

Legislative Assembly

Tuesday, 16th August, 1955.

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

QUESTIONS.

MINING.

Miner's Phthisis Act, Pensions.

Mr. McCULLOCH asked the Minister for Mines:

(1) What was the rate of miner's phthisis pension in 1927, for (a) single miners; (b) married miners?

(2) What is the current rate of weekly payment under the Miner's Phthisis Act for (a) single men; (b) married man living with wife; and (c) widow?

(3) How many persons are in receipt of miner's phthisis pension—(a) males; (b) females; at the present time?

(4) How many were in receipt of above pension in 1927?

(5) What was the financial obligation of the Government for the above pension as a percentage of the basic wage in 1927; what is the basic wage percentage today and what was the total cost for the respective years 1927 to 1954?

The MINISTER replied:

(1) (a) Single Miners. In 1927 the pension was half the ruling rate of pay in the district for the class of work in which he was engaged when prohibited from employment in the mines, with additional payments in respect of dependants as follows:—

Adult dependants, i.e., father, mother, etc., £1 per week each.

Minor dependants, i.e., brother, sister, etc., 8s. 6d. per week each.

(b) Married Miners. In 1927 the pension for married men was the same as that for single men with the same additional payments for dependants. Adult dependants included wife, father, etc., and minor dependants, sons, daughters, etc.

In the case of both married and single men, the payment could not exceed the basic wage in the district at the time the man was prohibited from employment in the mines.

A widow was entitled to £2 per week until remarriage or death.

The Department of Labour advises that the Goldfields basic wage in 1927 was £4 5s. per week.

(2) The current pension rates are as stated in No. (1). A widower was and is entitled to half wages as in the case of married and single miners, quoted above, plus an additional allowance of 8s. 6d. per week for each dependent child.

(3) At present 160 women and 17 men are receiving a pension under the Act. Total: 177.

(4) On the 19th July, 1927, there were 160 pensioners under the Act.

(5) (a) The financial obligation of the Government for a pension as a percentage of the basic wage in 1927 varied between a minimum of 50 per cent. and a maximum of 100 per cent. contingent upon the dependant allowances payable.

(b) A 1927 minimum and maximum pension expressed as a percentage of the current Goldfields basic wage is 17 per cent. and 34 per cent. respectively.

The Department of Labour advises that the current Goldfields basic wage is £12 9s. 4d.

(c) In the financial year 1926-27, the Government's liability for the pension was £20,517 19s. 9d. and in 1954-55, £19,392.

TIME PAYMENT.

Study by Government, etc.

Mr. JOHNSON asked the Treasurer:

(1) Is the problem of time payment being studied by the Government?

(2) Is legislation controlling this type of business being introduced in other States and countries like Great Britain and U.S.A.?

(3) Can the proposed payments by the Commonwealth Government towards the comprehensive water scheme be regarded as coming within the scope of this type of legislation?

(4) If so, would the length of time over which payments are spread be considered excessive?

The TREASURER replied:

(1) Yes.

(2) According to the information available, action has been taken or is under consideration by a number of other Governments.

(3) and (4) No.

DAIRYING INDUSTRY.

(a) *Subsidy for Purchase of Stud Bulls.*
Mr. NALDER asked the Minister for Agriculture:

Has any subsidy ever been paid to dairy farmers for the purchase of stud bulls in this State—

- (a) If so, in what years;
- (b) what amount was paid;
- (c) what reasons were advanced for its discontinuance?

The MINISTER replied:

- (a) 1929-1955 inclusive.
- (b) A total of £4,352 has been paid to 415 farmers.
- (c) The scheme is still in operation.

(b) *Effects of Federal Policy.*

Mr. COURT asked the Minister for Agriculture:

(1) With respect, I did not gather from his answer to my question of the 9th August, 1955, which Federal Government's statement urging dairy farmers to produce more he referred to in his Press statement of the 2nd August. I have not been able to locate an appropriate Federal Government statement. Can he be more specific as to the Federal Government's statement?

(2) Do I take it from his answer to my question without notice, that he is against any move for increased dairy production in Western Australia, at this juncture?

The MINISTER replied:

(1) My reference to increased dairy production should be read in conjunction with the decision to reduce the subsidy on dairy products.

A policy of a general increase in agricultural production over a 5-year period was instigated by the Commonwealth Government and agreed upon at a meeting of the Agricultural Council in April, 1952, which included an increase of approximately 12 per cent. in the overall milk production for the Commonwealth.

(2) No, for it is only through an increase in production that the average cost per lb. butterfat can be reduced and some stability of the industry achieved.

NATIVE WELFARE.

Homes for Natives.

Mr. NALDER asked the Minister for Housing:

(1) How many houses have been, or are in the process of being built, for natives in this State?

(2) How many applications were received by the Housing Commission from natives accompanied by the £25 deposit before these houses were commenced?

The MINISTER replied:

- (1) Completed 33
- Under construction 15

(2) Nil. It has never been the practice under the State Housing Act to demand deposits on application, but deposits are paid prior to a purchaser taking occupation.

AGRICULTURE.

Agricultural Advisers.

Mr. BOVELL asked the Minister for Agriculture:

(1) How many agricultural advisers are necessary to maintain an efficient service to primary producers in Western Australia?

(2) How many such officers are now employed by the Department of Agriculture?

(3) What districts are without the services of agricultural advisers?

(4) How many of these officers have resigned from the Department of Agriculture during the past two years, and what were the reasons for their resignations?

(5) What is being done to fill existing vacancies?

The MINISTER replied:

(1) Classified agricultural advisers (professional officers) number 66, to which should be added 137 other professional and technical officers in various activities working amongst farmers. This does not include the professional staff on research, technical services or research stations.

The number necessary to maintain an efficient service varies with the type of work required and the expansion in agriculture.

(2) 52 agricultural advisers (professional officers). 123 other professional and technical officers.

This does not include officers on research, special technical services (plant pathology, entomology, botany, etc.)

(3) Margaret River and Busselton. In addition, other districts—particularly in the wheat and sheep areas—are under consideration as trained staff and facilities become available.

(4) (a) 14 agricultural advisers, of whom two have been re-employed.

(b) Five to take up farming on own account, one now rejoined the department.

One transferred to another State department.
Two, duties not congenial.

(5) Vacancies are advertised from time to time within the State and throughout Australia.

Overseas graduates also approached through the Agent General in London.

A cadet system to provide graduates in agricultural and veterinary science is in operation. Cadets in training now number seven in veterinary science and five in agricultural science.

Since the 1st January, 1954, 29 graduates have been engaged of whom 20 were appointed as agricultural advisers.

FORESTS.

(a) *Royalty on Fence Posts.*

Mr. BOVELL asked the Minister for Forests:

By what amount has royalty on timber used for fence posts been increased to primary producers in the dairying areas and why has this extra cost been imposed?

The MINISTER replied:

Fence posts are still available at a royalty rate of 1d. per post.

When settlers request good quality mill logs for splitting into posts, a royalty equivalent to the log royalty applying in the district is being charged.

(b) *Area Controlled by Department.*

Mr. MANNING asked the Minister for Forests:

What is the total area of Crown land under the control of the Forests Department in each of the following road board districts:—Serpentine-Jarrahdale, Murray, Drakesbrook, Harvey, Dardanup?

The MINISTER replied:

The Forests Department has exclusive control and management of State forests and timber reserves and the forest produce of other Crown lands.

The approximate areas of State forests and timber reserves in the road districts concerned are:

Road Board District.	Area of State Forest and Timber Reserves.
	acres
Serpentine-Jarrahdale	98,000
Murray	210,000
Drakesbrook	89,000
Harvey	339,000
Dardanup	50,500
Total	786,500

(c) *Conversion to Pine Forests.*

Mr. MANNING asked the Minister for Forests:

What is the proposed total acreage of land to be converted to pine forest in the Drakesbrook and Harvey districts?

The MINISTER replied:

Gross area under consideration for pine planting in the Drakesbrook and Harvey road districts is approximately 20,000 acres.

CARNARVON.

Goods Sheds Yards.

Mr. NORTON asked the Minister for Works:

(1) Has work been completed on the new spur line in the Carnarvon goods sheds yards?

(2) If not, when is it anticipated that the work will be completed?

The MINISTER replied:

(1) No.

(2) Within 10 weeks.

FAUNA.

Preservation.

Mr. MANNING asked the Minister for Fisheries:

(1) Is it proposed to reserve land for the preservation of fauna in any of the following road board districts:—Serpentine-Jarrahdale, Mandurah, Murray, Drakesbrook, Harvey, Dardanup?

(2) If so, what is the locality and area of the land to be reserved?

The PREMIER (for the Minister for Fisheries) replied:

(1) The Fauna Protection Advisory Committee has had under consideration for some time the desirability of having created a national park and flora and fauna reserve within the area between Goegrup (Willies) Lake and Lake Preston. The committee has not yet made any firm recommendation to me. Officers of the Fisheries Department, together with the Chief Vermin Control Officer, will discuss the subject with the road boards concerned in the near future.

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

JUSTICES OF THE PEACE.

Recommendations, etc.

Hon. C. F. J. NORTH asked the Premier:

(1) Are the recommendations received for justiceships of the peace many more than are the vacancies available for this office?

(2) Is the ratio of appointments to the total population as high as in earlier times?

(3) Is the appointment to a commissioner for declarations a bar to subsequent preferment to a justiceship?

(4) How long after a recommendation is submitted, may a member judge that it has failed?

The PREMIER replied:

(1) and (2) Appointments as justices of the peace are considered on the basis of reasonable requirements. No attempt is

made to fix a number of vacancies or a ratio to total population. Nominations received are considerably more than appointments required.

(3) No.

(4) The time taken to arrive at a decision may vary with the urgency of the requirements in the localities concerned.

TRAFFIC.

Drivers' Licences.

Mr. COURT asked the Minister for Police:

Has any decision been reached on the proposal I put forward during the debate on the Police Estimates last parliamentary session to avoid the present cumbersome and costly system of annual renewal of drivers' licences?

The MINISTER replied:

This proposal has been the subject of inquiries and has been listed for discussion at the Police Commissioners' conference to be held at Brisbane next month.

DRIVE-IN THEATRE.

Use of Cottesloe Reserve.

Mr. ROSS HUTCHINSON asked the Minister representing the Minister for Local Government:

Has any decision yet been made on whether the Class "A" reserve on the corner of Napier-st. and Marine Parade, Cottesloe, is to be commandeered for a drive-in theatre?

The MINISTER FOR RAILWAYS replied:

A decision has not been reached.

WATER SUPPLIES.

(a) Cost of Main, Kenwick.

Mr. WILD asked the Minister for Water Supplies:

(1) What was the cost of the 6in. water main between Albany Highway and Royal-st. bridge, Kenwick?

(2) Of this amount how much was represented by labour?

(3) How many men were employed on this job, and for how long?

The MINISTER replied:

(1) This 8in. main—not 6in. as stated—is not yet fully laid and costing has not been finalised. Completion is awaiting drier ground conditions and availability of pipes.

On completion of the work the information required will be made available.

(2) and (3) See answer to No. (1).

(b) Laying of Mains, Graylands.

Hon. C. F. J. NORTH asked the Minister for Water Supplies:

In view of a statement at a public meeting in Graylands recently, that footpaths to be constructed along Alfred-rd. were

held up because water pipes had first to be lowered to enable the work to proceed, will he have this position examined?

