

Legislative Assembly

Wednesday, 8th August, 1956.

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

QUESTIONS.

MR. F. C. EDMONDSON.

Conditions of Overseas Trip and Notice of Resignation.

Hon. Sir ROSS McLARTY asked the Minister for Works:

(1) Were any conditions attached to the decision of the Government to send Mr. F. C. Edmondson, former general manager and chief engineer of the State Electricity Commission, on a second trip overseas?

(2) If so, what were the conditions?

(3) Did Mr. Edmondson submit a report to the Government on the inquiries he made overseas? If so, will he table such report?

(4) How much notice did the Government have of Mr. Edmondson's intention to resign from the commission, in order to accept a post with a large power undertaking in the Eastern States?

The MINISTER replied:

(1) Yes.

(2) That he should inquire into the use of atomic energy and the latest developments in the generation and distribution of electricity and gas and any other relevant matters, and interview the firms who were engaged on contracts for the supply of generating plant to the State Electricity Commission for the purpose of ensuring that there would not be any delay in deliveries.

(3) Yes.

(4) Mr. Edmondson had passed the optional retiring age of 60 years. A letter of resignation was received on the 26th January, 1956, and became effective on the 13th March, 1956.

The Government had no knowledge of his intention to take a position in the Eastern States.

I have here a copy of Mr. Edmondson's report and I present it for tabling.

SUPERANNUATION BOARD.

Reserve and Investments.

Hon. Sir ROSS McLARTY asked the Treasurer:

(1) What is the total amount held in reserve by the Superannuation Board at the present time?

(2) Will he indicate the manner in which all or part of these funds are invested?

The TREASURER replied:

The particulars sought are as follows:—

(1) £3,846,007 18s. 3d.			
(2) Loans to semi-governmental authorities	£	s.	d.
Loans to local authorities	1,647,874	15	1
Life assurance investment	2,164,035	5	0
Current account at Treasury	5,203	9	3
	28,894	8	11
	3,846,007	18	3

DRAINAGE AND IRRIGATION.

Dardanup-Boyanup-Capel Area.

Mr. BOVELL asked the Minister for Water Supplies:

What are the Government's proposals during the current financial year for extension of drainage and irrigation to the Dardanup-Boyanup-Capel area?

The MINISTER replied:

The Government's works programme for the current financial year has not been finalised, but the project is listed for consideration.

NORTH-WEST.

Complaints Regarding Air Services.

Mr. NORTON asked the Minister for Transport:

(1) In view of the large number of complaints which are constantly appearing in "The Northern Times" and which I am also receiving with respect to the present air services to and from the North-West, will he give favourable consideration to the granting of a licence to Trans Australia Airlines to run a coastal service from Perth to Darwin subject to the Federal Government amending the Australian National Airlines Act, 1945-1952?

(2) Is MacRobertson Miller Airlines Ltd. a "common carrier" within the meaning of the Act?

The MINISTER replied:

(1) I would be prepared to consider any proposition that Trans Australia Airlines might put forward.

(2) The term "common carrier" is not defined but if the member for Gascoyne will indicate more precisely the nature of the information required, I will endeavour to advise him.

REVENUE.

Annual Totals for 1945-56 Period.

Mr. BOVELL asked the Treasurer:

What was the State's total revenue from all sources for each financial year from the 1st July, 1945, to the 30th June, 1956?

The TREASURER replied:

The details are as follow—

	£
1945-46	14,407,557
1946-47	14,980,875
1947-48	17,710,310

Year	Income Tax Reimbursements	Loan Funds
	£	£
1950-51	7,176,426	14,315,000
1951-52	9,400,000	16,500,000
1952-53	10,854,544	15,615,000
1953-54	11,347,415	14,000,000
1954-55	11,806,004	13,600,000
1955-56	12,313,308	12,900,000

WHEAT PRODUCTS PRICES COMMITTEE.

Representatives, Duties and Cost.

Mr. BOVELL asked the Minister for Labour:

(1) Who are the members of the Wheat Products Prices Committee?

(2) Are bread consumers and manufacturers represented thereon?

1948-49	20,560,646
1949-50	25,810,961
1950-51	28,156,181
1951-52	33,955,157
1952-53	38,884,236
1953-54	43,145,840
1954-55	45,719,846
1955-56	49,612,406

LAND TAX.

Annual Totals for 1945-56 Period.

Mr. BOVELL asked the Treasurer:

What was the total revenue from land tax for each year from the 1st July, 1945, to the 30th June, 1956?

The TREASURER replied:

The details are as follow—

	£
1945-46	111,353
1946-47	112,465
1947-48	111,113
1948-49	132,243
1949-50	160,840
1950-51	180,323
1951-52	209,094
1952-53	269,062
1953-54	296,843
1954-55	390,466
1955-56	529,412

COMMONWEALTH GRANTS.

Totals Received by State During 1950-1956 Period.

Mr. BOVELL asked the Treasurer:

What funds have been received by the State from the Commonwealth for each financial year from the 1st July, 1950, to the 30th June, 1956, from the following:—

- Income tax reimbursements.
- Loan funds.
- Main roads.
- Grants Commission.
- Other revenue?

The TREASURER replied:

The details are as follow:—

Main Roads	Grants Commission	Other
£	£	£
2,460,763	5,839,000	696,109
2,841,560	5,088,000	790,158
2,864,584	8,041,000	1,098,790
3,190,740	7,800,000	930,822
4,389,503	7,450,000	963,333
5,089,383	8,900,000	889,317

(3) If the answer to No. (2) is in the negative, will immediate action be taken to have bread consumers and manufacturers represented?

(4) What duties does this committee perform, and at what cost?

The MINISTER replied:

(1) The chairman is Mr. C. P. Mathea (Auditor General) and the members are Dr. G. L. Sutton and Mr. V. Ulrich. They

were appointed under Section 6 of the Wheat Products (Prices Fixation) Act, No. 17 of 1938.

(2) No.

(3) No. It is considered that the present committee is efficiently administering the Act.

(4) It makes investigations into the prices of all or any of the wheat products as defined by the Act and makes recommendations to the Minister. The cost for the year ended the 30th June, 1956, was £821. This included a comprehensive investigation which should not again be necessary for some time.

RAILWAYS.

(a) Cost of Armadale Improvements and Advisability.

Mr. HEAL asked the Minister representing the Minister for Railways:

(1) What was the cost of installation of the remote control system of signalling at Armadale?

(2) What was the cost of the remodelling of the signalling for station yard working?

(3) What was the cost of building up the Armadale yard?

(4) In view of the fact that traffic has fallen off in this section, and has increased on the Northam-Koojeddah section, would it not have been a more practical move to have automatic signalling installed between Northam and Koojeddah?

The MINISTER FOR TRANSPORT replied:

(1) Costs of Armadale installations are included in the general scheme of centralised traffic control of the S.W.R. The information sought will be extracted and made available within the next few days.

(2) Answered by No. (1).

(3) £13,260.

(4) Approval has been given to the installation of automatic signalling between Koojeddah and Spencers Brook, but not all of the material has been received.

Traffic over the single line between Armadale and Pinjarra is greater than between Koojeddah and Spencers Brook, which is a double line section.

(b) Departmental Earnings and Expenditure.

Mr. HEARMAN (without notice) asked the Minister representing the Minister for Railways:

Will he table the Railway Department's file showing details of earnings and expenditure of various lines operated by the W.A.G.R.?

The MINISTER FOR TRANSPORT replied:

I shall submit the matter to the Minister for Railways to see if it can be arranged.

EDUCATION.

Cranbrook Road Service.

Mr. HEARMAN asked the Minister for Education:

With reference to the school bus service to the Boyup Brook school known as the Cranbrook road service—

(1) Can he give the year of manufacture and make of the bus operating this route?

(2) What is the total mileage of this route?

(3) What time does the first child leave home in the morning?

(4) What time does the last child get home at night?

(5) Is the bus at present covering its correct route? If not, why not?

(6) Are any children who are supposed to travel on this bus not now doing so?

(7) (a) How many school days has this bus failed to run on account of mechanical failure?

(b) How many school days has the bus been behind schedule?

(8) Is this service considered satisfactory?

(9) What steps, if any, are being taken to rectify this position?

The MINISTER replied:

(1) (a) A 1942 model until it broke down on the 30th July, 1956.

(b) A 1950 model has been procured by the contractor, who recommenced on Friday, the 2nd August, 1956.

(2) Summer — 38 miles. Winter — 42 miles.

(3) According to information on the file—approximately 7.10 a.m.

(4) According to information on the file—approximately 5.10 p.m.

(5) No. The road through Gnowan-gerup is not trafficable during winter, necessitating a deviation of four miles.

(6) Yes.

(7) (a) Seventeen days during 1955.

(b) Twelve occasions during 1956.

(8) It has not been satisfactory. However, the provision of a later model bus should result in a considerable improvement.

(9) Answered by No. (1) (b).

DRAINAGE.

Members' Inspection of Flooded Housing Areas.

Mr. HEARMAN asked the Premier:

Will he consider making a Government bus available to members to enable an inspection to be made of the flooded housing areas south of the river in the metropolitan area?

The PREMIER replied:

Yes, depending on the number of members desiring to make an inspection.

MOTOR-VEHICLES.

Purchases Under Government Scheme.

Mr. HEARMAN asked the Premier:

(1) How much money is at present tied up in financing motor-vehicle purchases for civil servants and members of Parliament?

(2) How frequently may new vehicles be purchased under this scheme?

(3) What persons are eligible for assistance to purchase cars under this scheme?

(4) Have any abuses of this scheme been noted?

The PREMIER replied:

(1) £270,000.

(2) Depends on locality where vehicle is used, but generally not less than five years.

(3) Officers whose duty requires use of motor transport to carry out efficiently their official duties.

(4) Officers co-operate and do not abuse the privilege.

POTATOES.

Blackmarketing and Protection of Growers.

Mr. HEARMAN asked the Minister for Agriculture:

(1) What evidence has he of a black-market in potatoes to the Eastern States?

(2) In view of the disparity in prices between Western Australia and the Eastern States, does he consider it likely that a black-market of sufficient dimensions could develop to upset the marketing arrangements of the Western Australian Potato Marketing Board?

(3) What steps, if any, is the Government taking—

(a) to protect the honest grower;

(b) to protect the consumer?

The MINISTER replied:

(1) Potatoes are being purchased by overland transport people, direct from growers in the Donnybrook district. These are being taken overland to the Eastern States.

(2) The quantity being shifted is not great at present chiefly because of the loyalty of the great majority of growers who appreciate the value of the protection given by the board over the years.

The present position is an abnormal one. The fantastic prices in the Eastern States make it possible for big profits to be made by the opportunist even after he has paid the Western Australian grower £20 per ton above the local board price.

If the traffic increases it is quite possible that Western Australia could be short of potatoes before the new season potatoes become available in October.

(3) (a) Section 92 of the Federal Constitution overrides the Western Australian Marketing of Potatoes Act as far as interstate trading is concerned and leaves the Western Australian board powerless to directly stop potatoes being taken out of the State.

The only action the board can take is to inform growers that any grower who does not market his potatoes through the board will not be granted a licence in the future and that if he does grow without a licence he will then have to continue to market his potatoes in the Eastern States.

To what extent this will deter growers from selling their present crop, which is grown under licence, to Eastern States buyers is difficult to estimate. However, the board is adamant that licences will be refused to growers who have shown by their actions that they do not want to abide by the regulations of the board.

The number of growers in the Donnybrook area who are concerned in the Eastern States traffic would represent only a minority of the whole.

So long as the board exists and orderly marketing continues there will always be applications for acreage far in excess of that required by the board for a balanced production.

If the protection created by the board were not present, then I believe production would quickly fall off.

The price fixing formulae which is used by the board is that which the growers of Western Australia asked for and have approved of since 1950. This provides for a profit margin over and above the cost of production based on an average yield over five years, and has given a greater nett return per acre to the growers of this State during the past five years than is paid in any other State in the Commonwealth.

(3) (b) The board could have easily prevented the traffic of potatoes to the Eastern States by raising the price to a figure which would make it impossible to make it profitable for the opportunist to purchase them and take them to the Eastern States. The board has not done this because in the first place the consumer in Western Australia would be exploited to the extent of having to pay at least twice as much as at present for potatoes and, secondly, it would mean abandoning the present method of price fixing.

That would take away one of the greatest advantages which the grower has, i.e., an assured price.

At the moment the consumer is getting the advantage but over a period of time the consumer is paying an equitable price and the grower is getting a payable return.

SUPERANNUATION SCHEMES.*Recommendations by Mr. Nicholas.*

Mr. JOHNSON asked the Treasurer:

(1) Has a report on superannuation schemes been received from Mr. Nicholas following the inquiry made recently?

(2) What recommendations were made for improvements in the schemes?

(3) When can implementation of these recommendations be expected?

