

have to rely on interested people outside to come in and provide the necessary money.

If we are framing legislation, we must be careful to make it as attractive as we can, so that those people will not be discouraged from coming here. We followed that policy years ago in regard to mining, with the result that people engaged in the mining profession regard our mining legislation as being amongst the best in the world. We were very careful not to frighten away any capital or to discourage those who had already invested their money in this State.

In the near north developments are occurring which, to any one of us, must be disturbing; and it is our responsibility to try to develop this State as fast as we can, so that we may hold it not only for ourselves, but for future generations. That is why I suggest that the Government, in framing the measures listed in the Governor's Speech, should refrain from making them too restrictive, because that is the very thing which would discourage capital from coming here. I have much pleasure in supporting the Address-in-reply.

On motion by Hon. L. A. Logan, debate adjourned.

*House adjourned at 5.36 p.m.*

# Legislative Assembly

Tuesday, 22nd June, 1954.

## CONTENTS.

	Page
Questions : Education, as to admission of communists to Training College ....	21
Electricity supplies, as to installation at Eaton Park, Bunbury, and surrounding districts ....	22
Transport, as to provision of bitumen road, Lakes district ....	22
Roads, as to Federal aid grant ....	22
Water supplies, as to tonnage of steel laid ....	22
Rabbit-proof fence, as to minimum tender prices for sections ....	23
Metropolitan Market Trust, (a) as to meetings and Mr. Webb's attendances ....	23
(b) as to appointment of woman member ....	23
Licensing Act, as to introducing amending legislation ....	23
Sitting days and hours ....	23
Government business, precedence ....	23
Committees for the session ....	23
Chairmen (Temporary) of Committees ....	23
Address-in-reply, second day ....	25
Speaker on Address—	
Hon. Sir Ross McLarty ....	25
Bills : Supply (No. 1), £16,500,000, Standing Orders suspension, Message, Com. of Supply ....	23
Rents and Tenancies Emergency Provisions Act Amendment, Standing Orders suspension ....	24

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

## QUESTIONS

### EDUCATION.

*As to Admission of Communists to Training College.*

Mr. ACKLAND asked the Minister for Education:

(1) Has he seen, or has his attention been drawn to a letter appearing in "The West Australian" of the 2nd June, 1954, in relation to the type of student admitted to the Teachers' Training College?

(2) Has the Education Department the authority to determine what persons shall be admitted to the Teachers' Training College?

(3) Is such authority based solely on academic qualifications?

(4) If not, what qualifications are necessary to secure admittance to the college?

(5) Is there any foundation for the statement appearing in the letter above referred to that "despite the opposition of the principal of the Training College, many active communists who make no secret of the fact are admitted as teachers"?

(6) Is one of the trainees attending the college a person who speaks or has spoken at the Esplanade from the communist platform?

(7) If the principal has no power to debar a student, will the Minister take steps—

- (a) to give him such power;
- (b) to see that some responsible person or body is given the authority to see that only students of undoubted integrity are admitted to the college to be trained as teachers?

The MINISTER replied:

(1) Yes.

(2) Yes.

(3) No.

(4) Students are selected after assessment of personality and suitability during interview and an examination of their academic qualifications and references.

(5) No.

(6) I am given to understand that this is so.

(7) The matter is already being considered by the Government, but no change has been made to date in the policy followed by the previous Government.

#### ELECTRICITY SUPPLIES.

*As to Installation at Eaton Park, Bunbury, and Surrounding Districts.*

Mr. GUTHRIE asked the Minister for Works:

(1) Will he inform the House the approximate date on which electric lighting will be installed at Eaton Park, Bunbury?

(2) Will he state approximately when other districts around Bunbury will be supplied with electricity?

The MINISTER replied:

(1) Until a survey is made, which will be done during the coming summer, it is not known what date electricity will be supplied to Eaton Park.

(2) It is contemplated that all districts around Bunbury will be surveyed. When these surveys have been taken, dates could be fixed. The commission is doing a tremendous amount of extension work in the South-West and is most anxious to extend its electricity supplies, but has a large amount of work in hand.

#### TRANSPORT.

*As to Provision of Bitumen Road, Lakes District.*

Mr. PERKINS asked the Minister for Transport:

(1) Is he aware that under the 3,500 farms scheme, a railway was projected to serve what is known as the Lakes area, and that although settlers took up land

in the expectation that railway facilities would be provided, no railway has yet been built?

(2) If it is not planned to provide such railway facilities, would not a reasonable alternative be a bitumen road from the rail head to the points that would have been provided with rail facilities?