The MINISTER replied:

No representations have been made to this department concerning the lowering of pipes in Alfred-rd.

Inquiries will be made.

STATE HOUSING COMMISSION.

Land Resumptions.

Mr. JAMIESON asked the Minister for Works:

(1) Regarding land resumed for State Housing Commission purposes in 1954, are there any instances where the payment in settlement of a claim for compensation has exceeded the amount claimed?

(2) If there are such instances, would he supply a detailed list of persons receiving same, together with the amount in excess of claim in each case in respect to the Belmont and South Bentley Park areas?

The MINISTER replied:

(1) Yes.

(2) In Belmont Park area there were three instances where excess payments as compensation over claim were £25, £50 and £150 respectively.

In the South Bentley Park area there were seven instances of excess payments ranging from £10 to £167.

It is not considered to be in the public interest to publish the names of the claimants.

STATE BRICKWORKS.

Cost of Firewood, Byford.

Mr. OLDFIELD asked the Minister for Housing:

What is the average price, per ton, paid for firewood delivered to the State Brick Works, Byford?

The MINISTER replied:

The figure is £2 2s. 10d.

TOWN PLANNING.

Shopping Centre, Mt. Claremont.

Hon. C. F. J. NORTH asked the Minister representing the Minister for Town Planning:

(1) Is there any proposal for a shopping centre in Mt. Claremont?

(2) Is such a proposal, if any, still under consideration?

The MINISTER FOR HOUSING replied:

Yes. Such a proposal has been received by the Town Planning Board, which will be submitting a favourable recommendation to the Minister for Town Planning.

ADDRESS-IN-REPLY.*Fourth Day.*

Debate resumed from the 11th August on the motion for the adoption of the Address, as amended.

MR. COURT (Nedlands) [4.45]: In making my contribution to this debate rather before the time I anticipated, I would like to deal with several headings none of which, with possibly one exception, has a parochial or narrow significance as far as my own electorate is concerned. The particular headings I would like to discuss are, firstly, the question of free enterprise and arising from that the question of productivity. Secondly, there are three related subjects so far as industry generally is concerned, namely, the demand for skilled men in the light of increased mechanisation, the need for better training of executives and the better use of part-time and aged workers in industry. If time permits, I would like to touch on the question of parking with particular reference to the effects of the present situation in the City of Perth.

It is my considered view that the time has arrived when a lot of the nonsense being banded about in regard to private industry and what it stands for should be debunked. Apparently it is a fairly popular approach on the part of members of the Government to speak in rather scathing terms regarding what is done by free enterprise and the methods by which it conducts its business. I am firmly of the opinion that many of these statements are not only extravagant but also malicious in their intent. Last Wednesday evening we had a most extraordinary outburst when the Premier and Treasurer used some of the strongest language I have heard him use. If one reflects on what he said, I think it would be fair to say that the attack he made, and some of the expressions he used, ill became a person who is charged with the grave responsibility of the Premiership and Treasurership of this State, particularly in view of the tricky and difficult times through which we are travelling in respect of the State's development.

The Minister for Housing: Tricky is right!

Mr. COURT: This is a time when the teamwork of the whole community is important if we are to do what we should during the next decade and this generation. The Premier used such phrases as "legalised plunder"; I think that was one of the milder expressions, but he eventually reached the stage where he likened big business to the communist class in this country. I feel that it was a grossly improper attack on people who, in the main, have done a wonderful job by this country and by every country in the free world.

One would gather the impression from listening to the Premier's remarks the other day, that every private trader

is not only a crook but a cheat, and is out to plunder the working man in respect of his wages. I have had the opportunity to give this matter considerable thought since the Premier's outburst last Wednesday evening, and I often wonder why these people who seem to think that free enterprise is such an evil do not get down to an appreciation of just what is done in this country, and in other free countries, by private enterprise. It is a fact that these outbursts from time to time do nothing but stir up class hatred which is, or can be, so damaging to the country.

I submit to these people who feel as strongly, as they apparently do, over this question of private enterprise that they have completely overlooked the drastic changes that have taken place in the political and industrial world during the last 30 years. We have a rather extraordinary situation today inasmuch as the so-called radicals of a previous generation can now be classed as the reactionaries in our midst. These people who are trying to hold the worker back from enjoying the greater standards that can be won under private enterprise are completely out of touch with modern conditions in industry; and completely out of touch with the great advantages that can accrue to the worker if private enterprise is allowed to do the job it is capable of carrying out.

In spite of the propaganda to the contrary from these people whom I refer to as Labour reactionaries, the man in the street is realising and accepting the true position in relation to private enterprise, and its place in the economy. The old saying that "You may fool some of the people for some of the time but you cannot fool all of them for all the time" is proving true about private industry. It is very hard to tell a man he is badly off when he is not, when he has certain advantages he has never had before and when he is enjoying a standard of living he has never experienced previously; we cannot tell him that these things are beyond his reach, and we cannot convince that man that the present system is bad for him.

I blame free enterprise to a large extent for not getting its message across. It has been dilatory in failing to tell the people just what it does and what it stands for. It is significant that this is not peculiar to Australia. We find in the United States and in the United Kingdom very well organised movements taking shape to put the message across in a factual and clearly understood manner. However, in spite of the failure of private industry to get its message across, the facts are that the majority of people in Australia, the United States and the United Kingdom in particular, have elected that this system of free enterprise is the best one for their countries.

It is only right to enumerate some of the reasons why free enterprise can do better than socialised industry. First and

foremost, the reason why it can do better is, I think, because there is an individual acceptance of risks in each case. Somebody has to take the blame; somebody has to take the risk, and somebody has to take the responsibility for getting something moving and something done. When I say "somebody" it might be a group of people, but nevertheless a restricted number of people have to take the responsibility and blame. Whereas under socialised industry there is not the pinpointing of responsibility that is so important to get work so effectively done.

The Minister for Lands: Where have you seen any socialised industry?

Mr. COURT: That is a favourite question in this House, and I do not want to lose my time in answering it. I have got only a limited time before me, and I have been caught before by digressing to reply to questions like that.

The Minister for Lands: I would be very glad to know.

Mr. COURT: There is in private industry an important point which makes it better than socialised industry, inasmuch as any failure in a given undertaking is localised to a limited number of people or a limited number of organisations. In other words, the repercussions from failure are restricted to a comparatively small area; whereas under socialisation there is a terrific effect if something goes wrong, particularly if it is attacked on a grand scale. For instance, there is the case of the famous ground-nut scheme. When it failed, the effect was felt over a large area. On the other hand, in private industry if someone launches into an undertaking and it fails, it is restricted to a narrow field in the community and does not affect the community at large.

Further reasons why private industry can do better than socialised industry is because of free and full competition, which keeps commerce and industry on its toes. There is nothing like competition to keep organisations on their toes, and to produce a better record.

Mr. Johnson: Where is the competition these days?

Mr. COURT: There is tons of competition. This suggestion that there is no competition is one of those fallacious arguments we keep hearing without any proof in support of them.

The Minister for Works: I will give you proof. What about the fixing of plaster-board?

Mr. COURT: The next point is the question of efficiency and productivity, and the low cost of production which are essentials for the success of private industry, because if it does not achieve those ends it defeats some of the objects for which it is accountable.

For instance, the need for private industry to service its capital and to expand keeps it very much on its toes; it must be efficient and increase its productivity and reduce its cost of production. Furthermore, private industry has to report at regular intervals to shareholders and to the investing public generally. The financial Press in particular is vigilant in its task in watching for the performance of the various industries, particularly those that are public companies. The mere fact that they have to come before the public at regular intervals is in itself a safeguard which keeps these people efficient and progressive in their approach to industry, and which helps them to bring about a greater productivity, lower cost of production and expansion.

A further point in support of private industry is that it has achieved a standard of living the like of which has never before been achieved in the history of mankind.

Mr. SPEAKER: Order! There is too much loud conversation on the back cross-benches.

Mr. COURT: This is something which the most fanatical political opponents of free enterprise cannot break down. They just cannot convince a man that he is not better off today, although many attempts have been made so to do. Another argument in favour of free enterprise is that it has to be progressive, and this is instanced by the proportion of profits which are ploughed back into industry in Australia and other parts of the free world, to expand the business from the money that has been made in the actual operation of that business. Some of the businesses in Australia have set a commendable example in the high proportion of the profits they have ploughed back into their industries.

The Minister for Lands: They must have dragged plenty out of the people in the first place or they could not have done that.

Mr. COURT: That is rather a distorted view. If the Minister were specific in offering a few cases, we could deal with each one on its merits.

The Minister for Lands: I asked you to do that. I asked you whether you had seen a socialised industry and you could not answer me.

Mr. COURT: Given a chance and free from the bonds of the well-meaning but misguided planners, free enterprise will go still further in providing a higher standard of living. Man has an insatiable appetite for more and better things. The whole of his history has been punctuated by a demand for better things. Man is fundamentally a dissatisfied individual. He is always wanting something better and that has prompted people over the ages to produce things that are better, whether it be in comforts or in the means of doing things. Free enterprise has gone a long

way to providing those improvements, and I do ask that we shall all accept that fact, and allow free enterprise to expand.

The Minister for Education: Do you believe that the Arbitration Court should control the wages and margins of workers in industry?

Mr. COURT: The Minister knows from utterances of mine in this Chamber that I have supported the principle of arbitration.

The Minister for Education: How does that square up with the policy of free enterprise?

Mr. COURT: We have accepted the principle of arbitration and that does not conflict with free enterprise.

Hon. L. Thorn: There is no relationship. The Minister for Education: Of course there is! It goes to the basis of it.

Mr. COURT: I ask those who have to address themselves to this question not to condemn the community to the drabness, mediocrity and soul-destroying monotony of the socialist system, the so-called planned economy references to which we hear bandied about. I feel it is one of our tasks to educate the people, and especially the young, to the price that has to be paid and the dangers that can follow the acceptance of the doctrine of the welfare State. It is important that we should make the point that this particular doctrine can become a drug; and, like all drugs, it can become dangerous if too freely administered.

This one particularly—the drug of the welfare State—which is subject to such great political pressure from time to time, can sap initiative and enterprise, and works on the principle of taking from the diligent and thrifty so that the lazy and the spendthrift can take things easy. Like all other drugs, it has the added disadvantage that there is always an aftermath; there is always a price to pay. So I make this point: It is the duty of free enterprise to state its case frankly and clearly and unfold the true value of the things it has done. Free enterprise has nothing to hide and should not be afraid of stating its case. In so doing it would explode the myths created by its opponents.

The question of the profit made by companies is one that is badly handled by free enterprise, which has no one but itself to blame, because it leaves the method of expression open to distortion. We get bald announcements of the profit made by some of these undertakings which, from the headlines, appear substantial, to say the least—and, in fact, might even appear excessive if one wanted to accept that viewpoint. I would ask firms, when presenting their case to the public, to be more explicit and detailed in stating what has been done. For instance, in announcing the profits made, very rarely do they put in clear terms what funds were employed to make the profits.