The TREASURER replied:

(1) Yes.

(2) Generally for increased payments.

(3) The recommendations will receive consideration by Cabinet in the near future.

FEDERAL AID ROAD GRANTS.*State Reserve for Road-making Plant.*

Hon. A. F. WATTS asked the Minister for Works:

(1) Is he aware that the Federal aid road legislation now authorises the allocation of funds to local authorities for or towards the purchase of road-making plant?

(2) If so, has any proportion of this State's share been reserved for that purpose, or is it intended to reserve any?

(3) If so, on what terms?

(4) If not, why not?

The MINISTER replied:

(1) Yes.

(2) No.

(3) Answered by No. (2).

(4) It has been found impracticable to allocate petrol funds to local authorities for the purchase of road-making plant.

HOUSING.*Finance and Number of Homes Erected.*

Mr. WILD asked the Minister for Housing:

(1) What amount of money has been received this financial year—

(a) for Commonwealth-State rental homes;

(b) workers' homes;

(c) war service homes?

(2) How many houses will be erected under the Commonwealth-State rental agreement this financial year?

(3) Of those to be erected as in No. (2), how many will be erected—

(a) by day labour;

(b) by private contractors?

The MINISTER replied:

(1) (a) £2,400,000 allocated.

(b) The final allocation of loan money for workers' homes has not yet been made.

(c) The amount to be made available for war service homes has not yet been determined by the Commonwealth Government.

(2) Approximately 1,100.

(3) (a) Approximately 300.

(b) Approximately 800.

MUNDARING WEIR.*Catchment Area, Improvements and Value.*

Mr. OWEN asked the Minister for Works:

(1) What is the total area of land embraced in the catchment area of the Mundaring Weir?

(2) How many acres of this land have been alienated?

(3) What area of this alienated land has been improved?

(4) What is the present value of the alienated land together with improvements on same?

The MINISTER replied:

(1) Approximately 364,000 acres.

(2) Approximately 40,000 acres.

(3) Approximately 7,300 acres.

(4) A firm valuation has not been made, but it is estimated at approximately £250,000.

NATIVE WELFARE*(a) Reports Concerning Cruelty.*

Mr. COURT asked the Minister for Native Welfare:

(1) Did he see the report in "The West Australian," dated the 13th July, 1956, of the Anti-Slavery Society which inferred cruelty to Australian aborigines?

(2) Was any statement made by him in answer to this report?

(3) Did he see and approve the replies of Hon. Paul Hasluck (Federal Minister for Territories) and the State Commissioner (Mr. S. G. Middleton) reported in "The West Australian" of the 14th July, 1956?

(4) Does he know the persons responsible for reports and statements of cruelty and denial to natives of the right to seek work where they wished, which reports are alleged to be of Australian origin?

(5) Was any action taken by the Government following my remarks made on the 24th November, 1955 (Hansard, pages 2151-2152) in which I invited the attention of the Minister and this Chamber to the unfair and internationally dangerous comments in the report of the Commissioner of Native Welfare for the year ended the 30th June, 1955, when exploitation was alleged?

(6) Does the Government concur in this report of exploitation?

The MINISTER replied:

- (1) Yes.
- (2) No.
- (3) Yes.
- (4) No.
- (5) Yes.

(6) The matter is being investigated personally at present.

(b) Investigation by Minister.

Mr. COURT (without notice) asked the Minister for Native Welfare:

With reference to part five of the question to which he answered "Yes," will he be prepared to indicate what action was taken following my comments on the 24th November, 1955?

The MINISTER replied:

It was decided that I, personally, as Minister for Native Affairs, should investigate this matter. That investigation has been taking place over the last month and a report will be submitted to Cabinet in due course.

PARLIAMENT HOUSE.

Plan of Proposed Additions.

Hon. A. F. WATTS (without notice) asked the Premier:

Is there in existence a plan of the proposed additions to Parliament House which was referred to in the debate last evening? If so, would he lay it on the Table of the House?

The PREMIER replied:

There is no plan drawn up as yet, but the proposals have been made up and I think a copy could be made available for inspection.

SPECIAL UNEMPLOYMENT AID.

Undertaking by Commonwealth Government.

Hon. D. BRAND (without notice) asked the Treasurer:

(1) Is it a fact that no definite promise has been given to Western Australia by the Federal Government that special unemployment aid would be forthcoming?

(2) What prompted the Treasurer under these circumstances to decide on the figure of £4,000,000 for three alternative work schedules?

The PREMIER replied:

(1) No, it is not a fact that no promise or undertaking has been given by the Commonwealth Government to Western Australia.

(2) No specific amount was mentioned or stipulated by the Commonwealth Government, but it was agreed in discussion between the Acting Prime Minister, Sir

Arthur Fadden, and myself when I was in Canberra, that this State would submit proposals based upon what might be required to absorb the unemployed into useful works in this State.

COLLIE COAL.

Cost-Plus System.

Mr. WILD (without notice) asked the Premier:

What is the reason for the long delay in getting rid of this iniquitous, as the Premier has said on many occasions, cost-plus system at Collie?

The PREMIER replied:

The main reason is that at present there are three coalmining companies at Collie each operating a number of deep mines and each operating at least one open cut. These companies employ a considerable number of men. To take the steps absolutely needed to put the industry on an economic basis, I think at least two companies would have to go out of existence altogether, and the number of men employed in the industry would probably be reduced by 50 per cent. The Government in its close consideration of this matter over a long period has been giving attention to all the angles involved—and they are very difficult angles—and consequently some coal has been purchased in the interim under the cost-plus system and the balance at an outright price. I think that a firm decision in connection with this problem will be made in the next three to four weeks.

ADDRESS-IN-REPLY.

Second Day.

Debate resumed from the 2nd August.

HON. SIR ROSS McLARTY (Murray) [4.53]: I have already publicly congratulated the Government on its return to office. I realise, of course, that both sides cannot win; that in the hurly-burly of politics one side has to be successful. I congratulate the member for Guildford-Midland on his accession to office. He was a diligent member and I am sure he will prove to be a diligent Minister, although it is likely that from time to time we will not agree with all he does.

At the outset I might say that, naturally, I was disappointed at the result of the elections and I regret the defeat of some loyal colleagues with whom I sat in the House for a very long period. But elections are like battles—they cannot be fought without losses. In the recent general elections, out of the 50 seats, 30 were contested. There were 20 uncontested seats, 11 of them belonging to the Opposition side. If we take the overall figures of the general elections—

Hon. J. B. Sleeman: It was a magnificent victory.

Hon. Sir ROSS McLARTY: Do not interject so early! If we take the overall figures and analyse them closely, it will be seen that the results were very close, and just one or two thousand votes spread over five or six electorates could have made all the difference.

The Minister for Transport: That is how you made it in 1947.

Hon. Sir ROSS McLARTY: Yes, I believe something like that occurred then. What I say now is that the Government victory does not seem to be so overwhelming when one looks at the figures, makes an analysis of them and takes into consideration the position of the 20 uncontested seats.

The Minister for Transport: In these figures of yours, where do you put the South Perth and Mount Lawley figures?

Hon. Sir ROSS McLARTY: I think I evened them up between both parties, but where a candidate stood as a Liberal, or professed to Liberal principles, I naturally concluded that that was a Liberal vote.

The Minister for Transport: Did you win or lose Mt. Lawley; that is what I want to know?

Hon. Sir ROSS McLARTY: I want to make a speech, if I can, as quickly as possible. Whilst the Government might now be said to have a brutal majority, I hope it will exercise its power with reason and will recognise that the Opposition does represent nearly half the people of Western Australia. Because of that fact, and if it is a democratic Government about which we talk so much, the views of the Opposition should receive full consideration from it. I offer my congratulations to the new members who have entered this Chamber. While I think that some of them are likely to have a short stay here, I nevertheless hope it will be a very pleasant one.

The Minister for Lands: Are you thinking of losing some more men?

Hon. Sir ROSS McLARTY: I say to the member for Albany that he made a most interesting speech on what might be termed a very difficult occasion. Not only were there members listening to him, but packed galleries despite the fact that some of the people in them had to walk upstairs, etc. He told us about his district of which he seems to be very proud. I was down there recently and I could not help but be impressed with the district and with the practical form of decentralisation which I noted was taking place there. I would remind the new member for Albany that he might give the past Government some credit for the progress that has been made in that direction in Albany.

When I heard him talk about the Albany harbour, I thought of bygone days and my eyes turned to the seat now occupied by the member for South Perth; and I remembered how much we had heard about

the Albany harbour. No doubt the hon. member will be continually asking for something more to be done for the Albany harbour but, I say to him: Do not get into conflict with the member for Bunbury who will also be wanting harbour developments speeded in his area.

The Minister for Health: With the progress at Esperance, I will want greater harbour facilities, too.

Hon. A. F. Watts: We are strongly in favour of the principle, anyway.

Hon. Sir ROSS McLARTY: I am glad the Minister has had his say, and it is noted. One can only wish that at this particular stage the international position was clearer than it is. Whilst as a State Parliament we are not directly concerned with international policy, we are, nevertheless, concerned as a people, and looking at the present position in regard to the Suez Canal, which is such a vital link to our trade in Australia—greater than to any other country in the world, I think—it does give us cause for serious concern. I would say, without any doubt, that whatever action the British and Australian Governments consider should be taken in this vital matter, we will stand solidly behind them.

At this stage, I feel that I must make some reference to the death of the late Hon. John Willcock. While he had different political views from those held by me, and those associated with me, nevertheless we had a very high regard for him. He was a man of great knowledge and had a kindly disposition. He was certainly a hard worker and the State of Western Australia owes him a debt of gratitude. It was also with extreme regret that we heard of the death of the late Hon. Harry Hearn. He was a diligent member of Parliament and I am sure that he will be missed by members of all shades of political opinion.

Mr. May: Hear, hear!

Hon. Sir ROSS McLARTY: I was also extremely sorry to hear of the death of the late Hon. Don Barker. He was a cheerful personality and will be missed by members of this Parliament. In addition, he was an enthusiast in seeking to promote the interests of the huge area he represented.

I now wish to express appreciation to you, Mr. Speaker, for your action in allowing questions without notice. During the last session of Parliament we had a report in regard to this matter, but unfortunately we were not able to discuss it. I think, Sir, you are to be commended on your action because in every democratic Parliament, certainly in the British Commonwealth, questions without notice are asked. I have visited many Parliaments and I have heard members ask questions without notice.

Although I readily admit that if a Minister is asked a question without notice and he is not in possession of the facts necessary to enable him to answer it, or he wants some time to answer it, there is every justification for his requesting that it be placed on the notice paper. But where the information is available, it should be given. Therefore, Mr. Speaker, your attitude in this respect is one which I think should be commended because it makes for the smoother working of Parliament. I do not want to cast any reflection on your predecessor, Sir, for the decision he made; but, as I said at the time, I did not agree with it and I am glad that we have reverted to the time honoured custom of members being permitted to ask questions without notice.

I want now to turn to the all-important question of Commonwealth-State financial relations and the set-up between the Commonwealth and the States generally. I do not think that any member will deny the fact that the recent State elections were clouded by Federal issues. There is no doubt that the people were more interested in Federal issues than they were in State issues.

The Minister for Education: Oh!

Hon. Sir ROSS McLARTY: If people stop to think they will quickly realise that departments which are controlled by the State Government are of great importance to them. In dealing with the importance of State issues, I might mention that our local Press could very well give a little more space to reporting the proceedings of the State Parliament. In reading through the papers from the capital cities of the other States, I notice that considerable space is given to State parliamentary proceedings. I would say that more space—much more space—is given to State parliamentary proceedings by Eastern States papers than is given by the daily papers in Western Australia in regard to this Parliament.

Mr. May: What is the reason do you think?

Hon. Sir ROSS McLARTY: I cannot believe that the people of Western Australia are not interested in the doings of their State Parliament, or that the people throughout the different electorates are not interested in the views of the members who represent them. I am not suggesting that members' speeches should be published in full, or anything like in full; but when they make some important observations, I do not think they should be ignored. Some space should be given to them so that the people can be kept fully informed.

The Premier: I think there is a tendency on the part of some newspapers to regard themselves as more important than Parliament.

Hon. Sir ROSS McLARTY: I do not know about that. But while talking about news generally, I would like to say that the A.B.C. is to be congratulated on the way it presents the news to the people of this State.

Members: Hear, hear!

Hon. Sir ROSS McLARTY: At 7 o'clock and 9 o'clock in the evening, five minutes are devoted to affairs of the State and it is remarkable what an amount of news is contained in those five minutes. It is given in an impartial manner and quite clearly. The result is that thousands of people throughout this State await the national news so that they can be informed as to what is taking place. After that outburst, I do not know that I shall get any space at all.