(3) What would be the cost of providing a suitable bitumen road from Newdegate to centres in the Lakes district?

The MINISTER replied:

(1) Yes.

(2) Provision of reasonable road facilities has already been made. Such roads will be progressively improved as traffic warrants and as funds permit, having regard to the many demands for work on roads carrying much heavier traffic.

(3) To provide a bitumen road 12 ft. wide in the Lakes district area would cost in the vicinity of £4,000 per mile; for instance, a bituminous-surfaced road from Newdegate to Lake King would cost £140,000.

#### ROADS.

*As to Federal Aid Grant.*

Mr. PERKINS asked the Minister for Transport:

What was the total roads grant received from the Commonwealth by Western Australia last year?

The MINISTER replied:

The total funds provided by the Commonwealth to Western Australia from Petrol Tax Funds for the financial year 1952-53 were £2,864,584.

#### WATER SUPPLIES.

*As to Tonnage of Steel Laid.*

Mr. PERKINS asked the Minister for Works:

What tonnage of steel has been laid since the 13th November last—

- (a) Wellington Dam to Narrogin;
- (b) Merredin South to Kondinin and Corrigin;
- (c) In the metropolitan area—and for Kwinana?

The MINISTER replied:

- (a) 650 tons.
- (b) Nil.
- (c) Metropolitan other than Kwinana, 904 tons; Kwinana area, 749 tons.

In regard to (b), lest there be any misunderstanding, it is mentioned that 150 tons of steel were laid in the Merredin-Narembreen section during May and June, 1953.

**RABBIT-PROOF FENCE.**

*As to Minimum Tender Prices for Sections.*

Mr. PERKINS asked the Minister for Lands:

When tenders are called for sale of sections of the rabbit-proof fence not bought by adjoining land owners, will the Government refuse to accept any tender below £65 per mile?

The MINISTER replied:

No. Tenders will be called for the sale and removal of sections not wanted by adjoining farmers subject to the usual conditions of the highest or any tender not necessarily being accepted.

**METROPOLITAN MARKET TRUST.**

*(a) As to Meetings and Mr. Webb's Attendances.*

Mr. OLDFIELD (without notice) asked the Minister for Agriculture:

(1) How many meetings of the Metropolitan Market Trust have been held since the 1st July last?

(2) How many of those meetings have been attended by the consumers' former representative (Mr. C. H. Webb)?

(3) What remuneration is paid to such representative?

The MINISTER replied:

(1) 12.

(2) 10.

(3) £3 3s. per meeting.

*(b) As to Appointment of Woman Member.*

Mr. OLDFIELD (without notice) asked the Minister for Agriculture:

Because of the commodities which pass through the Metropolitan Market and the retail prices charged to the housewife, will consideration be given to the appointment of a woman successor to Mr. Webb?

The MINISTER replied:

Yes.

**LICENSING ACT.**

*As to Introducing Amending Legislation.*

Mr. HUTCHINSON (without notice) asked the Premier:

Will he inform the House whether the Government intends to bring down a Bill to amend the Licensing Act this session?

The PREMIER replied:

No decision has been made by Cabinet to date to amend the Licensing Act.

**SITTING DAYS AND HOURS.**

The PREMIER: I move—

That the House, unless otherwise ordered, shall meet for the despatch of business on Tuesdays and Wednesdays at 4.30 p.m., and on Thursdays

at 2.15 p.m., and shall sit until 6.15 p.m., if necessary, and, if requisite, from 7.30 p.m. onwards.

These are the same sitting hours that have operated for some time past. I think they have been found to be generally satisfactory. The purpose of the earlier start on Thursday is to enable the House to finish on that day at or before the tea suspension, particularly during the initial stages of the session. That arrangement has been found to be satisfactory to country members at any rate, and therefore I think that these hours, which have been tested by practical experience, will still be acceptable to all members.

Question put and passed.

**GOVERNMENT BUSINESS, PRECEDENCE.**

On motion by the Premier, ordered:

That on Tuesdays and Thursdays, Government business shall take precedence of all motions and Orders of the Day.

**COMMITTEES FOR THE SESSION.**

On motion by the Premier, sessional committees were appointed as follows:—

*Library.*—Mr. Speaker, Mr. Johnson and Mr. Nimmo.

*Standing Orders.*—Mr. Speaker, the Chairman of Committees, Hon. J. B. Sleeman, Mr. Nalder and Hon. C. F. J. North.

*House.*—Mr. Speaker, Mr. May, Mr. Lawrence, Mr. Yates and Mr. Ackland.