We see a heading that a certain firm has made £500,000, £2,000,000 or whatever the sum may be; but rarely do the firms concerned show just how they employed their funds to make that money. Paid-up capital is a misleading factor in many companies, particularly in Australia and the United Kingdom. Because of the developing nature of Australia, it has been necessary for companies to plough back to the maximum possible extent from the profits made; and so we find that capital has been contributed from two sources—first of all, the original paid-up capital and any additions thereto; and secondly, from the undistributed profits.

There is another factor that must be taken into account if we are going to appraise fairly and properly the performance of any given industry, and that is the borrowed money employed. Rarely do we find two firms arranging financial affairs on the same basis. For instance, some firms like to work on a low proportion of capital, and others on a high proportion of capital and a low proportion of borrowed money. They work in reverse ratio. But to get a true test of the yardstick of the performance it is necessary to take the three factors into account: The actual paid-up capital, the undistributed profits and other reserves and the borrowed funds. If the earnings are related to the total of those figures, one arrives at a more accurate assessment of the position.

Another point is that firms should give the public more information regarding their performance over a period of years. It is wrong to take one isolated year and say that that represents the capacity of a firm to earn money. It could have been that it was building up and developing, ploughing back, and generally tooling up for its more profitable period. On the other hand, it could be a firm that was languishing. It is important that the public should know of a firm or an industry that is languishing, just as much as it should know when a firm is prospering. Unfortunately, some of our firms have a habit of hiding their performances when they are doing badly; and when they do well they boast about it, probably with a view to raising further capital. It is only fair that their results should be properly examined in the light of several years of performance, preferably five or more.

An additional point is that they should give a clear indication to the public of the profit as a percentage of sales. There are some firms which this year will declare slightly more profit than last year, but, from the information I have been able to obtain in connection with industry, it would appear that in some cases they will have achieved a higher volume of sales but the actual net profit will be considerably lower as a percentage of those sales. That is something we should not discourage, although it brings with it a

danger if there is a slight recession in trading buoyancy. But if firms are chasing extra turnover and are prepared to take the risk of accepting a lower net margin, that should be encouraged, because it is one means of getting costs down and giving better value to the public. It is significant that the percentage of net profit to sales in America is a declining percentage. Some of the figures show an ever-increasing sales value, but the net percentage of yield on those sales shows a tendency to decline, which is a product of competition, of keener trading, and is something that we should encourage because the public gets the benefit of it.

Something else which should be explained to the public is the reason for increases or decreases in profits or losses. The time has come when, because of the large spread of shareholders in public companies, when we are finding so many of the so-called little people having shares in such companies—a trend which I am pleased to see and strongly advocate—a greater responsibility is thrown on such companies to tell the people generally just what is going on and the way the results have been affected by certain aspects, and why they may be affected in the future by other important factors.

I have listed another point on which firms should give more information, and that is the hazard of their particular industries. Over the last few years we have enjoyed a buoyancy in trading conditions, when failures have been the exception and have been given prominence because they have been the exception rather than the rule. But if we take a line through industry in Australia in the last 30 years, we will find that many of those industries with a fairly buoyant history for the post-war years have shown a bad performance over a period of 30 years. They are industries which are susceptible to trade recessions, which very quickly react to world conditions and are generally hazardous so far as the investor is concerned. Such industries have a duty to make clear to the public the long-term hazard, or otherwise, involved.

The final point I want to make on this subject is that we should stop apologising for profits and realise that greater productivity means greater prosperity, which is something we are all aiming at. During this session there will doubtless be much discussion on the performance of General Motors Holden Ltd. I took the trouble to make an analysis of the reports of that company over the last two years; and I think it is most unfortunate for this country that the Leader of the Federal Opposition, Dr. Evatt, should have indulged in such unfair and unconstructive criticism in an attempt to make political capital out of the performance of the company. Like so many of his supporters, he is seldom pre-

pared to give a complete picture of the performance and, unfortunately, too few, including industrialists, make it their business to tell the public of the great advantages of a buoyant private industry.

If one accepted the outbursts of some of the socialist leaders of Australia, like Dr. Evatt and his followers, one would form the opinion that there is something sinister in making a little profit, or even a large amount of profit. The great danger to the Australian worker is that industry might not always be profitable. Long ago, the American worker accepted the principle that firms doing well do not sack men, and the attitude of the workers in the United States towards profit as a barometer to buoyancy and prosperity has served the nation very well, and it has been reflected in the high standard of living obtained. Nobody wants to see excessive profits being made, but let us ensure that we have the whole of the facts before we refer to such profit as being "excessive" or "gigantic."

I have made some deductions from the public documents that General Motors Holden have circulated for all the world to see and found certain facts which are of importance. Firstly, they have established an industry which a few years ago appeared entirely beyond Australia's reach and have now reached a daily output of 337 vehicles. This is a very impressive performance. Added to that, expansion is in progress. The year under review saw the completion of an £11,000,000 project; it saw the commencement of another £7,250,000 project and there is in view the commencement of another £21,000,000 project.

That is big money, especially at a time when Australia is desperately seeking to build up its economy more quickly than is normally to be expected. I feel that these people should be encouraged rather than discouraged, bearing in mind that if our leaders, be they Liberal or Labour, discourage these foreigners in our midst, we can expect their kith and kin to be very chary of setting their foot here and bringing their know-how and money to invest in business. Once bitten, twice shy! During the last few weeks, Dr. Evatt has made an attempt in the direction of discouraging such people.

Considered in its true perspective over the last 10 years, while this industry has been getting established and brought to its present state of efficiency, the following facts emerge as being very important—facts that should be understood by the Australian people. Taking 240d. worth of sales excluding sales tax, we have the following result:—Supplies, materials, components and services, 144d.; duty, taxes, etc., 21½d. depreciation of plant and equipment 5d.; employees' pay roll and allied expenses, 48d.; shareholders' dividends, 6d.; retained for use in the business, 15½d. or 2½ times the amount distributed to shareholders, making a total of 240d.

During their history these people have built up production to such an extent that in 1954 they achieved 27.7 per cent. of the total passenger car registrations, and this has meant a terrific saving in the drain on overseas funds.

Mr. May: Do you think those controlling this price are charging a fair price for their cars?

Mr. COURT: I should say they are, taking their price in relation to the best cars that the world can produce. They are holding their own against the imported cars, and if they reduced their price tomorrow, there would be a blackmarket to the extent of any price reduction.

Mr. May: They are keeping the price of their cars just below that of imported cars.

Hon. A. V. R. Abbott: That is what the member for Collie wants, is it not?

Mr. COURT: I should make it plain that I do not drive a Holden, nor have I any personal interest in this project; neither do I hold any shares in the company, though I could wish that I did. We have broken into the export market for motor-vehicles, which is something that a few years ago seemed to be beyond our capacity. This has been done at a time when we are desperately in need of overseas funds. There are indications that with the development of the projects—the £11,000,000 one started and the £21,000,000 one that is coming—we shall be able to bite further into this market with our secondary industry. This should gladden the hearts of Australian workers because, at the moment, we have a great unbalance in the economy of this country. This one company is doing something that we badly need by its ability to break into the export market for secondary industry. Undoubtedly, General Motors Holden turn out a good product.

A question that arises is: Has this profit been achieved at the expense of the workers' being paid low wages or being employed under bad working conditions? The answer is "No." In 1954 the average pay per employee—man, woman and child—rose to £981 per annum or 18 guineas per week, and in 1953 it was £946. If we take out the higher executive salaries, we find that the figure is £934 for 1954 or £18 a week and £893 for 1953, and we must bear in mind that these rates of remuneration represent the average for the whole of the employees in the industry, be they senior, junior or intermediate types of labour. The average number of employees, men and women, in 1954 was 12,909 and at the end of 1954, it had been built up to 13,822.

The funds employed by this industry are very interesting and show what must be done if one is going to properly equip an industry on a competitive basis. In 1945, the funds employed amounted to only £6,000,000, and at the end of 1954, ignoring the current value of tangible assets, but

dealing with book value of assets, they amounted to £41,000,000. I made a further deduction that should interest members. In 1945 the funds employed in the business represented only £670 per employee, and by the end of 1954 those funds had risen to a figure more comparable with that of the most highly mechanised countries of the world, namely, £3,170 per employee.

Further proof that this firm is on the right track as far as its employees are concerned is shown by the fact that in the five years—there is nothing secret about this information because it appears in the published accounts of which members may obtain a copy—£35,000 has been paid to employees under a scheme for "Suggested Plans" to encourage employees to make a contribution to the efficiency of the industry. It speaks well for the firm for having made this money available, and it is even more creditable to the workers who have taken advantage of it with the result that very high awards have been made.

It is a pity that the member for Leederville is not in his seat because my next point is rather near and dear to him—I refer to the question of the accident ratio. The 1953 report gives a photographic illustration of the safety factors employed in connection with some of the machines that used to be a horror in industries. General Motors Holden have gone to extreme limits to guard the operating mechanism in such a way that a man cannot work certain machines if he is in a dangerous position.

This is one of the most commendable things that has been done to bring about a new approach and to remove the hazard to workers. No matter what Parliament has decided in the matter of the payment of workers' compensation, it is unfortunate for a man and his dependants when he suffers injury. They have got their accident frequency reduced to a point where the number of lost time accidents per million man-hours worked is down to 12.6. That is a highly commendable figure for which due credit should be given. It is significant that when we read their reports from time to time we find references to their safety engineers. This is a very happy term and other industries might well study the idea.

A further point is the source of supplies of materials. No fewer than 3,000 Australian suppliers deliver materials and components and give services in the course of the operations each year. Another interesting point is that General Motors Holden, although the present body is comparatively young, has 595 members in its 25-year club. Some of those employees would have been with the original Holden concern and would have been absorbed by General Motors Holden, but that is a figure one likes to see in Australian industry, because it indicates satisfied employees who are treated well according to their own ideas and who are prepared to remain in the service of such a firm.

In the 10 years to 1954, the company has ploughed back 72.4 per cent. of profits for use in the business. That is a fine performance and a healthy and desirable sign, showing as it does confidence in the industry, confidence in Australia and confidence in Australian workers. Another interesting point in reviewing the performance of the industry over a period of 10 years is that cash dividends on the ordinary shares represent only about 7½ per cent. on the average capital employed. That cannot be classed as extravagant by anyone's standard. I reiterate the point I made earlier that uninformed and malicious criticism on performances such as those of this industry do much to frighten people who have the know-how and wherewithal to come here and assist in the expansion of our industries.

I should like to refer now to the question of skilled men in industry and the effects of mechanisation.

Mr. Brady: Before you leave this subject, will you indicate whether the percentage of dividends is on paid-up capital or on total funds?

Mr. COURT: The percentage of dividends is based on the average capital employed, and not on the total funds, taken over a period of 10 years. I have not related the total profits before and after taxation to the total funds of the company. I was more interested in the performance in relation to the paid-up capital which should, however, be more properly related to the funds employed.

To get back to the question of skilled men and mechanisation, I was rather surprised to read in the Press of the reaction of two Labour members in the British Parliament to the vexed question of the increase of mechanisation and particularly to the advance made in automatic production and the use of electronics in industry. It is quite apparent that even in this year of 1955, there are people who still see in mass production and mechanisation a decrease in the demand for skilled labour. This, to my mind, is very dangerous and retrograde thinking. It is almost of a type recorded in history at the time of the industrial revolution in England.