But getting back to the question of Commonwealth-State relations, I say again that the Federal issues seem to be clouding State issues more and more. This is not to be wondered at because of the fact that the most important taxing powers are in the hands of the Commonwealth. Another strong reason is that when the States face any economic difficulty they immediately pass the buck to the Commonwealth; that attitude is becoming more prevalent. The present set-up has been responsible for giving a considerable boost to inflation generally, and while it continues I do not think that the position of inflation will ever be solved satisfactorily.

There is only one sure way of making the States realise their full responsibility and that is by returning to them their powers of taxation. It has been said before, and I say it again, that to have the right to spend money and not have the responsibility of collecting it leads to irresponsibility and reckless expenditure. I do not think that statement can be challenged and I, too, think it is factual. Where the responsibility of collection does not rest with a body, but it can spend at will and bring pressure to bear to get more, the position must become inflationary and must be to the detriment of the taxpayers of this country. The one sure way of making the States realise their responsibility is by returning to them their powers of taxation.

In the event of the States having their taxing powers restored to them, the Prime Minister has admitted that the Commonwealth Grants Commission would still have to function and considerable help would still have to be given to what are termed the claimant States. I think we all agree with that. A State like Western Australia, with such a huge area of under-developed land, cannot be developed through State resources only and for some time to come such development will have to be considered from a national point of view, and finance will have to be made available by the Commonwealth Government.

We know the position today. The States blame the Commonwealth if there is a shortage of money, either on the revenue side or on the loan side. When the Commonwealth imposes taxation to provide money for the States, it is hotly criticised for what it does. So it does not matter. If the States consider that they have not sufficient money, they put the blame on to the Commonwealth and when the Commonwealth takes some action to provide money for the States, they blame it for increasing taxation. That is the unsatisfactory set-up which we have today.

Now let us have a look at what happened at the recent State elections. Certain taxes, recommended by eight of the leading economists in Australia, were imposed. The Commonwealth, believing that it was necessary for the States to have additional money to carry out their loan programmes, accepted the advice of the eight economists and imposed additional taxation. I might state here that the provision of additional taxation was not the only reason for accepting the advice of those economists. Our overseas trade balances had to be safeguarded and certain taxing measures were imposed, on the advice of the economists, to guard those overseas credits.

The Minister for Lands: I do not think there was much argument about the question of being taxed; it was as to the method which was employed.

[Mr. Heal took the Chair.]

Hon. Sir ROSS McLARTY: It would not have mattered two hoots in what form the taxes had been imposed; the Commonwealth would have still received criticism.

The Minister for Lands: Some blame. But it is entitled to receive a lot of blame for the method it adopted.

Hon. Sir ROSS McLARTY: There is no question about what I have said. In this country we play politics so sharply or so vigorously that it would not have mattered. Party political capital would have been made out of it.

The Minister for Lands: No. They were badly advised on that issue.

Hon. Sir ROSS McLARTY: I was not advised at all.

The Minister for Lands: I said that the Federal Government was badly advised.

Hon. Sir ROSS McLARTY: It was advised by the economists and others. In short, I think the present set-up is responsible for party politics being carried on in Australia in a most degrading manner and to the detriment of the people. Such a system can only mean increased burdens on the people as a whole. I want our people to realise that fact, and they should realise also that they are just as much a part of the Commonwealth as they are of the State. If the Commonwealth is to be forced by the States to meet all

the demands that are made upon it, I can see only chaos ahead. The demands upon the Commonwealth have to be met by the people as a whole.

As I have said, the last State elections in this and other States were decided on Federal issues, and State issues, which are still of great importance, were put in the background by the State Governments. It cannot be denied that there is recklessness and irresponsibility among the States. They are doing the easy part of spending and the Commonwealth is carrying out the unpopular part of imposing and collecting taxes.

I now refer to another very unsatisfactory position. We are constantly being told by the Premier that he will have to impose additional taxes and charges, although he carefully refrained from any mention of these matters during the election campaign. I could not draw him out at all and he made no mention of any increased taxes or charges in any direction.

Hon. D. Brand: Except Federal ones.

Hon. Sir ROSS McLARTY: As the hon. member says, except Federal ones. Yet he knew—he must have known—that these additional taxes and charges would have to be imposed.

Mr. May: How did you know?

Hon. Sir ROSS McLARTY: I was caricatured as a "Tax-us Ranger." I did not mind that a bit. I was only looking at the cartoon the other day, one in which I was pictured with a beard. I think it suited me, and I might decide to grow one! I did not, however, like the pony they gave me to ride. I feel sure the weight upon him must have been unbearable! I do not think I would have the Premier in our band of "Tax-us Rangers." I certainly would not have done the things he has done. Even bushrangers, or some of them at any rate, have a sense of honour about them.

The Minister for Transport: It is because you would not do the things he has done that you are on that side.

Hon. Sir ROSS McLARTY: On the one hand, we have the Premier complaining about the taxes on beer and cigarettes, commodities which are not absolutely essential to the people although they may be very necessary to some. On the other hand, we find that he comes out with a list of taxes—and heavy taxation, too—inescapable by every section of the community. I will mention some of them as I go along. It rather shows the hypocrisy of his election campaign when he cashed in on something the Commonwealth was forced to do, particularly when he was one of the leading exponents in demanding money from the Commonwealth from taxes it had imposed to help him in Western Australia. We then find him imposing heavy additional taxes and charges, and again I repeat they are inescapable.

Since the election I find we have had a steep increase in hospital charges; there is no question about that, they are very steep. The Harbour Trust charges have been increased. We have also been given a warning by the Minister for Transport that there will be a steep increase in motor licence fees. He is quoted as having said that in Adelaide.

The Minister for Transport: That is not what I said.

Hon. Sir ROSS McLARTY: I will tell the Minister what he said. I have here a cutting from the "Sunday Times" which reads as follows:—

Adelaide, Sat.: Mr. W. A. Motorist:
Get ready for a stiff increase in registration fees.

That is the message the Minister for Transport, Mr. Graham, has for the motoring public of W.A. when he returns home on Monday.

In Adelaide, after attending the Transport Conference this week, Mr. Graham said it had been made clear to him that W.A. registration fees were so far behind the other States that unless a substantial increase was introduced W.A. could suffer from the Commonwealth Grants Commission.

"We charge £5 a year for a Holden registration in W.A.," he said.

"In S.A. the fees is £11 10s., and even higher rates have now been struck in N.S.W. and Victoria.

"Other States also are considering increases.

"To avoid being penalised by the Grants Commission the W.A. level of charges must be substantially increased."

Does the Minister propose to follow the example set by Adelaide or that set by New South Wales and Victoria? I will say something about the Grants Commission as I proceed. I mentioned these particular charges to the Minister for Transport almost immediately after the elections. He gave a warning that there may have to be considerably increased fares and freight charges. He said they could be expected, and he mentioned what had happened in New South Wales, although the Premier last session—and it is well to remember this—told us that he thought that railway freights throughout Western Australia had reached their economic limit.

There is consternation among landowners in the country and the metropolitan area at the greatly increased land tax valuations. A question was asked today by the member for Vasse and a most interesting reply was received. I would like members to hear how the Government is getting increased taxation from this particular source. In 1945-46 it received

£111,353 from land tax. In 1950-51, £180,323 was received; in 1954-55, £390,466 was paid. But members should take note of the steep increase in 1955-56 when £529,412 was received from land tax. That is a tremendous increase. The time has come when the Treasurer might have a look at this land tax and see if the taxation is being imposed on the true value of the land or on its inflated value.

Because of these steep rises in land tax, we are imposing heavy additional burdens in relation to water rates both in the metropolitan and country areas. Water is not like cigarettes and beer. It is very necessary for us to drink water; we have to use it. It is not an every day necessity, but an every hour necessity. No wonder there is consternation among the landowners in the metropolitan area and the country in relation to these increased taxes.

Mr. Bovell: It is not only the landowners but the houseowners also who are worried.

Hon. Sir ROSS McLARTY: Let us have a look at the water rates. We find steep increases. They are not in the metropolitan area at present but it will not be long before they are because of the greatly increased land tax everywhere. Here we have country water rates increased, and, by Jove, they are pretty steep increases too, taking into consideration the greatly increased land values that have been imposed. Let us look at a few. In Kalgoorlie, one of the towns in Western Australia where water is an urgent necessity, we find the price goes up from 1s. 6d. to 1s. 9d. We also find that Boulder is going up from 1s. 6d. to 1s. 9d.

The Minister for Transport: That is about the cheapest water in Western Australia.

Hon. Sir ROSS McLARTY: We find that the price in Norseman has gone up to 1s. 9d. What a vigorous advocate the Minister for Health has been for a flat rate for water!

The Minister for Health: That is what we should have.

Hon. Sir ROSS McLARTY: There is nothing flat about this. It is moving up rapidly. There is a whole list of these increases in which no doubt members will be interested and I think there is also some mention about the Grants Commission.

I think, too, that we are likely to face increased probate duties. The Farmers' Union has been most active in its protest, but, of course, there will be an increase in probate duties because of the tremendous increase in land values. Members should not be at all surprised when the Budget is presented, or before that, to find that there is to be a rise in probate duty. Again, let us remember all the increased charges that have been imposed since the 7th April. It is a long list of increased charges

(imposed on the necessities of life) that are inescapable. Surely we are not going to continue in this way much longer!

Now I shall refer to the position of the Grants Commission. I repeat that the Minister for Transport said he will have to increase rail charges because of the increases that have taken place in New South Wales. We are also told by the Premier that there will have to be an increase of some other charges or taxes because of the attitude of the Government in some other State. Are we to take it that the future policy of this State will be that when the Labour Government in New South Wales steeply increases rail charges—and they have made staggering increases—we will follow suit in Western Australia? The Government of New South Wales is one that has proved itself to be a most extravagant Administration.

Hon. J. B. Sleeman: Why was it returned?

Hon. Sir ROSS McLARTY: It was returned by a greatly reduced majority and, like this Government, it made these increased charges when it was returned to office.

Mr. Bovell: The Liberal Government of Victoria has reduced its rates.

The Premier: When did your Government make increased charges?

Hon. Sir ROSS McLARTY: My Government did not increase charges to the same extent as the Premier has done.

The Premier: Much worse than these.

Hon. Sir ROSS McLARTY: I see three Ministers before me—the Premier, the Minister for Works and the Minister for Transport. They have been referring to the Grants Commission and saying that they have been forced to do things because of increased taxes or charges in other States. Are we meekly to follow that line? Where is it going to lead us? Is the Premier going to make any protest to the Grants Commission when it comes here? Does he think for one moment that we could stand the transport charges that have been imposed on the people of New South Wales by that Government? Of course we cannot.

It would mean ruination to the people in the rural areas, and those in the mining areas, where they are already complaining bitterly about these increased charges. I get fed up and sickened when I hear the cry, "We have got to do this because some other State has done something, and if we do not do it we will be penalised by the Grants Commission." This state of affairs must be leading us, if nothing else is, headlong into unification. It is not practicable that it can continue for very much longer.

I ask the Premier what his Government is doing on the administrative side in regard to keeping down costs. All I hear

from the Premier is that charges must be increased. That is his only answer—increased charges. There is no mention from him about attempts to control governmental expenditure. He has not given us the slightest indication of what the Government is doing in this direction—and a great deal could be done on the administrative side.

The position has developed in such a way that Parliament has very little influence these days. Major decisions are made by Cabinet and approved in the party room. Parliament does not have much say. Through administrative action, some of these heavy contemplated charges could be considerably lessened, if not avoided.

Let us take the railway position. The deficit last year, including interest, amounted to £4,592,000. We were told in the Lieut.-Governor's Speech that consideration might be given to the closing of some of the lesser-used branch lines; but there is nothing definite. It would be interesting to know just what would be saved if some of those lines were closed. This is a problem that has to be faced. We just cannot allow certain lines to continue indefinitely.

I am not unmindful of the fact that farmers and others who have established themselves in the areas served by those lines cannot be left to their own transport resources. As many of them have put in years of hard work, and all their finance has gone into farms and businesses, consideration should be given to providing alternative road transport which would adequately meet the needs of the districts affected. Even if it were necessary to provide a subsidy to keep transport charges at a reasonable level, that might well prove to be an economic proposition from the Treasury point of view.

In connection with the provision of road transport, it should be pointed out that we will receive this year in petrol tax something like £6,000,000. This money, on which we do not have to pay any interest, is collected by way of tax, and is made available to us for road development work generally. So users of these lines should have special consideration given to them from the money provided by the petrol tax.

Further, I would ask the Premier whether it would not be more economical to have some of our railway work—and indeed, other public works—carried out by contract. It would be interesting also to know what overtime is paid in connection with the railways, and for what reason. These are all matters that should be dealt with on the administrative side.

Something was said today about coal. That is one of the commodities that play a very important part in the cost of production. When the Premier was in my position on this side of the House he was

a most energetic—almost violent—critic of my Government because of what we did in regard to coal. But it should be remembered that when we came into office coal was in short supply.

