to rent. However, I do not think it would matter much if rents were included in all the calculations.

From those figures, it is apparent that while the increase during the last year of Commonwealth control, according to the Commonwealth Department of Information, showed an over-all rise of ten per cent., the figures for the first six months under State control compare very favourably, showing a total rise of approximately five per cent., and this at a time when the impact of the 40-hour week and the withdrawal by the Commonwealth of price subsidies were becoming fully effective. While it is inevitable that we should be feeling the burden, it is equally inevitable that there should be some discontent, no matter by whom

or in what way prices are controlled, but it is perfectly clear that the present system does not warrant any change. In this statement I find myself supported by one whom I regard as quite a good authority on the question, namely, the Attorney General of Tasmania, who is the Minister for Prices, and, I believe from very slight acquaintance, is an ornament of the Labour Party in that State. The "Hobart Mercury" of the 8th February, 1949, reported the Attorney General as follows:—

"In spite of the loss of subsidies on many goods, the States have held prices just as effectively as the Commonwealth." The Attorney General (Mr. Fagan), who is Minister in Charge of Price-Fixing, said this yesterday on his return from Sydney where he attended a conference of Prices Ministers.

"The most notable feature of the conference was the complete unanimity among Ministers on the need for rigid control of prices," said Mr. Fagan. "It was agreed that no increases in the prices of goods and services would be allowed in any State unless full and careful investigations disclosed that there was no alternative.

"It is apparent from the mainland Press and from conversations I have had with many people in all walks of life that, despite the high degree of prosperity now being enjoyed, there is a great fear that rising costs and prices may bring about economic instability. The present decline in prices of many commodities in America does indicate that the bloom has left the post-war prosperity.

"The problem now is to get back to a healthier economic state. This cannot be achieved by a process of steep falls and economic depression but by a steady levelling off of inflation."

Mr. Fagan said price control was an important factor in curbing inflation, but this alone could not avoid an economic dislocation. There must be greatly increased production of essential commodities. The savings campaign launched by the Prime Minister also would play a useful and important part in ensuring economic stability.

There was still a strong demand for everything that could be produced, but that demand could be destroyed quickly if prices became inflated unduly.

"I should say that the battle against inflation will be won or lost this year. It is only by price control and increased production that we can ease off inflation so that the horrible enormity of another depression can be avoided."

Members will therefore see that I am not alone in the belief that the present system is proving effective and that no major change in it is desirable. The member for

Northam indicated that the alteration he suggested would be on all fours with the position in the Arbitration Court. I do not think that is so. In the Arbitration Court there are, as a general rule, two disputant parties—the employer and the employee—and it is necessary for them to submit their cases for decision. The consumer, who is very vitally interested in almost all the cases that come before the court, has no representation other than by the President, who again is appointed by the Government of the day, whatever its political complexion may be, to represent the community at large.

Hon. A. R. G. Hawke: That is a very weak argument to put forward at six minutes past six.

The MINISTER FOR EDUCATION: The hon. member drew the parallel and I am pointing out that I do not think it applies. Hence it seems to me that the present set-up, which has been preserved in all the States following on the Commonwealth system, is not unsuccessful, is not open to any real or trenchant criticism, and should not be altered. Consequently, I oppose the motion.

On motion by Mr. Brady, debate adjourned.

House adjourned at 6.7 p.m.

Legislative Council.

Tuesday, 19th July, 1949.

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

QUESTIONS.

HOUSING.

As to Rental Home Applicants, Fremantle.

Hon. G. FRASER asked the Chief Secretary:

What is the Government's reason for forcing applicants for rental homes in the Fremantle area to serve a term in the converted Army hut camps before allotting them a home, when this condition is not enforced in any other part of the State?

The CHIEF SECRETARY replied:

In the Fremantle district the Housing Commission converted into flats a number of Army camps to provide temporary accommodation for urgent hardship cases. The occupants of these flats were given to understand that, subject to satisfactory tenancy, they would be transferred to Commonwealth-State rental homes as opportunity offered. In order to honour this promise, the Commission has for some time past allocated the homes erected at Hilton Park to occupants of the Army flats in the Fremantle district and key personnel of the Electricity Commission employed at the South Fremantle power station. Accommodation vacated in the flats is then made available to other urgent cases.

A similar policy is not necessary in districts other than Fremantle as the Commission has only two small converted camps at Wembley and South Guildford and the placing of tenants from these camps does not present the same difficulty as there are a number of centres in proximity to Perth in which they can be housed.

MOTOR VEHICLES.

(a) *As to Allocation Board and Staff.*

Hon. W. R. HALL asked the Honorary Minister for Agriculture:

(1) How many members comprise the Motor Vehicles Allocation Board?

(2) What are the names of the members?

(3) What salaries are paid to members of the board?

(4) How often does the board sit?

(5) How many other employees are there on the board?

(6) What has been the total cost of administration of the board each year since its inception to the 30th June, 1949—

(a) State Government;

(b) Commonwealth Government?