We have to accept the fact that there is and will be an increasing demand for improved machines and techniques to increase production, reduce fatigue and reduce factory hazards. It is a pleasing fact that this advance in mechanisation and technique has brought with it an increased demand for skilled men and women and particularly for those with specialised training and higher education. I think that the fear of these two British Labour parliamentarians, reported on the 8th August, that a slump will follow in the wake of the introduction of automatic processing in industry or the so-called pushbutton production, is very unfortunate and could create a degree of uncertainty

that is not necessary at the present time. They seem to overlook the unquenchable thirst of man for more and more products to aid his wellbeing, and from time to time there will be these advances in the methods of production, the types of products and so on, in the never-ceasing march forward of mankind.

Private industry is dynamic and cannot be held back. It must go forward or go out, because it cannot stand still. I feel that higher standards of living can and will follow automatic processing and the developments therefrom in industry, and that we can expect in time to come to have shorter working hours. That, in turn, raises another query; Will we be capable of using the increased leisure when we have it? Today there is grave doubt of that because, in spite of the stupendous efforts of some well-meaning people to improve the use of our leisure time with cultural, sporting and other interests, we still find that much of our leisure time in this country is dominated by bets and beer, because those factors play far too big a part in the use of our leisure.

It is the duty of all of us to try to find a solution to this problem, in the light of the improvements which will be made in mechanical processing and, with it, the possibility of still shorter hours and lighter work in the production of their living by most of the people in this world. To those who fear that the employment of skilled and highly-trained people is in jeopardy under mass production and these automatic processing developments, I would point out the strain which is being experienced by the universities in this and other countries.

We are told that in Australia in 1939 the total enrolments at our universities approximated 11 per cent. of the Australian population aged 17 years—that being an appropriate age, I think, to select for purposes of comparison. Since 1945—that is in the postwar years, and I have deliberately left out the wartime years as being unrelated—we find that the figure has increased from 11 per cent. of the population of 17 years of age, to 25 per cent., and it is interesting to examine a break-up of this 25 per cent. The arts course absorbed 28.72 per cent. in 1939 and in 1953 that was reduced to 25.88 per cent. In 1939 Law represented 7.1 per cent. and in 1953, 5.77 per cent. Commerce, in 1939, represented 7 per cent., which increased by 1953 to 8.13 per cent. Education has increased slightly from 1.18 per cent. in 1939 to 1.36 per cent. in 1953.

It is significant that Science has increased from 14.36 per cent. in 1939 to 15.54 per cent. in 1953. Medicine has reduced from 21.6 per cent. in 1939 to 18.11 per cent. in 1953. Engineering, which represented 6.22 per cent. in 1939, shows the most dramatic increase, 12.89 in 1953, and I bring that forward to make my

point about the increased demand for higher education. The percentage, in the case of engineering, has more than doubled in the period with which I am dealing.

The figures for Agriculture have reduced, unfortunately, from 2.75 in 1939 to 2.47 in 1953. Veterinary Science also reduced from 1.77 in 1939 to 1.69 in 1953. Dentistry, which stood at 4.19 per cent. in 1939, increased to 5.26 in 1953 and Music decreased from 1.77 per cent. to .53 per cent. Architecture decreased from 3.34 per cent. to 2.34 per cent. The other faculty is a very small faction, namely, Divinity, which does not seem to be very well patronised because that subject represents only .03 per cent. of the total graduates in 1953.

In addition to the figures revealed by these university statistics, we must bear in mind the upsurge in the number of Accountancy graduates who, at the moment, are not covered by university degrees. In this instance, the increase has been sensational to say the least of it, and even now industry cannot have its demands met for people who are properly trained in accountancy, and this adds a further group of skilled and specially trained people to the figures I have already given.

There is no doubt that industry generally, both directly and indirectly, through such organisations as the C.S.I.R.O., is unable to be satisfied in its demand for skilled and specially trained workers. I believe that industry is fast moving towards a greater recognition of the value of technical men and those with special education, training and skill. It is my guess that university education will become a still greater factor in our Australian economy and social life.

According to the monthly summary of the National Bank, for July, 1955, we lag far behind the United Kingdom, as at 1953, in our expenditure on university students. It is interesting to note that the overall expenditure on university students in Australia was £268 per student and in the United Kingdom £422, both figures being expressed in Australian currency.

The Premier: Does that refer to governmental expenditure in both countries?

Mr. COURT: I tried to have the point clarified, as to whether it was the total expenditure, including bequests, of which they have a great many in the Old Country, and I was assured that the figures were, to the best of their knowledge, worked on comparable bases. I am getting a check made as to whether the English figures should be higher still if we included the terrific income which some of their universities have from legacies and bequests. It is interesting to note that although the

overall Australian average is only £268, the Western Australian figure in 1953 was £351.

The Premier: And still rising.

Mr. COURT: And still rising, as the Premier says. Tasmania had a rather interesting figure inasmuch as that State was the only one, apart from Western Australia, in excess of £300 per student, their figure being £445, doubtless due to the comparatively small number of students that they have to absorb into their university. Under this heading I wish to make a final comment. I still feel that the demand for specially trained men will increase rather than reduce, and I think it is fair to say that the skilled man is rarely unemployed and can always come down in his grading, whereas it is practically impossible for the unskilled man to go up. I am making this observation because recently the secretary of the Carpenters' Union made a statement, which he subsequently clarified, giving to parents the impression that it was unwise to allow their boys to enter the trade of carpentry.

Mr. May: Do you think the skilled man should come down in grading?

Mr. COURT: I do not say he should, but he can if he has to.

Mr. May: Do you think he should?

Mr. COURT: No. I am talking about the interests of the individual now. If he is a qualified man he can always accept some lesser grade of employment in times of emergency, but the man who is unskilled cannot be graded up. For that reason I like to see as many people as possible skilled in some form of employment, whether it is in trade or some other avenue of industry, so that he has some specialised skill which he can apply normally to the fullest effect and, in times of adversity, has something in reserve. He can have a lower grading and at least can get a living. The member for Collie can remember that many tradesmen, during the depression, had to do precisely that. They had to go on to a lower grade of employment temporarily, but the fact remains that they were skilled and were able to revert to their skill as soon as the opportunity presented itself.

The next question I want to touch on is the training of executives because I think it is a related subject. The importance of training top executives in industry and Government administration is only slowly dawning on many people in responsible positions. It is not everyone that is fitted in temperament and in ability for such appointments. I am now thinking of the term "executive" in the widest possible sense. Executives include not only men who are at the top but also a wide range of people.

I think we must admit that in the past there has been a fair amount of hit-and-miss in the selection of executives in

various grades. Often the man on the spot has been promoted because someone did not want to offend him or for some similar reason, and there has not been the degree of science and training in that selection that there should have been. It is pleasing to note that industry is awakening to the advantages of having better methods of selection and training of executives. Members may have read of the proposed administrative staff college that is to be established in Melbourne or Sydney. I understand that it has not yet been determined whether the college will be in Melbourne or Sydney.

This proposed college needs the widest possible publicity among industrialists and all those who should be interested. I would like to see our Western Australian industrialists come out and take the lead in this matter and demonstrate their support for it, as have the industrialists of the Eastern States. In view of the fact that Mr. N. F. Hall was brought out from the Henley College of England—Mr. Hall being a member of that college and largely mixed up with its foundation—we can only assume that this proposed administrative staff college will be on a similar pattern to the Henley College.

The Rotary Club of Sydney has taken a great deal of interest in this subject and deserves a lot of credit. Its members now find themselves supported by industry and commerce. They find that the original articles were underwritten by banks, insurance companies and oil companies, together with most of Australia's biggest concerns which are connected with mining, chemicals, glass, sugar, etc. That is really powerful backing. It will be interesting to members, and to Ministers particularly, to know that the English college has 60 students at a time. Its counterpart, the Harvard University, has about 200 students.

The Harvard course is much the same as that at Henley College and lasts about two years and is very heavily financed by the industries of America. Every person taking that course is an approved student before he can attend. We had great satisfaction in seeing Mr. Harold Craig attending that course. Before he left this State, he was engaged on C.R.T.S. work. Having got his Master's degree, he went to Harvard and returned to Australia with his doctorate and is now, happily for us, employed in Australian industry to give to others the benefit of the wonderful experience he had.

Those members who spoke to him on his return must have been impressed with the type of course that he attended, particularly its practical nature, because we are inclined to think of universities being more academic. The following is the break-up of the students who attend the administrative college in Henley: Six civil servants; three from the armed services; three from local government; six from banking; eight from nationalised industry;

16 from large industry; six to 10 from small industry; six from insurance and distribution; and six from overseas.

I invite the attention of members to the last category because it does have international impact in bringing people in from other countries to work with our students or those who will be attending such a course. The group is very carefully selected to achieve a wide cross-section in the several subject groups. For instance, they try to get a blend of production experience, research and development experience, mining experience, general managerial experience, experience as personnel officers and secretaries.

Then again, they try to achieve a further blend by selecting men who have a diversity of practical and academic experience. They try to have some executives attending the course who have achieved their present positions after receiving higher education. They also like to find that in the course they have some men attending who have achieved executive status the hard way; men who have left school at an early age and battled their way up to achieve executive position or who show promise of achieving such a position.

In this course it is necessary to have a very wide cross-section of men from industry who can achieve much in giving other men a broader approach to their task. It is interesting to note that the whole of the Harvard course is devoted to case study. There are no lectures. The class is designed to take actual problems submitted by industry; industrial problems that have been proved to be teasers to management, and I understand that in the American set-up the students taking the course are greatly helped by industry in submitting confidential information on subjects for case study.

This cross-section of graduates who attend the course can really apply themselves to the practical work instead of to academic problems. It is interesting to know that in the gallery are men who have sent these problems along to this course and who have come along to hear this galaxy of talent pouring out their best brains to discuss these problems in what one might call an open forum.

MR. SPEAKER: The hon. member's time has expired.

MR. O'BRIEN (Murchison) [5.48]: I would like to take this opportunity, during the debate on the Address-in-reply, of airing my grievances and also to express my pleasure. On carefully examining His Excellency's Speech, I note that we have enjoyed a year free from industrial disputes of a major nature. Government employees are receiving the benefit of increased margins. However, the serious problem of rising prices and the suspension of quarterly basic wage adjustments remains.

His Excellency's Speech included the following statement:—

Bills will be placed before you to provide for price control and the automatic quarterly adjustment of the basic wage. Amending rents and tenancies legislation will also be introduced.

Members should carefully read His Excellency's Speech and examine it thoroughly. In my opinion this particular paragraph is most vital and necessary. If we consider and carefully examine the loan figures over the last three years, we find that when the Labour Government took office the loan funds available amounted to £19,000,000. The following year, in 1953-54, those funds were seriously reduced by approximately £4,000,000. In 1954-55, a small increase was made and the sum available was £16,525,000.

Taking the amount of loan funds available to Western Australia, I do not hesitate to congratulate the Government on its achievements. We must realise that at present we are faced with the position where we have wheat in plenty which we are unable to export. It is wool that is carrying the country at this stage. There is no doubt that we are on the sheep's back, and if the price of wool were reduced by 20 per cent at the next wool sale, we would be in a very sad position in Australia.