It was so short that we did not know whether certain railway engines could run from day to day. There was no certainty that electricity supplies would be available, and no certainty that certain industries would be able to function. So we had to do something, and do it quickly, even if what we decided upon did not meet with approval in certain quarters. But we did do something all the same. The Premier was most vigorous in his criticism of the cost-plus system. We heard that continuously.

Mr. May: You are going to hear some more, too.

Hon. Sir ROSS McLARTY: Well, let us hear some more!

Mr. May: You will!

Hon. Sir ROSS McLARTY: The hon. member should have been more loquacious during the last three years. This Government has been in office for three years and even now does not know what it is going to do.

Mr. May: Read Hansard.

Hon. Sir ROSS McLARTY: The Government does not know.

Hon. J. B. Sleeman: What about nationalisation?

Hon. Sir ROSS McLARTY: The hon. member knows that I do not favour that policy.

The Premier: Earlier in your speech you favoured a socialised news service.

Hon. Sir ROSS McLARTY: No.

The Premier: Yes.

Hon. Sir ROSS McLARTY: No. The Premier misunderstood me. An improved news service.

The Premier: No fear!

Hon. Sir ROSS McLARTY: Do not let the Premier take me off this track.

The Premier: We would hate to do that.

Hon. Sir ROSS McLARTY: The Government has been in office for three years, and even now it does not know what it is going to do about coal.

The Premier: I would not agree with that.

[The Speaker resumed the Chair.]

Hon. Sir ROSS McLARTY: It is still carrying on with the cost-plus system.

The Premier: Week by week only.

Hon. Sir ROSS McLARTY: The agreement which we made ended on the 31st December. The Government knew that it was going to end, and yet cannot make up its mind even at this stage.

The Premier: I think we can.

Hon. Sir ROSS McLARTY: It is dithering about on this matter, and that is costing the State hundreds of thousands of pounds.

The Minister for Works: How do you work that out?

Hon. Sir ROSS McLARTY: If some agreement were reached, coal could be obtained at a cheaper cost. There is no question of that. But the Government does not know where it is going. It is logical to assume that if one does not know where one is going in regard to a certain matter, there must be confusion; and the Government does not know anything about costs, except that they are rising. The Government is dithering about the matter and does not know what to do. Despite the fact that it has been in office for three years, it cannot reach a decision.

I am of the opinion that a programme of priorities in regard to public works should be decided on, according to the urgency of the works to be undertaken. I realise that it is not always possible to keep to such priorities, because certain urgent matters arise from time to time. But every effort should be made to get away from political expediency, which is a costly business. If Parliament were given a list of priority works, we would know what was contemplated, and why. If that list was departed from, we should know why as well.

It is vital that we should maintain close co-operation with the Commonwealth regarding the migration programme, and keep it in balance with our capacity to expand and usefully employ labour. Reference is made to this matter in the Lieut.-Governor's Speech, and no doubt it will be one of the subjects that the Premier will discuss at the Premiers' Conference. I remember that when I went to Premiers' Conferences I raised this matter during the time that the late Mr. Chifley was Prime Minister. Thousands of migrants were coming to Western Australia at that time. It was a period of acute shortage of materials, and I told him our difficulties. The reply I received from him was—

Hon. A. F. Watts: Take it or leave it!

Hon. Sir ROSS McLARTY: That is so. It was paramount that we should have migrants come to this country. They had to come, no matter what difficulties faced us.

The Premier: You did not run to the Commonwealth Government for help, surely!

Hon. Sir ROSS McLARTY: Not for help. I told the Commonwealth what was happening, and of the difficulties with which we were faced in providing for these migrants. I am letting the Premier know what the attitude of Mr. Chifley was on

that occasion. Since then, I think conditions have changed in regard to migration, and a more reasoned programme could be arrived at; though, like the Premier, I realise there is a need to bring more people to this country.

There should be a close look at our Government undertakings and, if necessary, we should curtail or dispose of some of them. Such action would not create unemployment but, on the contrary, would help to provide employment by the amount of money that would be saved. The Premier should receive quarterly statements from all departments, indicating the respective expenditure of the departments; and, where any substantial rises in costs are shown, he should satisfy himself that they are justified.

Probably at the next Premiers' Conference he could make some reference to defence expenditure. I realise that such expenditure must continue. But that is a huge spending department, and I cannot help thinking that in certain directions there could be some savings. We have to take into consideration the international position generally, and such discussions as I have suggested might be held in camera. But if anything can be gained by cutting out expenditure that is unnecessary, it will be to our advantage.

The Premier: President Nasser has thrown a spanner in the wheels in that direction.

Hon. Sir ROSS McLARTY: That is true. Something like that is always occurring from time to time. Unfortunately, we do not seem to be able to get away from it. But I notice that the British Government is closely examining the defence expenditure, and the international position has to be taken into consideration by that Government.

The Premier: I think that many of our public works have very great indirect defence value.

Hon. Sir ROSS McLARTY: Undoubtedly. There is no question of that. Roads and water supplies are cases in point. There might be room for a discussion at the Premiers' Conference as to the value of certain works in relation to defence—whether expenditure on such works could not have even more merit than some of the defence expenditure that takes place. I only wish it were possible to hear from the Premier before he leaves for this important conference at Canberra—from which we all hope good will result—what his views are, and what suggestions he is likely to make.

One thing about which I hope he will do something from a practical point of view is the question of arbitration. I cannot help thinking that political interference with Arbitration Courts over the years has played a large part in regard to inflation. The wage structure should not be regarded as a political football. The Arbitration

Court is set up to see that justice is done to all those engaged in industry. The Federal Arbitration Court has all the facts and figures at its command and should not be thwarted, through party political action, in reaching its objectives.

I hope the Commonwealth and the State Premiers will come to some firm decision with regard to the future of arbitration and will stand firmly for such a principle. Unless something of that nature is accomplished at the Premiers' Conference, I cannot see much use in that meeting being held, as this is one of the great problems to which attention must be given—the need for close Commonwealth-State co-operation to ensure that Arbitration Court decisions are respected and obeyed.

The Minister for Education: Have you any view on prices being controlled while wages are frozen?

Hon. Sir ROSS McLARTY: The Minister has heard me speak on that subject. As I have said, our experience of price control throughout Australia has not been very satisfactory.

The Minister for Education: But wages were not controlled then and they have been frozen for some years now.

Hon. Sir ROSS McLARTY: During the time when wages were frozen by the decision of the Federal Arbitration Court, there was more stability in our economy than there had been for many years. The whole of this question must be decided at the Premiers' Conference, and I repeat that the only tribunal in Australia competent to express an opinion on these matters is the Arbitration Court. If wages are frozen and prices still rise, it is the duty of the Arbitration Court to see that those who are engaged in industry receive additional money to meet the increased costs.

The Premier: Then you believe in cost-of-living adjustments?

Hon. Sir ROSS McLARTY: We must face the facts but we should not, through political interference, depart from the decisions of the Arbitration Court, which has all the machinery at hand and all the expert knowledge available to advise it. We should respect the decisions of that court and not allow political interference in regard to that tribunal.

The Premier: If you are to allow prices to rise, you will continue to have inflation.

Hon. Sir ROSS McLARTY: We know that under the system of quarterly adjustments of the basic wage, where there is a substantial rise every quarter, prices must rise also.

The Minister for Education: But the prices rose when wages were frozen for two years.

Hon. Sir ROSS McLARTY: There was much more stability in our economy at that time. We should give the Arbitration

Court's decisions a reasonable chance to prove themselves and then, if an injustice is being done, let the court rectify the position. We should leave it to that tribunal.

The Premier: Do you favour setting up a division of the Arbitration Court to supervise maximum prices, as well as wages?

Hon. Sir ROSS McLARTY: I think I ought to ask notice of that question.

The Premier: Then I give you one week's notice of it.

Hon. Sir ROSS McLARTY: The inquiry which the Federal Arbitration Court made some years ago was a most exhaustive inquiry in regard to both prices and wages as well as the general economic state of the country.

The Premier: But no Arbitration Court in Australia has power over prices.

Hon. Sir ROSS McLARTY: That is true.

The Premier: It is a grave deficiency.

Hon. Sir ROSS McLARTY: If the Premier raises this matter at the Premiers' Conference and it is decided that the scope of the Arbitration Court should be extended, I will be prepared to abide by that decision.

The Premier: Good!

Hon. Sir ROSS McLARTY: It is sheer hypocrisy for a Government to talk about halting inflation if it does not set an example, and there is plenty of scope for Government action in that direction, but I do not think His Excellency's Speech offered any hope at all—

The Premier: Would you suggest that we should retrench a lot of men at the present time?

Hon. Sir ROSS McLARTY: No. The Premier might like me to say that, but I think it would be a most unfortunate thing to do. I am one of those who were here before the Premier, in the bad days when we faced a depression, and I realise all the difficulties and dangers that existed at that time. I certainly do not want to see all that again or to run the risk of seeing such a state of affairs recur.

I wish now to say a few words to the Premier on the question of increased rail freights in this State. The Premier said something in that regard last night, I believe, in reply to the Leader of the Country Party, and I am sorry that I was not present at that time. There is no doubt that if rail freights are increased, the rural areas will receive a hard knock and there will be much discontent throughout the country districts. The farming community is continually facing increasing costs and now we have the ravages of pasture pests which increase the burden of the man on the land. There has also been a substantial rise in the cost of superphosphate.

All those factors and costs are telling against the man on the land who, it must be remembered, is forced—in the main—to sell his products on world markets. While the well-established farmer is able to absorb some of the rising costs, the men who have not been long on the land or those in a new area are facing a very tough time. We should not forget that throughout the world trade is becoming more competitive.

Look at the strides in the manufacturing industries of countries such as Japan, China, India and others. Amazing strides are being made and progress has taken place to such an extent in those countries that only a few years ago we never dreamed that what has been done could be achieved. Those countries will be competing with us and the only way in which we can meet that competition is on a cost basis. So far we have been saved by our great primary exporting industries, and wool has played a very prominent part in our economy, but even there the costs of production are catching up.

It is encouraging to know that wheat is moving so freely. I never like the idea of restriction of acreage because one never knows from year to year how crops will be affected in this or any other country of the world. There are still enormous quantities of wheat stored in America and a give-away policy in regard to that wheat has brought protests from both Australia and New Zealand. Only a few months ago the National Planning Council of America said that farm product surpluses continue to mount at an alarming rate, and it warned that farm product surpluses would double in the next 10 years if present production trends continue. I think that while these warnings should not go unheeded, it would be a policy of despair if we decided that by Government action production of our primary products should be curtailed. Our great problem is to produce at a competitive price.

The Premier: Would the Leader of the Opposition care to express an opinion on whether he would have preference for, say, increased rail freights, as against a land tax on rural lands?

Hon. Sir ROSS McLARTY: The Premier is gathering in the land tax in huge lumps.

The Premier: Not from rural lands.

Hon. Sir ROSS McLARTY: No, but from land generally. From 1945 to 1955 it was £390,000 and the next year £529,000.

The Premier: Not from rural lands.

Hon. Sir ROSS McLARTY: I do not wish to see a tax imposed on rural lands.

The Premier: I simply wondered which you thought might be better, if either one had to be imposed.

Hon. Sir ROSS McLARTY: The Premier will have to work it out for himself.

The Premier: I quite agree.

Hon. Sir ROSS McLARTY: You have told us that you considered that railway freights last year were already as high as they should be, Mr. Premier, and if a tax is imposed on rural land there is no question but that it will add greatly to the already increased burden of the man on the land.

The Premier: Except that the man who does not use his land and who therefore does not support the railways will have to pay his share.

Hon. Sir ROSS McLARTY: We do tax unimproved land and I increased that tax when I was in office.

The Premier: I beg your pardon!

Hon. Sir ROSS McLARTY: An unimproved land tax.

The Premier: Did you increase a tax when you were in office?

Hon. Sir ROSS McLARTY: Yes, on unimproved land—with which the Premier thoroughly agreed.

The Premier: I must examine your records.

Hon. Sir ROSS McLARTY: My record in that regard is insignificant as compared with what the Premier has done in the matter of increasing taxes and charges. Among the matters to be discussed at the Premiers' Conference on the 16th August is the need for greater uniformity in wage policies and the means by which it can be achieved—I have already referred to that—together with the associated means of stabilising costs in Australia.

I cannot help feeling that if the Premiers are big enough to view these matters from an Australian point of view and not let their vision be clouded by party political considerations, the conference could achieve a great deal of good. There may be room for some form of compromise between the Commonwealth and State proposals, but if the conference does not find some solution with which to combat the spiralling of our costs, we will be heading for another Premiers' Plan, although probably with different objectives from those of the Premiers' Plan of 1931. I hope that when the conference is over we will not hear the Premiers blaming the Commonwealth for any lack of success. They are just as much a part of this set-up as the Commonwealth is and are equally responsible. Do not let us pass the buck on this occasion. If there is failure, let the Premiers accept the blame for their part in it.

To examine the future, the indications are that the financial year 1956-57 will not be easy for the Commonwealth or the States. In that period £253,000,000 worth of bonds will reach maturity. I suppose a large proportion of them will be converted into new securities as a higher rate of interest has been offered to induce people to invest in loans, but I think something

more than that is required. I have previously advocated that where probate has to be paid, bonds should be taken at face value, and there could be a proviso that where bonds were held for a certain period prior to death, they could be taken at face value. I feel that such action would assist the bond market.

I wish next to offer a strong protest regarding an administrative act of the Government, and here I refer to certain officers of the Electoral Department being sent into two provinces and paid at overtime rates in order to put names on the Legislative Council electoral roll. The Government may claim that it has a legal right to do this but, if morals count with the Government, it has no such right. The Government had one thought in its mind and that was party political advantage. If this is not so, why was the action confined to only two provinces? I think that in this case the Government can rightly be charged with the misuse of public funds. The Government need not talk to me any more about reform of the Legislative Council until it does something about reform within itself.

Mr. Jamieson: It would not be necessary if you let us reform it ourselves.

Hon. Sir ROSS McLARTY: There is much more that one could say when speaking on the Address-in-reply, but I feel that I have been speaking long enough—

Hon. A. F. Watts: We do not agree with you.

Hon. Sir ROSS McLARTY: —and I am now going to conclude on this note: I hope the conference in Canberra will achieve some good result and that the Premier will forget his party politics whilst attending that conference and not be influenced by what other Premiers may say or think. At that conference the Premiers should try to get away from party political outlook and do something which they consider would be in the interests of the country as a whole.

The Minister for Transport: You had better send a copy of these remarks to Sir Arthur Fadden.

Hon. Sir ROSS McLARTY: The Minister can send a copy of them airmail to him if he so desires.

The Premier: I can see that the Leader of the Opposition does not wish to develop stomach ulcers himself but to give them to other people.

Hon. Sir ROSS McLARTY: No, I realise these are problems that are causing the Premier great concern. I cannot imagine that it would be otherwise. Many of the problems that confront a Premier bring him great concern. In fact, it is very hard to avoid such problems. But this is the major problem and if it is approached purely from the angle of party politics, success cannot be achieved. I think a compromise has to be reached in

regard to these great problems, and if such a course could achieve some success, I would favour it.

MR. EVANS (Kalgoorlie) [6.3]: I am deeply conscious of the responsibility that has been placed in me as a member of this hallowed House of Parliament in Harvest Terrace. I take this opportunity of assuring members that I will do all in my power to make a worth-while contribution to the welfare of this State and give faithful and efficient service to the people of the electorate I so proudly represent.

To you, Mr. Speaker, I offer my most sincere congratulations on your election to your high office and I tender to you my very best wishes for a successful and happy term as the father of this House. As the walrus has said, the time has come to speak of many things.

Mr. Jamieson: We have had that before.

Mr. EVANS: And the hon. member is having it once again. While we all may hope that our speeches may become immortal, there is no need to make them eternal. I assure the members of this House that I will say all I desire to say in the shortest time possible.

From the bottom of my heart, I would like to speak on the question of unemployment. It is extremely perturbing to see the unhealthy signs of unemployment amongst us today. Unemployment has even extended for a distance of 375 miles to the Goldfields. I sincerely hope that this is only a passing phase and the sooner it passes the better. I congratulate the Premier on the steps he has taken in an endeavour to have funds made available to alleviate unemployment and, at the risk of being compared to a disc jockey reading a commercial, I wish to give Kalgoorlie a plug when that money is being handed out from the Treasurer's purse.

The Leader of the Opposition, when speaking, reminded me somewhat of the devil quoting the scriptures when he spoke of increased charges for water because I remember when, as Premier, he increased water charges, particularly in the Kalgoorlie district. However, I would like to make one suggestion in regard to the floodwater in the metropolitan area which is causing the Government a great deal of concern. I suggest that that water should be pumped to Kalgoorlie and supplied free to the people of that district. The Government, in the future, should bear in mind that Kalgoorlie is far distant and that the people there have been paying much more for their water than residents in the metropolitan area. The Leader of the Opposition mentioned that increased charges for water would be made to metropolitan householders. At the risk of offending some of my colleagues and perhaps some of the members on the other side of the

House, I might say that when that day arrives perhaps it will be a good thing because to those who live in the city such increased charges will prove very unpalatable. I agree with the member for Eyre that a flat rate for water should be charged throughout the State. In my opinion, what is good for the goose is good for the gander—even for the metropolitan gander.

I confidently anticipate that this session members will see the enactment of legislation making it compulsory for bakers to deliver bread to any householder who orders a loaf and is prepared to pay for it. Within the last eight months the whole of Kalgoorlie and Boulder districts have been left without a door-to-door delivery as a result of an agreement between a handful of master bakers, which agreement, in my opinion, amounts to a conspiracy.

As an alternative, these bakers have instituted the practice of sending vans to appointed places in the public streets and notifying their presence by having the drivers blow whistles and ring bells and they dole out their wares to the customers who have to queue up like beggars outside a soup kitchen or prisoners in one of Hitler's concentration camps. It has been decided to make such a use of the public streets an unlawful obstruction of the traffic. It is amazing that our municipal authorities have tolerated this abuse for so long.

Let me remind members that what happened in Kalgoorlie during the last eight months could quite easily happen in Perth and Fremantle tomorrow. If this did occur, one can well imagine what an outcry would result. Long ago Parliament assumed the right to control the price at which wheat products may be sold. I say it is just as logical and just as essential, in the interests of the public, that the other conditions relating to the sale of bread, such as those dealing with its delivery, should also be controlled by Parliament.

A matter which concerns me deeply and which is an old political football is the question of decentralisation, and this time it is going to go through the goal posts. I am particularly concerned with decentralisation in this State in general and in particular with the establishment of at least one stable and major secondary industry on the Eastern Goldfields. One shows cowardly tendencies if one completely steers away from a project that is difficult and apparently impossible. I am no coward and I would like to point out to members that, with bold determination, this task of decentralisation can be achieved. With inspiration, desperation and perhaps perspiration the "difficult" can be achieved almost immediately. The "impossible" may take a little longer. It does seem to me, however, that the achievement of decentralisation on the Goldfields has taken too long.

I was very impressed to hear the member for Vasse speaking on this subject, especially as he is a member of the Opposition. My colleague, the member for Albany, also touched on the problem. I would like to stress to members that the Goldfields are far from the stage where they are no longer of any great concern. To stress my point I am going to quote from a bulletin dealing with Commonwealth loans and national savings. It reads as follows:—

Goldfields Response.

A pleasing feature of the recent Loan campaign in this State was the excellent result recorded by the Goldfields.

Kalgoorlie, which was allotted a quota of £40,000 raised a total of £50,680. This was the district's best loan result for the past twenty-one Security Loans conducted since November, 1947.

Southern Cross is not within my district, but it is definitely a part of the Goldfields which has endeared itself so closely to my heart. The figures in regard to Southern Cross were as follows:—

Southern Cross, with a quota of £2,000 raised £8,100, its best result in any loan, while Norseman-Salmon Gums more than doubled its quota.

This will certainly please the member for Eyre. Continuing—

Coolgardie, which had not recorded a single application in the six previous loans, has now rejoined the list of Pennant winners. Other Goldfields districts which oversubscribed their quota included Bullfinch, Leonora, Gwalia, Westonia and Mt. Magnet. The entire response from the Goldfields was the best for many years.

Therefore, we are not dealing with something that is dead. We are dealing with something that is vigorous, something that is alive and something that matters.

Last week I took the opportunity of visiting the Department of Industrial Development and conversed with the chief clerk whilst examining some figures he had collated. These figures showed that 90 per cent. of our population in Western Australia is conglomerated or packed into the South-West corner of the State and the metropolitan area. Yet that particular area constitutes only one-tenth of the total area of the State. Such a state of affairs is morally wrong. A Government should concern itself with the finances and the growth of the State as a whole where that is possible and, with the Goldfields, I say that an improvement is definitely possible. In Kalgoorlie and Boulder we have a population of over 23,000. That represents a healthy body of people. However, following the census that was taken in 1947 the figures show that these two districts held a population of approximately 28,000. With the effluxion of time

we lost some of this population, but there is no doubt that the Goldfields will come again. The time is ripe for us to do something to maintain our population and, not only maintain it, but increase it.

Sitting suspended from 6.15 to 7.30 p.m.

Mr. EVANS: I now return to the wicket. I must be careful to tap down any catches as I do not want to be bowled by a yorker. To revert to my subject, decentralisation, before the adjournment I had mentioned that Kalgoorlie and Boulder—when I speak of Kalgoorlie I refer to the community of Kalgoorlie and Boulder—have a population of over 23,000. I claim that now is the time, while we have a bigish population, to do something about decentralisation on the Eastern Goldfields, and not wait until—I say this with all respect to the other goldmining towns such as Big Bell and Wiluna—these places have crumpled, not for good, I hope. The time has come for action, while there is still a vigorous population. We should not wait until these places crumble before someone takes it into his mind to try to do something. To delay is like backing a horse that is left a furlong behind.

When Wiluna closed down, an attempt, and a very praiseworthy one, was made to deal with the position, and interest was aroused in a firm in Perth known for the manufacture of confectionery and canned vegetables. This particular firm was encouraged to experiment at Wiluna. There were several reasons why this enterprise failed. I would like to see such enterprise encouraged at Kalgoorlie and to profit from that previous experience so that the next attempt will not fail.

Whilst I was in the Department of Industrial Development last week, I was informed that several years ago an experiment was started and a survey of the Eastern Goldfields was made regarding the nature of the soil. I was informed that the soil in that locality—not that I had to be so informed—for agricultural purposes is second to none. There is only one drawback. Of course, we all know what that is—water. I, along with the member for Eyre, believe there should be a flat water rate. Even if we had a flat water rate, something else would have to be done if an industry consuming water were to operate on the Eastern Goldfields.

I was informed that if the Kalgoorlie mines were to close down tomorrow, not only the community in Kalgoorlie and Boulder would be affected, but between 40 and 45 per cent. of the employees in the engineering trade in the metropolitan area would be thrown out of work the very next day, mostly men employed in the mining section. The effect would not only reach the engineering trade; it would also affect many other occupations within the metropolitan area. Therefore it is quite

evident that the question of decentralisation on the Eastern Goldfields is not merely a parochial one. It is a matter of State importance and State interest. I would like to see a committee formed with power to co-opt heads of departments to make a worth-while investigation into the possibility of decentralisation on the Eastern Goldfields. I have several ideas, but I do not intend to burden members with them at this stage.

Personally, I would like to see the Government financing an industry—I intend to give further details later on of this particular industry—so that if there were a slump in mining activities due to economic considerations, as we have now, this particular industry might be able to absorb the slump, and the Government as a whole would not be affected by having to pay out unemployment benefits and by having to find work for the unemployed, a position which the Government today is facing in the metropolitan area and in other parts of the State.

Possibly I may be termed a socialist; if I am, I am proud of it. If the Government were to finance an industry, details of which I shall give later, it would not offend private enterprise because private enterprise has shown in the past that it is not interested. I now come to the price of petrol. On the Eastern Goldfields, only 375 miles from Perth, the price is 4s 10½d. a gallon, a difference of 1s. 0½d. a gallon compared with the Perth price.

Hon. J. B. Sleeman: Is that for super grade?

Mr. EVANS: I am referring to super petrol. No one can tell me that the cost of transporting one gallon of petrol to the Goldfields is 1s. 0½d. I am told that the greater part of that difference is made up of insurance. If such is the case, it seems to be a very high rate of insurance, because, if my information is correct, there has never been one serious fire on the W.A.G.R. due to the transport of petrol between Fremantle and Kalgoorlie.

In other forms of insurance, after years of trouble-free service, there is a reduction in the premium rates, but there does not seem to be any reduction in the premium paid on the insurance of petrol. I would like to see an investigation carried out by the Government into this particular matter, the price of petrol. It does seem to me that the Royal Commission which recently sat, but which took a great deal of time to investigate the marketing of petrol, could have gone into the price of petrol and insurance rates paid for its transport.

The Minister for Health: Do you not think that we should have a flat rate?

Mr. EVANS: I agree there should be a flat rate for petrol. Metropolitan consumers of petrol pay 3s. 10d. a gallon for

super petrol. Alongside that they receive a great concession in the wonderful roads over which to drive their cars. People in the outback pay extra, but, of course, they do not receive the same consideration as regards their roads. What is good for the goose, should be good enough for the gander once more.