There is no disputing the fact that the Government has been very considerate and has done a considerable amount to assist the goldmining industry with the money at its disposal. However, I would like to see every possible assistance given to that industry. In my opinion history will repeat itself, and we in Western Australia will have to turn to the goldmining industry and to metals to help carry us over this lean period. I have every faith in the goldmining industry and I feel sure that the assistance already given to it will prove very valuable. We all know that a big mine, namely Big Bell, has gone out of production, but due to the assistance given by this Government, it was able to carry on for a further two or three years.

Hon. D. Brand: Due also to the assistance of the previous Government.

Mr. O'BRIEN: As I have said, that mine has now gone out of production, but we have also received consideration in other directions. For example, we have received great assistance and financial consideration to help keep the large Gwalia mine in production. There is also a diamond drill operating on the Murchison to try to prove the old original Day Dawn reef; and if it is successful, it will no doubt boom the goldmining industry in the Murchison district.

From His Excellency's Speech we also see that successful efforts have been made to improve the housing position. Although

the people of the Murchison have not received all the consideration and the assistance for which they asked, they have received what the Government considered to be their fair share, and rightly so. These people are entitled to be housed just as are the people in the metropolitan area. We find that miners go to these towns and are unable to secure accommodation for themselves; so it is only fair that these people should be properly housed if they are to work there. We must progress, and the only way to progress is to do so by up-to-date methods, as we have done in the mining industry.

Hon. D. Brand: Have any houses been shifted from Big Bell?

Mr. O'BRIEN: Quite a number have been shifted; the Government has removed some homes from Big Bell. There are approximately 60 native families that have been provided with homes and, according to the figures, the State Housing Commission has also found homes for the suffering evictees. These have numbered about 600.

I would now like to deal with the question of railways. These have all been improved. They were sadly neglected in the past by all Governments; they have been neglected for many years. Today, however, we have a diesel service running through the Murchison area. This diesel service is considered to be a big asset; it cuts off hours of travelling time and is also used for transporting perishables and other goods which arrive fresh at their destination. I could speak at length of the achievements of the Government—

Hon. L. Thorn: That is your job.

Mr. O'BRIEN: —as far as my electorate is concerned—

Hon. D. Brand: You will have enough time.

Mr. O'BRIEN: —and also from a State point of view.

Hon. L. Thorn: Let us have it. It is most interesting.

Mr. Brady: Do not let the member for Toodyay put you off.

Mr. O'BRIEN: There is one matter which I intend to place before the Minister for Railways and that deals with old sleepers. Many miles of re-sleeping have been completed, and I propose to take the matter up with the Minister to see whether these old sleepers cannot be put to good use. I think it is the intention of the department to sell the sleepers if possible, or else to burn them. I contend that instead of burning the sleepers, if that be the intention, the road boards in those localities should apply to the Government for their possession. I feel sure they would be a valuable asset to the aged people of the State for use as firewood and other purposes. I was very surprised to

hear the Leader of the Opposition endeavouring to amend the Address-in-reply. I think, but I might be wrong, that he is a student of Van Loewe in trying to hypnotise other people. I do not think he was successful in deceiving this House. Western Australia has been comparatively free from industrial troubles. No doubt the Leader of the Opposition was trying to hypnotise the Premier.

Hon. D. Brand: He nearly succeeded.

Mr. O'BRIEN: Of course he failed badly. As one who has been brought up in the industrial movement, I have this to say: As far as Western Australia is concerned, the Leader of the Opposition has no need for worry in regard to industrial troubles, provided the Federal Government will give consideration to more loan moneys being allotted to this State.

Hon. D. Brand: You think that some extra money allocated to New South Wales would solve the industrial problems there?

Mr. O'BRIEN: If further loan moneys were granted to this State, and if the workers received the 29s. increase in the basic wage to which they would be entitled if quarterly adjustments had been made, instead of only 5s. 9d., as recently awarded, I feel sure we would not need to fear any industrial troubles. It is very unfair that the workers should be awarded an increase of 5s. 9d. when, according to the statistics, they were justly entitled, if quarterly adjustments had been made, to 29s. For anyone to receive a 5s. 9d. increase instead of 29s. is very unfair. It is under such circumstances that we meet with dissatisfaction. Naturally the workers are far from pleased with the position, and the quicker prices are controlled, the better it will be for the workers and for this State.

As I previously remarked, we have received many concessions from the Government—that is, of course, to the limit of its funds. It must be realised that if there is a restriction on the loan moneys available, there must also be a restriction in the works programme. It is very hard on any member of this House when asking for assistance to supply the needs of his electorate, to receive a reply "No funds are available." For many years the lack of funds has been the stumbling block in this State. It appears that today we are about to be restricted, in a manner similar to what happened years ago. If this State is to progress, more money must be made available to it. The Commonwealth Government expects this State to progress by carrying out development. The Federal Minister for Immigration has announced his intention to bring more migrants into the country, but if the scheme is to succeed, jobs must be found for the migrants. We must therefore plan for development and to do that, we must have finance. That is the stumbling block which faces this and every State Government.

We heard that the Federal Government had a surplus of £70,000,000, but that has been contradicted by members opposite. Even if the surplus is only half, £35,000,000, why should the Federal Government hold it? If one is a paid secretary of a local governing body and there is a surplus of 2d. in revenue, when the balance is made out at the 30th June, he will be in trouble. He is supposed to balance his budget and assess the ratepayers accordingly. If he is £1 over in his cash, the auditor will haul him over the coals. Therefore I see no justification for the action of the Federal Government in withholding such money when the States, and especially Western Australia, are in very sore need of funds to further their development.

The Premier: The Commonwealth is supposed to return surplus revenue to the States.

MR. McCULLOCH (Hannans) [6.11]: It is not my intention to speak at length on the motion for the adoption of the Address-in-reply. The Governor's Speech indicates that some very laudible legislation will be brought down for our consideration this session, but there are some matters that could have been included and are not mentioned.

One matter that has been exercising my mind for a considerable time is that of death duties. In November, 1953, the Government brought down legislation designed to ease the position somewhat, but that measure did not become law, and there is nothing in the Governor's Speech to indicate that a similar measure will be brought forward this session. I have always contended and will continue to maintain that as long as this tax is imposed, it represents a definite exploitation of the people. The position is that we have an exemption figure of £200. Yet, under Commonwealth legislation, the exemption is £5,000. Our exemption figure has not been altered for many years.

Anyone, including the worker, who purchases a home, is extremely lucky if he can obtain a decent one for anything in the region of £4,000. Notwithstanding the cost of his home and his chattels, including a motorcar, etc., everything is included in his assets for the assessment of death duties. I am aware that where a widow or a widower is the beneficiary, half rates only are charged up to a value of £6,000, but values today as compared with the values that prevailed when the £200 exemption was granted are totally different.

A worker who has toiled and paid taxes all his life may have saved a few pounds and applied it towards the purchase of a home, and when he dies, his widow is charged death duties on the property left to her. The chances are that she has not the wherewithal to pay the death duties, and she would either have to mortgage the home or go out to work in order to pay the tax that would be exacted.

This State over the years has collected a considerable amount of revenue from this particular tax. In 1944 the amount was £289,120 and in 1953 it was £755,169. Where has all this money come from? From individuals who have denied themselves much in order to be able to own their own homes, and they are penalised for so doing. This is definitely unfair. I have an extract from "The West Australian" of the 30th September, 1954, in which the member for Nedlands was reported as having said—

This problem should be approached with the utmost caution. He did not believe that deceased estates should be the subject of unreasonable plundering by tax-raising authorities.

I agree with that. People have earned the money and been taxed on their income, and when they die, the estate is taxed again. This is taking money from people unfairly. Surely something can be done to afford relief in this direction! The probate duty on a £3,000 estate is £45; on a £5,000 estate £150 and on a £6,500 estate £390, after which the rate of tax increases up to 10 per cent. If the Government could see fit in 1953 to bring forward a measure to afford relief—unfortunately, for some reason or other it was rejected in another place—surely some compromise could be reached whereby a similar measure could be introduced now and relief given by raising the exemption figure!

Sitting suspended from 6.15 to 7.30 p.m.

Mr. McCULLOCH: I realise that the present Treasurer, like all previous Treasurers, is scraping for money. However, the State has various sources from which it can get money by way of taxation. It has probate duty, stamp duty, land tax, entertainments tax, totalisator tax, liquor licences, and last but not least, the one and a quarter per cent. tax under the Betting Control Act. Surely some relief could be made respecting the tax I have referred to.

The 1954-55 State budget shows that from taxation there was collected £3,425,740. That is a lot of money from State taxation. I feel that the Government in the early part of this session should again introduce legislation similar to what was previously introduced. I think the exemption figure last time was £1,500. I do not agree that that is right; I consider it should be a larger amount. The three largest sources of income that the State has are stamp duty, £1,500,000; probate duty, £900,000; and land tax, £325,000. A lot could be said about some of these taxes, especially the stamp duty.

I do not profess to be an expert financier, but with regard to the death duty I feel that some relief should be given. I have been approached by elderly people who have complained about it. They do not see why it should apply to people who

have battled through their early years to get a bit of money together so that they could own their own home. I hope the Premier will give serious consideration to this proposal. I do not believe in appeasement, and I do not say that we should altogether appease the people who rejected the 1953 legislation from this House, but I do think that some compromise could be made whereby relief would be given in connection with the death duty tax.

Another matter I wish to refer to concerns the payments made today to those individuals who receive pensions under the Miner's Phthisis Act. Not too many of these people are living today, but there are some widows who come under it and, I understand, about 17 men. In 1927 they were receiving half the ruling rate of the district in which they were working, and at that time the basic wage on the Goldfields was £4 5s., so a single man then received half that sum. Today these people get only about 17 per cent. of the basic wage.

I brought this matter up when I was on the other side of the Chamber, and the reason then given for not increasing the pension was that if the miner's phthisis pension was increased, the Commonwealth Government would decrease the pension payable to these people by way of the old age-pension under the social services scheme, by the amount above the permissible income. But today we find that the permissible income above the pension for a single man on the age or invalid pension is £3 10s. If he is a married man and his wife is of pensionable age and in receipt of a pension, then the permissible income is £7. So, the excuse cannot be brought forward now that if the Government increases the phthisis pension the Commonwealth will take it off the social services pension.

In my opinion, something should be done for these people. After all, they have given their lives to industry and their lives are not prolonged. Their pensions should be increased at least to the permissible income which is allowed under the Commonwealth Social Services, namely £3 10s. a week. In answer to a question tonight, I was told that certain allowances were made for the dependants of a miner in that the adult dependants would get £1 a week each and the minor dependants, such as a brother or sister, 8s. 6d. So, we could increase the amount for a single or married man to £3 10s. and make allowance for dependants, which he would not have, except possibly a wife, because we would not expect these men who came from the industry in 1927 to have any minor dependent family today.

I think something should be done for these individuals as it would not take a great deal of money to make up the difference in the pensions. It is called a pension but the employee in metalliferous mines is

the only worker who pays a separate contribution towards his compensation, and, in my opinion, that is not fair. The financial obligation of the Government to these pensioners is £19,392. I do not know how that figure is made up as between the men and women receiving the pension but I hope the Government will take cognisance of the position.

It is no use saying that the Commonwealth Government will take anything from these people because the permissible income above the pension today is £3 10s. In 1927 these people received 50 per cent of the basic wage and even if they were now given £3 10s., that would be only about 25 per cent of the present basic wage. Something should be done to relieve the condition of these individuals. They have not much longer to live and we should do everything possible to make their remaining days a bit happier than is the case at present.