On the subject of railway lines, I congratulate the Government on much of what it anticipates bringing down this session. However, I would not be honest if I did not say that I am perturbed to hear that possibly some railway lines will have to be closed. I would like to plead for the future of those lines on the Goldfields, particularly the one between Malcolm and Laverton. The latter is a goldmining town that perhaps has seen better years; perhaps it will see many greater ones to come. However, apart from gold there is manganese at and beyond Laverton, which in the near future may prove to be of great benefit to this State. Those areas in the North-Eastern Goldfields and people who live in the outback are deprived of many concessions which the city dwellers receive. It does not seem fair or just if the means of transport for those people are taken away. I would like to point out also that the cost of substituting road transport for railway lines in that area is like robbing Peter to pay Paul, and we would still find ourselves in debt. The roads need a great deal of money to be spent on them to make them satisfactory for heavy road transport.

The railway system in our State is a public utility and should be regarded as such. In the metropolitan area the railway service is provided for workers from the various suburbs travelling to their daily employment, but that same system also serves people who like to travel in their annual holidays to the country centres. Apart from the annual holidays, very few metropolitan people use the railway lines that are available to them. However, the lines are there.

When we have regard to the country centres we find that people living there have very little else than the railways to use. They have to patronise the railways throughout the year. It is the country folk who pay for the upkeep of the railways yet the railways are a public utility. I say that the taxpayer should pay for the railways, irrespective of where he lives. If people in the outback choose to live there and a railway line is available, they should have it by all means.

I would now like to touch upon the subject of workers' compensation. It is of great importance to mine workers in all Western Australian mines. The compensation for industrial diseases such as pneumoconiosis, silicosis and miner's phthisis is the matter under discussion.

For some curious reason or other, in the Third Schedule of the Workers' Compensation Act these three diseases are described to give the impression that compensation is paid for each of them; but in actual fact, compensation is paid only for silicosis, although it is notorious that long and continued deprivation of sunshine and fresh air greatly predisposes to the development of tuberculosis. When this disease is goaded on by the miner's working under conditions where silica dust is prevalent no compensation is paid for the effect of T.B. unaccompanied by discernible silicosis. To my way of thinking, this is wrong and leaves very much to be desired.

It might be thought that miner's phthisis in general medical parlance means tuberculosis. Miner's phthisis in that case would mean tuberculosis due to mining. That is not the case under the relief Act or the compensation Act. Another matter of grave concern in the compensation Act is its application to miners under Section 8, Subsection (13) and also Section 11. If a man at work strains a part already enfeebled by industrial disease such as lead poisoning, and is thereby permanently incapacitated for work in that industry he receives full compensation. The same applies if he contracts an industrial disease such as lead poisoning or dermatitis.

The Act, however, provides that where a man who is already suffering from a heart, kidney, liver or any other disease is also incapacitated by silicosis he is paid, not the percentage he would receive for dermatitis, liver or heart trouble but only the percentage which a laboratory doctor estimates is due to silicosis. The Act requires that the degree of incapacity due to silicosis should be compared to the incapacity arising from a non-industrial disease, and the unfortunate miner then receives only a percentage of the compensation that I say is due to him.

I may be told that the assessment is made by an expert radiologist at the laboratory in Kalgoorlie. Perhaps I would be right in saying that, even as low as these assessments are, it has come to my notice that the insurance office now is referring the assessments of the laboratory doctor to a specialist in Perth; and I am informed also that the particular specialist is a distinguished member of another place, but by no means is he distinguished for his activity in the industrial battles for the workers.

Furthermore, I also point out that in 1950 the health laboratory doctor in Kalgoorlie was Doctor Outhred and he said that, in his opinion a man suffering from 35 per cent. disability—for the benefit of members the maximum is 65 per cent.—should be put out of the industry and compensated fully. I would like to quote the report of the Commissioner of Public Health

for the year 1954. The report by Dr. Alan King when dealing with tuberculosis on the Eastern Goldfields states—

It is obvious that the existing measures to date have not lowered the incidence of pulmonary tuberculosis in goldminers to that normal in the community.

A further attempt will have to be made to discover each and every infectious case of pulmonary tuberculosis in the goldfields.

There is no doubt that goldminers, by reason of their occupation, and exposure to silica dust, are more susceptible to infection with pulmonary tuberculosis.

It is seriously suggested that, in spite of a possible detrimental effect to the labour force in the goldmining industry, workers contracting silicosis in the early stage be excluded from the industry and receive some compensation for this exclusion.

I would like to bring that quotation to the minds of the members of the Workers' Compensation Board. I claim that if a man is incapacitated for future work in an industry, even though his percentage be 35, he should be put out of that industry.

A ruling was given by the Appeal Court of the High Court of England in the case of a coalminer named Reece. The case is known judicially as *Reece v. Powell Ryfryn Collieries Ltd.* This man had been working as a coalminer and he contracted a disease—blindness due to work—called nystagmus. He was placed in the hands of a medical referee whose decision was that the man could return to work but that if he did, within six months his form of blindness would return.

I claim the decision given on appeal to the High Court is that if a man is affected by his work so that he becomes incapacitated for future work in that industry, then he is due for full compensation; and I say that the Appeal Court of the High Court of England is perhaps a higher body than our Workers' Compensation Board, and that is a ruling worth considering. A man suffering from silicosis never improves. If he is lucky he will not become worse, but he never improves. By continuing to work in the mines he is slowly and progressively working himself to death. Let us not forget these men who work in the bowels of the earth where the silica dust is killing portion after portion of their lungs.

Next I refer to the goldmining award as it relates to sick pay for men who are affected by one or two, or more than two days' absence from the mines. Under the Act a worker who is away for one or two days is not required to present a medical certificate to the employers, but if he is away for two days or more he is. But the Act states that if a man is away for less

than three days he must give the employer proof satisfactory to the employer. I ask: What is proof satisfactory to the employer? And so do 3,500 miners on the Goldfields.

The employer can be presented with a medical certificate, although he cannot claim one, but if he likes to say, "I am not satisfied with that," there is nothing that can be done about it. It must be proof satisfactory to the employer. Does a man have to ask his wife to write out a note something like that which a mother writes when she sends a note to the teacher saying, "Please excuse James for being away. He had toe-ache."? Some of the miners have tried that. They have taken notes, which have been refused.

I would like to see some clarification of that point in the near future. I have sought legal advice on this point and at another stage I may offer some suggestion in regard to it. I mention in passing that I was pleased to hear that it was the Government's intention to amend a very important statute, namely, the Child Welfare Act. I trust that it is the intention of the Government to amend the Act so that if a man is charged with a serious offence against a child, the right to trial by jury will be given back to him.

As I understand the position, the intention of last year's amendment was to save a young child the embarrassment of giving evidence in a crowded court in the case of a serious sexual offence. That has something to recommend it but the right to trial by jury which has been traditionally vested in every British subject is something much more precious, and I would like the Act amended to bring about a return of trial by jury. Perhaps the simplest way would be to withdraw last year's amendment.

This great anomaly was made known, and in a striking fashion too, by the decision of all five judges of our Supreme Court in the case of *McGrath v. Dowson*. I read in the "Kalgoorlie Miner"—I dare say this case received attention in "The West Australian" also—that it was a Kalgoorlie solicitor, Mr. Tom Hartrey—I am giving a plug to Kalgoorlie here—who defended Dowson and brought the matter to the attention of the judges of the Supreme Court.

There are many other amendments to the criminal law of this State that I would like to see adopted. The most glaring anomaly is to be found in the provisions relating to costs in a court of petty sessions, in the Police Court and under the Justices Act. That Act provides that if a prosecution launched by a police constable is dismissed, the defendant cannot be awarded costs against the police. Accordingly, if a person were convicted he would be fined, perhaps £2, but if the case was dismissed and an appeal lodged in the Supreme Court and the appeal upheld, the person involved could

be fined almost anything, together with the costs of his own lawyer and that of the Crown. He could be fined over 20 guineas or 30 guineas, whereas if he had been found guilty he could have been fined, on a minor charge, only £2 or £3.

This anomaly is giving rise to the practice of people, who are innocent but who are charged with a minor offence although perhaps with a moral stigma attaching to it, pleading guilty for fear that their defence might mean financial ruin. It is obvious that if the prosecutor wished to take advantage of that point, it would be an easy matter for him to persuade or even bluff an innocent person into pleading guilty. That is an anomaly I would like to see rectified.

The Lord Chief Justice in England recently made a statement that if the police wished to make a point, then let them pay for it. If the police like to lodge an appeal and lose it, then the Police Department should bear the costs. It should not be immune from costs, but should be treated like an ordinary individual. If I take a case against someone and I lose, I have to pay the costs.

As a member of the political party, and a very proud one too, which pioneered and indeed created the industrial laws of Western Australia, I stand firmly behind the Arbitration Court as a means of adjusting industrial differences and determining industrial conditions, but I say that the day the Arbitration Court was hamstrung by being prevented from making quarterly adjustments for the wages worker, was a bad day. It was a very bad day for the worker when that decision was given and the court moved on its own resolution to suspend the quarterly adjustments. I confidently expect that the Government—and I congratulate it on this—will bring down legislation to make it compulsory for the court to keep up with the trend of modern times.

Furthermore, I would like to see a review undertaken of the various weightings given to the items of the "C" series index. On the Goldfields we have a basic wage which trails behind that applying in the metropolitan area. When I speak of the Goldfields, I include the far-flung towns whose basic wage is based on that prevailing at Kalgoorlie. Those towns include such places as Leonora, Norseman and others further outback. Of course, the people in those places have rail freights to contend with, too. However, as I say, the basic wage in Kalgoorlie is taken as the standard in those outback areas, and our basic wage trails behind that in the metropolitan area.

I ask any member to go to Kalgoorlie and he will readily notice the difference in the price of food and clothing in particular to what is paid in the metropolitan area. I claim that too much weighting is given to rents and there is a long story behind that. I will not bother members

with it now but it is the value of houses and the rents paid which is the point of contention.

It is regrettable that an otherwise admirable Act, such as the Industrial Arbitration Act, should contain clauses prescribing penalties upon industrial unions whose members from time to time decline to offer themselves for work under conditions set down by the court. If a man wishes to sell his labour, he should be free to do so. If I open a shop I should be free to sell my wares, as most shopkeepers are; yet an industrial worker, if he declines to accept employment under conditions set down by the court, is subject to a pecuniary penalty. I would like to see such penalties removed from our Industrial Arbitration Act.

I would let my late profession down badly if I did not have something to say about education and in regard to that subject we get down to the old question of pounds, shillings and pence—in education even the pence are important. There is definitely inadequate finance made available for education and this inadequacy is responsible for shortcomings in our educational system. In my opinion the Federal Government must be made to realise that this State needs greater assistance in this regard—the education of the children of today who will be the citizens of tomorrow. There are many aspects that come under the title of education such as inadequate playing grounds, playing fields, and so on.

The school leaving age is an interesting point and I was pleased to see that the Government has once again decided to act in this connection. I congratulate the Government on the provisions it has made for school medical and dental services, but I would definitely like to see these services extended and the Eastern Goldfields visited more regularly by a school dentist, particularly the Kalgoorlie area. To my knowledge it is some years since a school dentist visited the community of Kalgoorlie and Boulder for the purpose of attending to the children's teeth.

I would also like to see some action taken in regard to homes for married school-teachers. On the Goldfields we have over 100 teachers in an area of just over six miles and there is a population of 23,000 people. It is an active body of teachers and many of them are married. The housing of these married teachers is presenting a problem and, although I believe that the problem is State-wide, I would press the needs of Kalgoorlie.

Yesterday I read a report of the Transport Board and while I offer the board congratulations I also offer some degree of sympathy because in Kalgoorlie we have our own Transport Board and we experience the same difficulties. While they may not be as great in one way perhaps, they

are greater in other directions. In my opinion, it is time that a decision was made in regard to transport—and when I say "transport" I mean the transport of people by buses and other vehicles—and as to whether transport is to be run as a business concern in the coldhearted bankers' fashion or is to be regarded as a public utility. In Kalgoorlie the Transport Board attends to the needs of 23,000 people. However, in recent years the buses have catered for only two classes of people, the very young—schoolchildren attending schools—and the very old—pensioners who are too feeble to walk and who, of course, have no other form of transport.

Many of the workers have their own cars and because of the difficulty of getting a bus at frequent intervals, those who cannot afford to buy cars travel by bicycle. The Transport Board on the Eastern Goldfields is passing through a serious stage of its existence. Within the last five years the present Government made a gesture to that Board by allocating to it used buses from the State Transport Board. They were deeply appreciated by the people concerned and with these buses the Transport Board on the Eastern Goldfields has been able to carry on. In addition the board found it necessary to call on the local governing bodies and they are subsidising the board's operations. But the time has arrived when once again the board may have to appeal to the Government and if such is the case I ask the Government to turn a sympathetic and generous ear towards these people who are catering for a public demand. So far as the Transport Board in Kalgoorlie is concerned, it is definitely a public utility.

I think that my speech has lasted long enough and perhaps some would say it has lasted too long. However, I wish to thank members for their indulgence and perhaps in the future I may be able to make a much better speech than I have done this evening.

MR. COURT (Nedlands) [8.8]: With the advent of the Premiers' Conference on the 16th August, I feel that we all have a duty to make some contribution to this particular problem. I trust that before the Premier leaves for the conference he will take the House into his confidence as to what are his own suggestions and ideas as to the best way to deal with the present transition period. I think members who read financial articles and listen to lectures by finance people will agree that it has become a popular pastime among some of those gentlemen who profess to be experts on the subject to present a very carefully considered document on all the things that ail us at present—and in the main they are in complete agreement as to those things—but when it comes to the final part of their paper, book or talk, as the case may be, they balk at putting

their heads out, as the saying goes, and declaring a solution or giving their suggestions as to a solution.

I think that that is a very weak way out with respect to a problem which is always contentious. No matter what line one takes on any financial or economic problem, one will be criticised up hill and down dale. The people who publish these very voluminous documents on the economic situation, setting out all the things that are wrong with us, leave themselves in a position to manoeuvre, as it were, when any Government or any important person makes a move and declares itself or himself one way or the other. I feel that the present position being experienced by the Commonwealth Government since its March statement, and the fiscal measures it took at that time, provide a typical example.

For some months before the Government took those measures, people were clamouring, from one side of Australia to the other, for something to be done. People said that we could not continue at this rate; we could not continue as we were going unless something were done. But very few were prepared to put their heads out and make a statement or declare a plan as to what should be done. It is now history as to what was done in March, and, of course, no sooner had it been done than all these eminent experts came in, boots and all, with criticism of what was done.

My own view is that there is no need for panic at the present time. I feel that, if anything, the Premier has erred in over-emphasising the unemployment problem in this State. It is true that people should be told when there is a change in economic developments; it is true that people should be told of important developments in connection with their State or their country. But unfortunately economic measures are such that they respond to the emotional or psychological reaction much more than most other things. We all know the old stories that used to be told about the depressions and how they were more or less created by psychological and emotional reactions of people. It only needs a few more people to talk about mass unemployment and man-made depressions, as we had some prominent industrialists saying in the Eastern States, and people take up the cry.

The first thing they do is to go back to their businesses and examine the situation and say, "Things must be grim. Can we do anything to effect some economy here, there or somewhere else?" Of course, that attitude creates a snowball. In my estimation it becomes two-thirds emotional and psychological rather than factual with the result that the position is aggravated to a very great degree. This State has been the only one to really hammer the question of unemployment, and it is a fact that per head of population I think we have the greatest proportion of unemployment.

I feel that in Australia we are undergoing a great testing period; we are being put to a test as to whether we have the courage and the resourcefulness to adjust ourselves to a changing economic world.

There is no doubt that the whole world scene has changed in the last year or two. After a period of a few years of extreme shortage following the war years, when Europe and many other countries were trying to gear themselves to the postwar era and to recapture their trade, rebuild their cities and develop their primary and secondary industries, they have caught up, and we find they are all actively competing for the world's markets. They need to trade just as we need to trade, and so the whole scene has changed. It is only natural that it should change in a period of about ten years after the cessation of hostilities.

I am going to be silly enough, or brave enough—whichever way members like to look at it—to put forward six points through which I think some definite contribution could be made to overcome the position in Australia. I put them forward on an Australia-wide basis acknowledging that there may have to be some modifications in the various phases of this plan to adapt it to Western Australian conditions. Each State has its own peculiarities. For instance, Victoria has certain advantages because of its compactness and in regard to its factories and secondary industries. It has great natural wealth. On the other hand, we have a problem in the vast distances that have to be covered, a sparse population and a lack of certain primary ingredients for a flexible economy. So we have to adjust ourselves accordingly.

I feel the six points I propose to enumerate apply to the whole of Australia, and they can easily be adapted with give and take between the Commonwealth and State Governments to fit in with Western Australia. First and foremost, I put forward the proposition that we must keep our rate of expansion to a figure that we can afford.

Secondly, this involves first of all a close examination of all the projects in hand, both Commonwealth and State; it involves works priorities to ensure the best use of available funds and an examination of our immigration programme to keep it in proper balance with our capacity to expand and absorb.

Thirdly, Government spending should be examined in addition to, and distinct from, the works projects of the Governments with a view to firstly streamlining the administration—and I refer to streamlining from the ministerial level in both the Commonwealth and the State to the lowest possible level—with a view to eliminating waste; and secondly reducing inefficiency in Government undertakings, with the possible curtailing or disposal of some of those undertakings, which are a great drain on the economy of the State.

The fourth heading under which the problem can be attacked is that of defence expenditure. This is a touchy one but one which should not escape examination. Under this heading defence should be examined in its true light. It should be examined to ensure that money is expended in a manner best calculated to provide an effective defence in the light of current and foreseeable threats and in the light of modern methods of waging war. It should be examined also to ensure that waste and inefficiency are avoided.

The fifth point is for the cessation of State political interference in the wage structure and for all States to agree to stop defeating the economic objects aimed at by the Commonwealth Arbitration Court. The sixth point is to return the taxing powers to the States and force both Commonwealth and State Governments to accept their full and proper constitutional responsibilities. This can be done on a basis that need not cause unnecessary administrative worry to the State or to the taxpayer.

To comment on these six points, I would like to make a few brief observations. With a laudable ambition, the Commonwealth, the States and, in fact, the people of the country have been trying to do too much with what we have available to us. It is understood, and I think it is only human nature, that every Government and every person, be he a Minister of the Crown or some other less important person, wants to sponsor and record spectacular expansion. We want to record that we have done something in our day. It is laudable and natural. We want to be able to say that some good was done in our time, and one cannot quarrel with that.

But the clever thing, of course, is to be able to regulate that ambition to a point when it does not produce calamitous results. Where expansion has been too rapid, be it in business, be it in one's ordinary private method of living, or be it in the affairs of a nation, it follows that it could be disastrous for all concerned. Therefore, the sound thing to do, whether it be an individual, business or a country, is to make progress on the policy of advance and consolidate, advance and consolidate, and so on, so that we do not out-reach ourselves within these different points of progress.

Let me make it clear that consolidation does not of necessity mean stagnation. This is one nation that just cannot afford stagnation. But in consolidation there is a period where one goes slower and allows the various things one sets about to achieve to come into full fruition, where one allows the use of those facilities to be caught up with and then have a breather before one goes on with the next phase of advancement. I feel that things have caught up with us a little in Australia and we need one of those periods of consolidation; but let me repeat not a period of stagnation, but one of consolidation.

If we continue to race along at the rate we are endeavouring to in our attempts to produce world-shattering achievements, or events that we hope will be world-shattering achievements, we will aggravate the inflationary pressures which are inherent in the economy of any young and developing country. It is not peculiar to Australia but to any young body, be it a company or a nation which is trying to expand. If we try to go too fast, financial exhaustion must catch up with us.

The Commonwealth's support of its own works programme and its support of part of the State's programme, is proof that we have been trying to go too fast, to make too much haste in our development. The vital question to be answered is: What should the pace be? I submit it is doubtful whether anyone can be precise as to just what the pace of expansion in any country should be. But I do also submit that we can easily find out what this pace of expansion should be without any undue hardship to anybody by applying a reduction formula in safe doses until we arrive at a proper cruising speed, as it were.

It is quite a common practice with major ships that by scientific calculation they arrive at a point where they say, "That is the economic cruising speed of that ship." They know it is uneconomical to go any faster or slower and they can tell us, with great accuracy, what is the economic cruising speed. It is comparatively easy with a ship because so many of the factors are fixed and determinable, but with a nation it is difficult to tell at what speed it should cruise along. But with skilful handling of the situation it is not beyond the ingenuity of man to determine the safe speed at which expansion can be regulated without any hardship to any of us.

I do not suggest that during the transitory periods there will not be upsets and some periods of minor hardship on the part of some of us, but in the main there need not be any major hardship to the community in those transitory periods. If we can bring governmental expenditure down to earth, it is my view that we will have gone a long way to removing the root cause of the present inflationary spiral.

It would be necessary for this changeover period to be handled skilfully and sympathetically. A sudden contraction in Government expenditure, no matter how much we dislike Government expenditure, could be disastrous. It may be necessary to change steadily the tempo of Government spending over possibly one, two or more years. But for somebody to say overnight that the tap is turned off all Government expenditure, could produce mass unemployment and a state of affairs that we must avoid at all costs.

If the position is taken in hand and everyone conscientiously applies himself to it and there is co-operation between the

Commonwealth and the State Governments and between the Governments and the people, brought about by better understanding of the situation, I feel that the adjustment can be painlessly brought about over a period of time. But should there be an attempt by the Commonwealth Government or the State Government or a combination of the two to achieve this adjustment too quickly, I feel that hardship will result and certainly that is not the desire of any of us. The main thing is to know where we are going and to shake off the rash of political opportunism that is playing havoc with the Australian political scene at the present time, and get on with the job. I feel that by comparison with other countries—and I am referring particularly to the United Kingdom and the United States—the degree of political opportunism in Australia is much more severe and devastating to the well-being of this city than it is in those other two countries.

There must be a greater degree of national responsibility in these issues than we are showing in Australia today. My main criticism of Commonwealth finance policy has not been so much against what has been done as how it was done. I think we have a duty in this Parliament to be quite frank about these things. At a time like this I feel the criticism of the Commonwealth finance policy is not what has been done but how and when it has been done. The same policy applied more gently and progressively a little ahead of the time-table followed would have produced more stability.

In other words the administration rather than the policy has been at fault. The end result could be the same, but the fact is that if we administer a policy by one means instead of another, we can achieve a greater degree of disturbance and instability than by a different means. There have been cases of instability caused by our own State Government's erratic expenditure, and I am sorry the Minister for Housing is not in his seat because this is something on which he would probably want to object.

The fact remains that much of the unrest or chaos that exists in our own State building industry has been caused by an erratic approach to expenditure on building. We had been over spending in 1954-55.

Then we had it reported that 12 months' housing money was spent in seven months and, of course, we get a building trade geared up to this higher output. All of a sudden the money is cut off. In those circumstances there must be great instability. The building trade above all others is one that must progress steadily; it is that steady pressure in building up the building trade that gives the great stability needed in that trade.

I remember when dealing with the rents and tenancy measure, the Minister for Housing, in answer to a question, said it would be a bad day for this State if we could walk into the Housing Commission and take our pick of three, four or five houses. He quite rightly pointed out that if we got to that stage we would have completely "had it" so far as prosperity was concerned. The reason for that was that if there were an over-supply of housing, the building trade would steadily languish and the whole economy would be thrown out of gear. I subscribe to the view that our building trade is a barometer of prosperity and the fact that it was thrown into chaos is one of the greatest factors that have contributed to our instability in Western Australia.

The Minister for Native Welfare: Would you blame the discount companies for some of this trouble?

MR. COURT: No, I would not. I will deal with that in a few moments. It is an over-rated pastime the way they are being blamed for the present state of affairs.

Mr. Lapham: Would they not have any effect upon inflation?

MR. COURT: No, I do not think so. I could go into the subject of hire purchase. If the occasion arises to debate the whole question, I will be very happy to participate in the discussion, because the subject is very much misunderstood.

Whatever the economic policy of the Commonwealth and the States may be, it is important to sell it to the people. I feel that very little has been done by Governments and by the Press really to put over the story of what a Government is trying to achieve. For instance, the March financial measures of the Commonwealth Government were as simple as this: The Government had to get some money in a hurry before June, or else say to the people, "From the 1st May you will have mass unemployment." It had to resort to means that would produce a large pool of money quickly, and they are unpopular means that touch the beer and cigarettes which people do not have to drink and consume, but which they think they have to.

Mr. Lapham: Who was responsible for the predicament they were in?

MR. COURT: It was not the fault of the Commonwealth Government.

Mr. Lapham: Whose was it?

MR. COURT: The fact is that all the States over the last few years have been so ambitious to get on with mighty great works programmes in excess of the capacity of Australia, that the Government actually ran itself out of money because the people were not prepared to contribute on a loan basis towards the carrying out of such works.

Mr. Norton: Do you not think that money was being drawn off through hire purchase?

Mr. COURT: That is a much overrated story. It does not answer the fact that the Government was short of money.

Mr. Norton: Yes, it does.

Mr. COURT: No, it does not. Let the hon. member examine the figures, and he will find that he is being led away by a popular catch-cry that does not add up. With sound administration and a proper appreciation of what the economic changes are, I feel that all the horrors of mass unemployment can be avoided. I suggest that in this process of tightening the reins on Government expenditure, whether it be Commonwealth or State, and bearing in mind that I have stressed the need for a steady changeover and not a drastic changeover, it is important that a portion of that money be diverted to the private sector of our economy. That could be released either through extra credit or tax relief.