For some considerable time past, I have taken every opportunity that has arisen in this Chamber of saying something about the free milk scheme. Even when I was in opposition and the then Deputy Premier, the member for Stirling, was Minister for Education, I said I thought it was iniquitous that people in the country should be taxed the same as residents in the metropolitan area for this free milk scheme. I know of schoolchildren in country areas, close to the metropolitan area, who do not receive free milk, and I think that is unfair.

If those children cannot be supplied with milk they should be given some substitute and I believe that an orange or apple would possibly be the equivalent of the one-third of a pint of milk that city children receive. I have had country children living with me and going to school in the metropolitan area and I know that they greatly appreciated the free milk and were most surprised that it should be supplied to them free. I repeat that country children who do not receive the free milk should be given some substitute with a vitamin content equivalent to that of one-third of a pint of milk.

In my opinion the Education Department has done an extraordinarily good job and recently I had experience of children coming from the country where a doctor had visited the schools and found that certain of the pupils were suffering from some eye infection. Had the doctor not visited those schools there is a probability that the eyesight of some of the children concerned would have been defective for the rest of their lives. However, the doctor was able to diagnose the trouble and advise the parents to have the children's eyes properly treated in Perth or elsewhere. I understand that the doctors have visited certain areas on the Trans-Australian railway and other country centres.

Nothing could be better for the children than for the department to arrange regu-

lar visits by doctors to country schools to examine the pupils and discover whether there is anything wrong with them. After all, in some country districts, the parents have to travel perhaps 100 miles to take a child to the doctor and, if the complaint does not appear to be serious, there is a tendency for them to wait for a day or two in order to see whether the condition clears up. Periodical examinations of the children in country schools by doctors would be a great factor in preserving the health of the children in the areas concerned.

On the notice paper the other afternoon there appeared a question in connection with betting control and I was disappointed to see that a police constable had been an accessory before the fact, in that he went up and asked to place a bet with a certain individual in a hotel. I do not think that is a fair way of operating. A policeman must do his job, but I do not think he should be asked to go about it in that way because, if he does so, I think he is as bad as the man who takes the bet. I hope the Minister will instruct the Police Force to use some other method in future. I do not think these bookmakers should break the law, but in my opinion, some method should be found whereby the culprit could be apprehended without a policeman having to seek to place a bet with him because, in doing that, I feel that the police officer is breaking the regulations under the Act.

I am pleased to know that Mundaring Weir is on the point of overflowing, and this would not be an Address-in-reply debate if I did not have something to say in connection with water. For the last 10 years there has been a restriction on the use of water on the Goldfields for about three months each summer, and on many occasions residents have not been able to get sufficient water for a shower-bath. The cry sometimes has been that the pumps were not able to pump the required volume of water, or that the water was too low in the dam, but this evening we have heard that the weir is expected to overflow at 4.30 a.m. tomorrow. I hope the Minister will make haste to have installed at Mundaring all the electric pumps that have been promised. We were told that the first pump that went in would increase the output by 15 per cent, but notwithstanding that, the Goldfields still suffered restrictions on the use of water—

The Minister for Railways: They did not have any last year.

Mr. McCULLOCH: I think some of the market gardeners suffered the restriction last year. Now that the Mundaring Weir is about to overflow I do not think any restriction should be placed upon the Goldfields people this year. If all the electric pumps are not installed in the near future, I hope that every effort will be made to carry out the work as quickly as possible.

HON. C. F. J. NORTH (Claremont) [7.50]: There are just a few remarks I wish to make in this debate because it is one of the few opportunities we have during the session to speak generally. In some ways I think that the least one says the better it is, because later on one is not taken to task for the remarks that one has made.

During one's speech one tries to make some helpful comments but if one talks at any length one is likely to have an elector say, "99 per cent. of your speech was good but why did you have to say the other 1 per cent. because that spoilt the whole thing." I wonder if any other member has found that attitude among his electors; I know that I have done so. I wish to say a few things tonight because I have to go before the selection committee of the Liberal Party to see whether I shall be allowed to stand for my seat at the next election.

Mr. Bovell: You will be all right because you have the honour of being the Father of the House.

Hon. C. F. J. NORTH: In these days we have machine politics. When I first became a member we had personal politics; but I must blame the Labour Party because that attitude has changed. That party is very successful with the machine and now the Liberal Party seems to have followed suit and consequently machine politics seem to be getting stronger and stronger. Personally I do not like it, but that is only my idea, and personal ideas do not seem to count these days.

When I first entered this House I was keen and fresh and tonight I was thrilled by the speech of the member for Nedlands because he said, in a much better way, what I tried to say 30 years ago. I should like to read a few extracts from my maiden speech made in 1924. At that time I was really trying to be political and not speaking as a county council member, which I consider I have been for many years. At that time I said—

I have wondered why Canada and America, with their backward systems of private enterprise and commercial domination, as opposed to our evidently popular system of State enterprise . . .

That was after Scaddan had had his fish shops; but things are not like that now—they are quite different. I went on—

...can produce in their factories so much more per man than we can do here. The Commonwealth Statistician showed recently that the factory output per man in Australia was £329 per head. The factory output per head in the United States was £501, and in Canada £591.

Collier was not going to stand that and he said—

The explanation is, efficient up-to-date machinery.

Mr. Panton then interjected—

Henry Ford will tell you how he does it.

And I went on to say—

Possibly the answer has been given by the Premier. The trouble appears to be that manufacturers in the Commonwealth will not go to the same expense as those in America do. The figures are shown on the same return from which I have quoted.

Two days ago a gentleman from Altona, where the new refinery has just been completed in Victoria, was boasting that his American workers could do four times as much work as the Aussies. He went on to explain just that very thing; that the Australian manufacturers or employers were not spending the same money per head as the American employers in order to get results. So it is still true today, as I heard the member for Nedlands say tonight, that we have to put behind each elbow the latest and best horsepower available.

My views in those days were knocked rotten, first by an attack the next day on the part of an elector in Peppermint Grove. He said to me, "You should not have said that. You should have supported James Mitchell on the group settlement scheme. You do not want to bring that sort of thing forward." At that time I had a belief about the productivity of Australia following that in existence in America, but in 1930 the bottom fell out of everything and members know that story only too well.

Only two days ago a schoolmaster in Claremont was telling me that between 1930 and 1933 he was instructed not to have work at the school done by machines or horsepower but by handspades. In fact, everything was to be done by hand and he was not permitted to use a single machine.

Hon. J. B. Sleeman: That was when you were going to provide work for everybody.

Hon. C. F. J. NORTH: That was the second knock I had. So I became a little more cautious because I found that I could not talk about big machines and factories. The next fight I had was to forget all about productivity and try to find out what was wrong with the economic system. But I found I was in trouble again because I was tramping hard on someone's toes and I was not allowed to talk like that. At that time Sir James Mitchell, one of our statesmen, propounded a policy and went to the people and said, "Elect me, put Collier out and I will give you work for all."

Hon. J. B. Sleeman: And made things much worse for everybody.

Hon. C. F. J. NORTH: He was in terrible trouble.

Hon. J. B. Sleeman: He had the soup kitchens going.

Hon. C. F. J. NORTH: He was a statesman and an honest man and meant every word he said. Western Australia could have given work for all and could have done so for the next hundred years; but Sir James Mitchell found it impossible. He gave the men two 6d. meals a day. The present Minister for Housing and the member for Victoria Park were on the platform at a meeting held in the Perth Town Hall. In addition, there were many harmless amateur experts who endeavoured to show where things were going wrong.

In Claremont meetings were called and we were out to rescue the then Premier from what seemed to be the very terrible thing he had said—"Work for all," while thousands of families were starving. One public meeting was held in Claremont and questions were asked. On the platform there was a big businessman from Peppermint Grove, Mr. Vincent, a doctor from Harvey, Dr. Jacobs, and an ex-member of Parliament from Queensland, Mr. Butler, as well as others. One of the questions asked was, "We demand to know why, in 1930, with a 50 million bushel crop, the biggest crop on record in Western Australia, there are 30,000 families starving? We think the money system has broken down and that that is where the trouble is."

Hon. J. B. Sleeman: With wheat at 1s. 9d. a bushel.

Hon. C. F. J. NORTH: It is not true to say that James Mitchell was a charlatan in saying something that he could not do. Later Mr. Lyons, the Prime Minister of Australia, appointed a Royal Commission on banking, and what did it find? It found that the Commonwealth Bank had failed during the depression because it had not advanced sufficient funds to enable men to be employed on public works.

Mr. J. Hegney: Tell us about the Government of Alberta.

Hon. C. F. J. NORTH: The hon. member is spoiling my speech. I had never heard of the Alberta experiment at that time but the Royal Commission found that the money system had broken down and Sir James Mitchell was unable to find work for all.

Hon. J. B. Sleeman: What about Douglas credit?

Hon. C. F. J. NORTH: As a member of Parliament I was invited to support the appointment of a Royal Commission on banking, which I did, and the Government of the day supported it. Members of the Opposition supported it as well; it was passed and Mr. Lyons had the report. There is the answer. We will now go a little further with the story. Although the report of the Royal Commission on banking, which was under the chairmanship of Judge Napier stated that the

Commonwealth Bank in those days had failed to produce the funds to start the system, it was many years before the trouble was put right in this community.

I think it was about the same time that the international bank was established and Britain chose the great Lord Keynes to represent her and it was he who admitted, as an economist, that he had been teaching rubbish all his life—he was big enough to admit it—and who went on to say that private enterprise, left to itself, could not operate employment at full strength. He said that it could only achieve about 70 per cent., or some such percentage, of work and there would always be a hard core of unemployment. He also said, about the same time as the report on banking was issued by Canberra, that there would have to be Government contributions to enable the system to function because at that time it was not doing so.

Following that we had a White Paper issued from the House of Commons and from Canberra on the subject of full employment and the request for such a condition went around the United Nations. After all, Sir James Mitchell the Statesman only tried, at that stage, to create jobs for all, but it was not until after the termination of World War II that his policy and predictions were vindicated. After all, what is this policy of full employment that has been so successful in this and other countries? The answer is simply: Jobs for all. It is the same thing.

Unfortunately, Sir James did not live long enough to see his long-range policy come to fruition. I now congratulate all those who supported this request for a Royal Commission on banking because to me it is the biggest thing that has happened to Australia and now we see that since World War II, this country at last has been able to set an example to the world by having full employment. It is also recognised that full employment is the desired order of the day throughout the world at present. Unfortunately the request that was made then has been forgotten and present conditions are now taken for granted.

Those members who have entered politics only in the last few years do not realise what it is was for a member holding a city electorate to have unemployed men sitting on his doorstep asking for their light and grocery bills to be paid in order that they might keep going. Furthermore, this system was conducted under pressure. If a man was sacked, he was asked by the officers of the unemployment bureau which was then established in Marquis-st., West Perth, "What were you earning?" and if he replied, "Five pound ten per week," they would say, "You should have saved 10s. per week. How long have you been working? No savings on

£5 10s. per week! All right! No groceries for a month! No sustenance for one month!"