A lot of people will join issue on that. It is a hot potato, because they do not feel there should be a relaxation of credit or relief from taxation at this time. But in this process of changing over, and dampening down the terrific Government expenditure throughout Australia which has become the habit of the last few years, some of this saving will have to be passed over to the private sector, and that can do a lot to relieve on a permanent basis any suggestion of mass unemployment.

Mr. Norton: It will take the place of the banking institutions while the banking institutions invest in credit?

Mr. COURT: I do not follow the hon. member's question.

Mr. Johnson: We do not follow your statement.

Mr. COURT: That is not hard to believe so far as the hon. member is concerned, because we have learned to be guarded in connection with what we accept from him.

Mr. Johnson: Say it again, slowly.

Mr. COURT: Quite frankly, we regard the hon. member as an economic sadist, and for that reason we take with great caution what he says in these matters.

The Premier: Let us remain friendly!

Mr. COURT: We know that if the hon. member had his way there would be a completely controlled economy, and we do not believe in that.

Mr. Johnson: That is your statement, not mine. Stick to the truth!

Mr. COURT: The hon. member has told us on more than one occasion that he is a supporter of a controlled economy, and it is the only thing he can see—a completely planned economy.

Mr. Johnson: Stick to the truth!

The Premier: He believes in public control; you believe in private control. That is the difference.

Mr. COURT: No. I believe the Premier is being less than fair when he tries to reduce it to an over-simplified statement.

The Premier: That is the vital difference.

Mr. Bovell: In other words: socialism versus private enterprise.

Mr. COURT: I feel that we have to divert some of this money to the private sector.

Mr. SPEAKER: Order! The member for Nedlands has the floor.

Mr. COURT: Thank you, Mr. Speaker. In diverting some of this money to the private sector, I feel that we will be doing only what is just, because over the last 10—and even 15—years the private sector has taken an awful hammering. We have been through a war and had the inevitable problems of the postwar era, and it is time to adjust our thinking if we want a permanent solution and not a patch-work affair to get us out of a temporary mess.

I am not suggesting that we should cut out migration, because I am a great advocate of it. All I suggest is that, with a degree of commonsense, we try to regulate the figure to a point at which migrants can, with reasonable comfort, or—putting it another way—with not unreasonable discomfort, be absorbed into our community.

Of course, there will be arguments that migration is a matter of defence; that we have to build up population quickly. I suggest to members that the difference between absorbing 75,000 and 125,000 per year over a period of 10 to 20 years is not going to be very terrific from a defence point of view when we consider the teeming millions in the Asian countries north of Australia—and presumably that is from where we expect our greatest threat. If one is a realist in the matter, it will be appreciated that the difference through gearing down migration a little will not be great over a period of 10 to 15 years.

On the question of works priorities, I feel that such a practice in Australia, irksome though it might be to those who have to prepare the priorities and agree on them, can do much to eliminate waste. A properly designed and publicised system of priorities is less likely to be upset by political pressures. Furthermore, the

part of people on both sides of politics and in certain walks of life to want to belt somebody with a stick once he tries to do the right thing.

It is never a popular practice to introduce efficiency and eliminate waste, because usually those eliminated are people who immediately have a grouch. They have probably never pulled their weight; and because they have had their tail twitched, they get resentful and rush to somebody for support. We have a duty, when somebody sets about a conscientious programme of cost reduction and reduction of inefficiency, to examine it in an objective light and not to make cheap political propaganda out of it.

On the question of Government undertakings, it is always extremely difficult to bring about efficiency, because there are political repercussions. Take the question of coal. It cannot be denied that most of the problem associated with coal cost is political. Most of the problems in regard to railway economies are political; and we have to realise that if we are going to get improvement and have some degree of efficiency and sanity, people on both sides will have to be prepared to acknowledge when a good job is being done.

Defence is a touchy subject but it should not escape review. It is hard to determine what is efficiency in defence affairs. It cannot be measured by ordinary commercial standards, but it must be related to some particular objective. I believe that our ideal should be a compact, well-trained nucleus, equipped with the most modern possible weapons, which can be quickly expanded. We cannot expect to see thousands of men under arms in a country like this, but we can have the most modern forms of equipment with potential expansion readily available to the country in time of need.

On the question of the wage structure, I feel that our present muddle is due to political opportunism, throughout Australia. If one goes to the Eastern States and examines this matter closely, as I did, one sees a very sorry mess. I am quite sure that the authors of the present mess would be happy to put back the clock and start afresh if they could do so without political disadvantage.

We have now a Federal court ever so much better equipped than was the case a few years ago. It has built up a background of economic and other knowledge, and is the best-equipped body in Australia to examine the wage structure and the economic position related to it. It has worked on the principle of the capacity of the economy to pay, and it is not a bad principle. Surely it is sound if the court interprets that with justice. I feel that if the State Governments—and particularly the Labour Governments that are directly affected by this matter—would allow the decisions of the court to have effect for a year or two, they would find

I feel there is much room for economy, and I want to make this appeal: Regardless of what side of the House we are on, when a Government sets about doing the right thing to eliminate inefficiency, we must take the view that it is doing the right thing when it is explained to us. There is too much of a tendency on the

it would be the greatest single positive step towards eliminating the present inflationary tendency in our economy.

On the question of uniform taxation, I support a return of taxing powers to the States. The present position is power without responsibility; and it is no good for the Commonwealth Government to be shielded by blaming the States and then for the States to be shielded by blaming the Commonwealth. I do not say that the only ones that are shielded are the State Governments, because there is much that the Commonwealth is doing which, if it stood on its own, free of all the State implications, it would be subject to severe criticism. The present situation is a hotch-potch of federalism and unification, and the first move in achieving efficiency in any country or organisation is to have a certainty as to responsibility, so that someone is to blame and has to bear the responsibility and the consequences.

Mr. Lapham: You would have more than the responsibility. There would be a bigger tax bill to meet.

Mr. COURT: That is not so. It has been made clear by the Commonwealth Government that a return to taxation by the States does not mean a cessation of the Grants Commission. The Prime Minister has given an assurance on that and so the question of achieving a degree of fairness between the States, through the Grants Commission, would remain as it is and we, with our special disabilities, would not be worse off.

Mr. Johnson: What would be the difference under uniform taxation?

Mr. COURT: I was sure the member for Leederville would raise that point. There is a great difference between getting a conglomerate sum of money and having it doled out, and making everyone raise their own money and spend it and account for both the raising and spending of it. At the moment, as I tried to explain, there is this conglomerate sum, for which everyone blames everyone else. In theory what the hon. member says is correct, that this would become a conglomerate sum which would represent the same pool of money, but I think in the final analysis it would not be the same pool of money. The same amount of money could achieve even greater results than at present, because each party in this Federal partnership would have to account to the people for its own tax raising and spending.

Mr. Lapham: We would have to have separate taxing authorities.

Mr. COURT: We went through this before, and I made the point earlier that there is no need for an increased administrative burden on the taxpayer or the States.

The Premier: Might not some of the income tax reimbursement moneys which we now receive be raised in the other States?

Mr. COURT: There is a fairly easy way of getting over that. If the Premier wishes to go into a discussion on that, I will confer with him on the matter because I think we tend to exaggerate the administrative problems of returning the taxing power to the States.

The Premier: I am not concerned with the administrative problems, but with the amount of tax we would have to raise in Western Australia if our taxing powers were returned to us immediately.

Mr. COURT: I do not think we would suffer as great a disability as may be imagined. It might be inconvenient and embarrassing but the budget would be a different matter from what it is at present, when very few people are interested in it.

Mr. Lapham: I think you are trying to take the responsibility from the Federal Government and place it on the States.

Mr. COURT: It is a responsibility which we should have, if we are to call ourselves sovereign States.

The Premier: I think the vital factor in the situation is our taxable resources.

Mr. COURT: We have certain taxable resources in our own right and on top of that we have the Grants Commission to help us with our disabilities. I do not think we would be as badly off as the Premier believes if we were able to tax in our own right. There are some States such as Victoria, which because of their accumulated wealth, big population and great industries, would probably be better off than we are, although they put a case fairly convincingly that their taxing rates would not be lower than ours, based on modern conditions.

The Premier: They argue at Premiers' Conferences that their taxation rates would come down considerably.

Mr. COURT: True, but I do not think they would come down to the extent imagined. I have made some calculations on the question and I think they are fooling themselves, but they would have the responsibility and I think it would do them good. Queensland, for example, must be at a terrific advantage under the present system and that is about the only State which does not complain of a shortage of money. On a rough calculation, I think Queensland is about £8,000,000 to the good under the present set-up and we can understand why they would not complain about that state of affairs. Businessmen are apt to complain about the administrative problems of two returns and two taxing authorities, but I think they should be made to realise what the position is—

Hon. A. F. Watts: Why could not the two assessment Acts be brought together?

Mr. COURT: The point raised by the Leader of the Country Party is the next I intend to touch on. One of the great

problems of the return of taxing powers is to get agreement among the States. If they would agree to uniform taxation assessment Acts—not taxing Acts—the taxable incomes would be identical, Federal and State. The same deductions would be allowed and the same items of income taxed and therefore the apportionment of the revenue at the end of the year would be a comparatively simple process. The States would say what their taxing rates were under their own taxing Acts, and knowing that the taxable income was the same it would be simple for the one department to collect the two amounts.

Members will appreciate that under the old system in this State there was only one taxation office. There were not two taxation departments in this State. There was a Commissioner for Taxation for the State who was Deputy Commissioner of Federal Taxation. There is a strong move evident in the published comments of the various State Labour Premiers to use this conference as an occasion to bring out their hardy annual of controls. In controls they see the salvation of the nation and the solution of this problem, but I feel that the introduction of controls would do nothing but put a dead hand on Australia at this time.

Mr. Lapham: But you recommend control in relation to wages.

Mr. COURT: I did not mention control at all, but referred to wage fixation and that relates to the minimum wage that can be paid and not the upper limit.

Mr. Lapham: But the minimum always becomes the maximum.

Mr. COURT: I am sure the hon. member must have seen the statement published the other day by B.H.P., in which it showed that Australia is the fifth largest user of steel in the world and where it was stated that the company's labour force of some 30,000 men averages well over £1,000 per year. I cannot be convinced that their men are working on a minimum wage with an average such as that over their entire establishment. General Motors also pay, on the average, considerably in excess of the Arbitration Court figure for their industry.

The Premier: Yes, but they pirate skilled labour from each other.

Mr. COURT: I do not think that is true of these companies because they have reduced most of their processes to an automatic basis.

The Premier: They still pirate labour from each other.

Mr. COURT: Pirating or not, they have still done well by their employees.

The Premier: Yes, but they do pirate skilled men from each other.

Mr. COURT: Would the Premier deny these men the extra money they are getting? I feel that the system of controls

that is proposed would do nothing but put a dead hand on our economy at present and would not reach the root causes of the trouble. The difficulty is that one innocent looking control often becomes the father of a dozen other controls and I feel that if we could return to a state of economic realism in our development and spending we would find that most other factors would automatically find their own level. Artificial devices such as controls are nothing but stop-gaps at the best.

At present we are trying to attract private industry to Australia and we have a Minister from this State abroad. He has gone to a country where the people are used to high profits as a measure of achievement, a state of affairs which is accepted there by both workers and investors. What chance has that Minister to influence worth-while businesses to come to Western Australia if the Premiers of our States in conference advocate a system of controls which would defeat the very objectives of the people we are trying to attract.

In a recent statement the Premier said he did not believe in an excess profits tax, but in ensuring that there were no excess profits. That is the kind of thing which will be publicised on the eve of arrival in America of one of our Ministers who goes, with the best wishes of this Parliament, to endeavour to bring industries to this State. I strongly advise that those attending the conference on the 16th August—I say this with a full appreciation of my own insignificance in the matter—go there with a view to obtaining long term solutions of the various problems without oppressive controls as in that way they will be doing a much better job for Australia than by imposing controls which would be highly publicised abroad.

We can imagine the headlines that would appear overseas just when we are trying to get more people to come here and increase the total of private investment in this country. For the good of Western Australia and of the Commonwealth as a whole, I hope that the forthcoming Premiers' Conference is successful and that it does not finish up as an abortive meeting of Premiers at which political hobby-horses are ridden. I hope it achieves conclusive results to solve Australia's problems because we need such a solution in this State even more than do the other States. I sincerely trust that the Premier's mission on the 16th August will be successful.

On motion by Hon. A. F. Watts, debate adjourned.

COMMITTEES FOR THE SESSION.

Council's Message.

Message from the Council received and read notifying the personnel of sessional committees appointed by that House.

House adjourned at 9.2 p.m.