The member of Parliament, who represented an electorate in the metropolitan area, then had to try to help that unfortunate man. At that time there were no Commonwealth unemployment benefits or social services which we now have in our midst. Therefore, I was thrilled to hear what the member for Nedlands had to say tonight. He can say that with more fortitude and with a double backing of the knowledge and experience we gained during those hellish 1930's. He is in a better position than I was in those days because I was not to know that all those troubles that came in 1930 and which killed the American system of high production, great horse power and modern factories because one could not even—

The Minister for Education: And an unemployment pool.

Hon. C. F. J. NORTH: In America?

The Minister for Education: Yes.

Hon. C. F. J. NORTH: I am coming to that. The member for Nedlands has something to put forward that will be sound to the core because never again will a country put up with what happened in the 1930's. If I thought that there was one chance of those conditions returning again, I should know I would be wrong before I even thought of it because I would be aware that the enemy on the other side of the iron curtain would never tolerate unemployment in any western country and, because it would take over such country if such an eventuality occurred.

That enemy would not need to take up arms but would take over any country that dared to force those conditions on the people again. Any country that tried to introduce that system again would be doomed and I think there are people in this House who think the same way. Therefore, what the member for Nedlands put forward tonight has every chance of fulfilment. If one can get some form of stable economy on which to operate, everything else should follow. One has only to read of what has happened here and overseas. I read that Sir Winston Churchill has stated that a tremendous increase in the standard of living will follow with the introduction of electronics and other inventions. Nothing should stop that because no one will ever stand for a form of deflation to the extent that it occurred in the depression days.

It is wrong for us to think that we alone suffer from inflation. It is known that mild inflation is caused by high employment. We know that in 1939, prior to the war, there were 250,000 artisans out of work in Australia and while that condition of affairs existed, there was

no inflation. However, with full employment, it seems that whatever is done with the system, it is impossible to stop some form of slight inflation.

I can remember reading an interesting statement to the effect that, in Moscow, some two or three years ago, the authorities there found that they had to take about 30 or 40 per cent of the savings of the people and reduce prices in the shops, so that the economy would become stable again. Inflation seems to be inevitable, whether in the West or in the East. When people speak of trying to improve such a situation, it is of no use simply saying that there is some easy method that should be adopted but is not followed.

All I can think of is a suggestion that was made by an ex-member of this House, namely, Sir Ross McDonald, who said that it would pay to have two or three countries who were prepared to experiment with different methods and that if they failed and got into a jam, the other countries would assist to pull them out of it. That is, the principle of trial and error might overcome this great problem. Anyhow, these matters are not for members of Parliament because they are really for experts to decide.

There was a man called Mr. Kohn who approached the Premier. He happens to be an elector of Claremont. Before he got into the Press and got going with his movement—which was to preserve the income of those who are on a static income and do not have their wages increased with the court awards—he asked a question at a local party meeting. The question was asked of the member for Claremont as to what members were doing about the matter. He said that there were numerous people on fixed incomes drawing a small percentage of interest on their fixed savings, and inquired what the members of Parliament were doing about it. He added that surely inflation was worrying the members.

I do not know how members of the House would have answered him, but I said, "Well, Mr. Kohn, the position is that you have your Governor of the Commonwealth Bank who is a highly paid official and an expert; you also have the private bankers and the men in the Arbitration Court and other places; and there is also the judge of the court. They are the ones who are watching the problems. Members of Parliament cannot be expected to tell you how to overcome a slight inflation of the currency that is carrying on all the time."

There was also a suggestion put up during a conversation in this House by a member who was here then and who happened to be an accountant. The suggestion was that there could be a norm created; a fixed amount of money set aside to balance the people who lacked money. Whether that is practical or not, I do not know; but it is the germ of an idea. If

90 per cent. were on wages, then those on fixed incomes could have their adjustments made at the same time. I do not think that is a matter for which members of Parliament should find a solution; it must be for those who devote their lives to solving problems of that nature.

May I bring something forward perhaps in the interests of the Minister for Works in regard to the new town planning scheme? I understand from the Press that he has more or less agreed to the additions to the bridge under the proposal supported by Professor Stephenson. That being so, and seeing that Mr. Boas's scheme is no longer being considered, the question again arises what should happen about the Barracks. There was a great deal of pleading for the retention and the safety of the Barracks. Many agree that it is a beautiful building.

I would like to quote a few words from "Hansard" for the year 1937. The Minister for Works might be interested enough to give this idea some consideration particularly in the quandary in which he finds himself. On page 1041 of the "Hansard" of 1937 there is the following:—

Mr. NORTH: I move an amendment—

That after paragraph (b) in subsection (1) of proposed new Section 347A the following new paragraph be inserted:—“(c) a site for the re-erection of historical buildings or other objects.” and here are a few of the words—

As Perth continues to expand and the population increases, some of the old historical buildings will have to give way to modern improvements, and I think some could, with advantage, be re-erected elsewhere. The Barracks is a picturesque structure and the time may come when it will have to be removed altogether. If the amendment be agreed to the Council will have authority to provide a site where the building could be re-erected.

That seems to me to be worth some consideration if the day does come when enough people have sufficient regard for the old Barracks to agree to it being re-erected somewhere as a memorial, as Cook's cottage was transported from across the world and re-erected in Victoria. I cannot see why that cannot be given consideration and I submit the suggestion to the House.

Before dealing with my last point, I would like to say that I trust that the automatic lighting will carry on in Stirling Highway as promised last year, in spite of the answers given the other day. The last point to which I wish to refer is the automat system, where they have factories without workers. I could not help but be interested in the conflict of opinion and thought that could go on at the same time in public affairs,

because while we are reading about automats in America—there is, of course, nothing like that here yet—we find a lot of propaganda about elderly civil servants and others being kept on to work another five years or more, and also that the old age pension should be increased after 70.

It is a very laudable thought, but surely one can see the conflict of opinion that is going on in the minds of those in authority when, on the one hand, they advocate that and on the other we read in the Press that big unions in America are demanding of their employes that people should be kept on after 45 and 50 to fight this automat danger. It only shows that being in politics is not as easy as people outside are led to believe. There are a number of ways of considering these questions.

I would like to commend to this House a very balanced article I read a few days ago. I do not like intruding more than is necessary into "Hansard", but I would like this to be recorded. It seems to show on the one hand that we in Australia can look for more and more machinery and labour to fill our factories in order to do the jobs needed, while they can see the effect it is likely to have of removing the workers from where they were and compelling them to go somewhere else. When they have all been finished and there are no more automats to construct, it will be very difficult I imagine from the point of view of sales because there will be no one to buy the products.

Again we have a conflict of views in that for some years we have had an urging for a 48-hour week to be returned; for men to give more time and for wages not to be increased. If the automat system is to come, there must be a day when we will say to ourselves, "There will have to be more wages than we have now and probably fewer hours of work or we will not be able to unload those articles on the market because there will not be enough people to buy them." I only suggest how complicating and conflicting are the situations when viewed from the point of view of the old system of the factory with hands working in it, and the new system where we will have factories without hands. The words I wish to quote are as follows:—

FACTORY ROBOTS.

Two Labour members of the House of Commons have called attention to an economic phenomenon that is of sound importance to the whole Western world, especially countries with a high standard of living. They are fearful of the consequences resulting from greater production as a result of the increasing use of automation in industry and they are calling for shorter hours and higher wages. But they are not out to stifle technical progress. On the contrary, they are

anxious that the whole community should enjoy the benefits of technological processes that require fewer workers to produce more goods.

Their fears, understandably, have been heightened by the possibility of reduced defence expenditure. Heavy spending on arms has given a tremendous fillip to industrial employment and to the consumption at high prices of many basic materials. The United States is the home of automation and, taking into account the astonishing progress in the industrial application of electronics, it is not easy to set a limit to the use and output of factory robots. What American workers think about it is shown by their successful efforts to win a guaranteed working week from the big automotive organisations.

But there is another American school of thought. It argues that although it may be necessary to reduce the working week below 40 hours, the country's inventive capacity is so astonishing that many workers displaced by automation will be required by other factories producing new products under automation and contributing something more to higher living standards.

Automation is not an immediate problem in countries such as Britain and Australia. Within their borders, labour is still scarce and there is still an insistent demand for more goods to defeat an excessive degree of inflation. Up to a point automation is the answer to overfull employment. But beyond that point? Then, no doubt, it would be essential to increase wages and to reduce hours.

That article should prove most interesting to all members. It seems that we have to say two opposite things in the same breath. No member of Parliament would have contemplated making a suggestion to reduce hours and increase wages. We have been saying the opposite, that workers should be given less wages and reduced tea-time. Today we are living in a most fascinating world. We do not know what will happen from day to day or week to week. How can we take these things so smoothly? A few days ago the relationship of Russia and the West cropped up. How are we to absorb the sudden change of atmosphere? Can we really believe that at one moment there are bristling preparations for atomic bombs and war, and the next tea-parties in Moscow and all over the western world? In a situation such as that, there is only one thing that I can do, and that is to support the motion.

MR. NORTON (Gascoyne) [8.23]: Recently the Government saw fit to appoint a Royal Commission to investigate the marketing and distribution of potatoes, onions, and eggs. On reading an article in

the "Northern Times" of the 30th June, relating to Shark Bay news, the following appears, which is well worth recording in "Hansard":—

Fishermen at Shark Bay are experiencing a very lean period owing to the local freezers not wishing to buy fish other than schnapper. Geraldton boats have returned to their base due, it is stated to the unsatisfactory prices paid for fish locally.

Schnapper prices to fishermen have dropped to 1s. per lb. Whiting has been quoted at 10½d., mullet at 4½d. shark and skipjack at 2d., tailor at 4½d. and bream at 5½d. In consequence, most of the fishing boats are at anchor.

Hon. J. B. Sleeman: Those are not the prices we are paying.

Mr. NORTON: That is true. I wish to give the House some figures as a comparison between what the public pays for fish in Perth shops and what the fisherman receives—

	Shark Bay per lb. s. d.	Perth per lb. s. d.
Schnapper, whole	1 0	3 6
Deep sea mullet	4½	2 10
Whiting	10½	3s. to 3 6
Skipjack	2	3 4
Tailor	4½	2 1
Shark	2	—
Bream (black)	5½	3 6

Those were the prices ruling at the time the article appeared. What I wish to know is: Who is getting the rake-off? It is very evident from those prices that either the fisherman should get more or the housewife should pay less. There is no reason why the difference should be as much as 2s 6d. per lb. When these inquiries were to be made into the marketing, distribution and so on of potatoes, onions and eggs, fish should also have been included as one of the items. It is not too late even now to include that.

Mr. Yates: Who in Perth handles all this fish?

Mr. NORTON: It is very hard to find that out. Very little of it goes through the markets.

Mr. Yates: Is it not handled by the Fishermen's Co-op. in Fremantle?

Mr. NORTON: I do not know.

Hon. J. B. Sleeman: The Fremantle Fish Market is the co-operative.

Mr. NORTON: It must control the lot.

Mr. Yates: Are those the prices for whole fish or for those gutted and cleaned?

Mr. NORTON: All for whole fish with the exception of schnapper. Schnapper is gutted and the price I gave was that paid to the fishermen. It leaves very great room for an inquiry. Something should be done for the fisherman so that he gets more, or for the housewife so that she has to pay less. I know that the auctioning system is not the best in some respects,

and we have seen the results of the sale of fruit by that system. To a great extent a ceiling price is paid at auctions for one or two individual lots and then the retailer hides the rest of his purchases under that high price. We see that happening every day. Nevertheless, of all the systems the auctioning system is by far the best, taking all the circumstances into consideration.

There is another point I wish to bring to the notice of the House and that relates to hospital benefits and friendly societies, and the collection of their accounts. On top of the claim forms is printed an instruction in red, notifying the contributor that before he can make a claim he must produce accounts and receipts. In answer to a question last week, I learned from the Minister for Health that the Act provides that accounts can be paid on an appropriation order signed by the contributor. That being the case, the instruction I refer to is misleading to the contributor and should be altered.

It appears to me that the friendly societies and hospital benefits people are trying to place the onus on a person who has just recovered from an illness to pay his expenses before he can obtain a reimbursement. Any other insurance company would pay a medical bill for a contributor who is insured with that company. Under the hospital benefits scheme the contributor insures against sickness, so why should he not be given the same facilities as are given by other insurance companies? The working man is the one who is most affected. He pays in to guard against the incurring of large medical expenses. He is discharged from hospital perhaps after a considerable time there and is incapable of working for some period. It is necessary for him to use his savings to maintain himself and his family until such time as he is able to return to work, and therefore he cannot pay his hospital and medical bills and get his receipts to submit to the friendly society in order that the rebate might be paid.

Mr. Yates: If you put the case before the friendly society showing that there is genuine need of the money, it will meet you.

Mr. NORTON: What I am pointing out is that the printing on the claim form is misleading to the contributor and should be altered. It should be open to the contributor to pay his share and not the lot before he gets a reimbursement. I have had this argument with societies, who reluctantly admit that they will pay in such circumstances but do not advertise the fact because it is easier for them if the contributor pays the full amount and waits for a rebate. They know that extra work would be entailed if they had to get procuration orders to make payment direct to the hospital or doctor concerned.

The Minister for Health: Sometimes the contributor has not the money to pay the bills.

Mr. NORTON: That is so. I should now like to refer to the Cattle Trespass, Fencing and Impounding Act. The Act was passed in 1882 and over the years there have been only two alterations to it. With the development of agriculture from the days of horse-drawn power to the mechanical power used for cultivation today, many farmers and orchardists do not run any stock, which means that they have no stock to control. The Act, however, puts the whole responsibility of keeping stock out upon the person who owns the land. It does not place the responsibility of controlling the stock on the person who owns it. I have discussed this matter with the Minister, and I am glad to say that he is seriously considering an amendment to the Act to bring it into its right perspective.

There is another section of the Act that is very vague, namely, the description of a fence. Briefly, it states that a person shall have a "sufficient" fence. Who is to judge what a sufficient fence is? Where a dispute arises, the Act provides that the case shall be taken before a magistrate or justices who shall adjudicate. Each person might have a different idea of what constitutes a sufficient fence. Of all the States of Australia, in only one has a satisfactory definition of a fence been included in the Act, and that is Victoria. I consider that the definition in the Victorian Act, with a few amendments, would be adequate to meet requirements in this State.

I should like to say a few words on water conservation as this is one of the vital problems in the Gascoyne. As I said before, the banana industry is wholly and solely dependent on water. I was pleased to hear the Premier say the other day that consideration and help would be given to those industries which had already been established in preference to those likely to be started. This leads me to hope that he will see fit to make a considerable amount of money available for water conservation in the Gascoyne.

We have heard much from members opposite as to the dire needs of the wheat-farmers, but I am beginning to wonder whether their needs are quite so urgent as we have been led to believe, because a few articles that have appeared in the newspapers convey a different impression. One I wish to refer to was a statement by the member for Moore. I am sorry that he is not present to hear it, but in addressing a meeting of farmers he was reported as follows:—

He was addressing a meeting called by a Kodj Kodjin farmer to consider steps that could be taken to improve existing country water supplies.

Many farmers, Mr. Ackland said, had made themselves independent of the comprehensive water scheme and most could do so provided finance was made available. He was not opposing

the comprehensive scheme but thought that farmers should make use of the water on the spot.

Thus the member for Moore, who is a successful farmer and who we may take it speaks for the farmers, considers that the farmers themselves could make provision for water on the spot. Then there was a leading article in "The West Australian" on the 16th March, 1955, which stated—

The Country Party has been responsible for substantial modifications to and years of delay in beginning the comprehensive wheat-belt water scheme.

If modifications have been made to the scheme, it could not have been so urgently needed as we were led to believe, and also there would not have been the delay. A similar note was sounded in the "News Review" of the 10th January, 1955, as follows:—

It is nearly 10 years since a Labour Government in Western Australia proposed the comprehensive scheme. It went out of office in 1947 and a Liberal-C.P. Government cut the scheme in half, but over a spread of six years, did little with the half it had retained.

Evidently the water scheme was not so urgent. The Treasurer might be able to make more money available so that people in the North could get adequate supplies for industry, agriculture and home use. My opinion is that the Gascoyne River conservation scheme should be considered before the Ord River scheme because the Ord River scheme is at present only an experimental one, and if it is left to the State to develop, it will be difficult, if not impossible for the State Government to provide the requisite finance. If it is left to the State Government, I agree that we should first of all support those industries which have been established quite satisfactorily.

After many interviews with Ministers, I am pleased to know that Cabinet has at last agreed to the through transport of perishables from Carnarvon to Perth and to allow the trucks that bring perishables down to back-load with other commodities for Carnarvon. Up to the present there has been an absolute monopoly handling the transport of these perishables from Geraldton to Perth—the Midland Railway Co.—whether by road or by rail. When the company found that pressure was being put on Cabinet to allow the through transport of commodities, it quickly had a news paragraph inserted in the daily paper, headed "Reduced Haulage Freights," and generously offered to reduce the freights by one-sixth of a penny per lb. on beans and, as from the 1st August 6d. per jarrah case of bananas, with a further reduction of 1s. per case if and when there is a complete

changeover from jarrah to pine cases. The company did this only because it could see the writing on the wall.

At the end of February this year, owing to the closing down of the saw mills for the Christmas holidays, the case position in Carnarvon got so serious that it was urgently necessary to have some cases transported by road from Margaret River. Westralian Farmers, who do most of the carting as far as Geraldton, undertook, if permitted, to go to Margaret River and bring back these cases. But before doing so, they contacted the Midland Railway Co. to see if it would carry out its part, and they asked the company, I understand, to quote for the cartage of banana shooks from Margaret River to Geraldton.

The Midland company agreed to do this, the price being £26 a ton. At this time the Midland Railway Co. was carting all the bananas by road from Geraldton to Perth. Westralian Farmers thinking this price exorbitant—and it was—tried to get a permit from the Transport Board to do the carting. Their price would have been £10 a ton from Margaret River to Geraldton, a difference of £16. The price of £10 a ton was subject to being allowed to take their trucks loaded with bananas from Geraldton to Perth.

Further, if they were not allowed to take the bananas they were still prepared to run empty from Geraldton to Margaret River and return with the cases at £15 a ton, which was still a saving of £11 a ton. So we can see that when we get a monopoly such as this, the prices go on, and there is no stopping them. I am pleased to say that after extensive talks over the telephone one day the Transport Board agreed to allow Westralian Farmers to cart these cases at £10 a ton. In other words, it agreed that Westralian Farmers could take bananas from Geraldton to Perth and so save the growers an amount of approximately 3s. per case, or, on the total consignment, more than £300.

With the Cabinet allowing the Transport Board to call tenders for the cartage of perishables from Geraldton to Perth, it is anticipated that the tenders will come down to as low as £12 a ton whereas at present the cost is £20 a ton from Carnarvon to Perth. Should this come about, it will mean an average saving of £22,500 to the industry on the transport of perishables alone to Perth. To arrive at this figure, I took the production of the Carnarvon industry for the five years ended 1954 and allowed a saving of £9 a ton. I said the previous price was £20 a ton, but I should have said it was £21—£10 10s. from Carnarvon to Geraldton and £10 10s. from Geraldton to Perth. This will mean a saving of £22,500 to the people producing the bananas, and it will also save at least another £3 a ton on back-loading, compared with the present method of transporting by rail and road to Carnarvon. If

we have the same amount of tonnage, that will mean quite a considerable saving again not only to the industry but to the people in Carnarvon.

In the past, beans have been transported by road at the rate of £28 a ton, but the high cost was due mainly to the uncertainty of backloading. Now that backloading will be permitted, there is every reason to believe that a considerable reduction will be made in transporting beans south. One of the reasons why we should be able to expect a reduction to about £12 a ton for the transport of our perishables is that in New South Wales—I have this information on reliable authority—a trip of 580 miles by road would be charged at the rate of £11 a ton. So, an extra £1 a ton for the additional 20 miles would not be out of the way.

I might mention, too, that the price per ton mile in New South Wales for the cartage of bananas is 2.57d. which is lower than that charged between Geraldton and Perth. So, again New South Wales has slightly cheaper railway freights than we have here. But the freights on the railways will not be worrying us so long as we can get our fruit transported all the way by road. I trust that the Minister will see fit to bring in an alteration to the Act so that all perishables from the North-West or from that part of the State north of the 26th parallel may be transported to Perth without restriction and that any commodity for delivery north of the 26th parallel may be allowed to be carted there without restriction.

This will not in any way affect our natural mode of transport, which is shipping. As shipping becomes available, it is not unreasonable to expect that any supplies for Carnarvon or northward, would be carried by boat because people would not pay £12 a ton if they could get their cartage for £5. Therefore I consider it would in no way be detrimental to the natural mode of transport for the North-West if the Act were altered as I suggest.

One other aspect of the Transport Act and the North-West is the tonnage charge made by the Transport Board to people such as pastoralists who buy a new truck, and the bean carriers who take backloading. I have said a great deal about a tax-free North. We all agree that that is what should be the position, but let us start at home and clear away one of our own taxes. Let us remove the tonnage tax charged on these goods which are sent to the North.

Another question is that of vermin, which are increasing throughout the North. The dingo menace, particularly out towards Meekatharra, is now worse than it has ever been before. Whether that is due to the removal of the rabbit-proof fence, is hard to say. But some people are of the opinion that the dismantling of that fence has allowed a

number of dingoes to come through towards the coastal areas. Some stations have killed up to 50 or 60 dogs in the last 12 months, whereas previously, in a similar period, they would get only two or three.

It is debatable whether the aerial baiting is doing any good at all and those who are on the outskirts of the areas where it is taking place do not think its value is anything commensurate with the amount of money that is being spent on it. Apparently they consider that if the money spent on aerial baiting were expended on ground control, a much more effective result would be brought about.

Another matter in which the C.S.I.R.O. and the vermin control officers are active is the control of kangaroos which, since the development of the stations and the consequent easy access to water, have bred freely and continue to do so owing to the absence of shooters who now refuse to go out in view of the high cost of ammunition and transport and the low price they receive for the skins. Another menace that is gradually creeping into the North is the fox. Whether the fox does any damage in those areas is hotly debated by certain pastoralists but from the information I have gleaned, there is no doubt that this pest is claiming far more lambs than is evident and is thus keeping the sheep population of the North down to a minimum.

On motion by Mr. Jamieson, debate adjourned.

House adjourned at 8.35 p.m.

Legislative Council

Wednesday, 17th August, 1955.

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