*Printing.*—Mr. Speaker, Mr. McCulloch and Mr. Hutchinson.

**CHAIRMEN (TEMPORARY) of COMMITTEES.**

Mr. SPEAKER: Before the House resolves into Committee of Supply to consider the Supply Bill, I wish to announce that I have appointed Mr. Hill, Mr. Moir and Mr. Brady to be temporary Chairmen of Committees for the session.

**BILL—SUPPLY (No. 1), £16,500,000.**

*Standing Orders Suspension.*

On motion by the Treasurer, resolved:

That so much of the Standing Orders be suspended as is necessary to enable resolutions from the Committees of Supply and Ways and Means to be reported and adopted on the same day on which they shall have passed those Committees, and also the passing of a Supply Bill through all its stages in one day and to enable the business aforesaid to be entered upon and dealt with before the Address-in-reply is adopted.

**Message.**

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

*In Committee of Supply.*

The House resolved into Committee of Supply, Mr. Moir in the Chair.

**THE TREASURER** (Hon. A. R. G. Hawke—Northam) [4.51]: I move—

That there be granted to Her Majesty on account of the services of the State for the year ending the 30th June, 1955, a sum not exceeding £16,500,000.

Members will know that it is the practice every year to pass a Supply Bill to enable the services of the State to be financed until such time as the Estimates can be prepared, introduced and considered by Parliament. The amount sought this year exceeds the amount asked for in the first Supply Bill of last year by £500,000. This additional amount is required for the Consolidated Revenue Fund to meet certain increased costs which are anticipated to arise during this financial year.

The details in connection with the £16,500,000 are—

Consolidated Revenue	£11,000,000
General Loan Fund	£4,000,000
Advance to Treasurer	£1,500,000

The Estimates, when introduced later on in the year, will give full information to members concerning expenditure. It is hoped that the Budget will be introduced fairly early this year. This is not a definite promise because circumstances govern the time at which it can be introduced, but every effort will be made to introduce it as early as possible.

It is quite a while since members have had the opportunity of fully debating the Revenue Estimates, and the time has arrived when, I think, full opportunity should be given to them to discuss the expenditure of the various departments. That is another reason why every possible effort will be made to get the Budget down early, and if it can possibly be arranged, that will be done.

**HON. SIR ROSS McLARTY** (Murray) [4.54]: I have very little to say on the Supply Bill, because during the afternoon I shall speak on the Address-in-reply, when I can cover any matters referred to by the Treasurer. I hope that the Budget will be introduced at an early stage, as indicated by the Treasurer, and that members will be given a full opportunity to discuss the Estimates. I think that is very desirable.

The Revenue Estimates are very important to every member, and the debate on them provides an opportunity for members to bring before the Government the requirements of their respective districts and to offer any criticism which they may have to make regarding the departments concerned. So I trust there will be an early introduction of the Budget this year, and I am glad that the Treasurer has said

that full information will be given to members when the Estimates are before them.

The Treasurer said that £500,000 extra was required this year on account of increased costs. I ask the Treasurer to tell us what those increased costs are likely to be. We know that the State is growing rapidly and on that account increased expenditure is necessary. We are all concerned about increased costs generally and the effect they will have on industry. I would have liked the Treasurer to tell us in what direction these increased costs will be incurred.

The Treasurer: One example is that the Public Service has been reclassified this year, and this will lead to increased salaries.

**Hon. Sir ROSS McLARTY:** I imagine this would absorb a considerable proportion of the £500,000. I have nothing further to say on the Supply Bill; otherwise I shall be repeating myself when dealing with the Address-in-reply.

Progress reported.

### **BILL—RENTS AND TENANCIES EMERGENCY PROVISIONS ACT AMENDMENT.**

#### *Standing Orders Suspension.*

The **PREMIER:** I move—

That so much of the Standing Orders be suspended as is necessary to enable a Bill for "an Act to amend the Rents and Tenancies Emergency Provisions Act, 1951-53," to be introduced without notice, and if necessary, passed through all its stages in one day; and to enable the business aforesaid to be entered upon and dealt with before the Address-in-Reply is adopted.

For the information of members, I might point out that it is not proposed to take this Bill at any stage today. The Minister will make a second reading speech in connection with it tomorrow, and an adjournment will then be offered by the Government until Tuesday of next week.

**Hon. Sir ROSS McLARTY:** While I am not going to offer any objection to a suspension of the Standing Orders to deal with this measure, I have a suggestion to make to the Government that I hope will be agreed to. This particular matter can be described as a highly contentious one, and, as we know, there has been a great deal of legislation in connection with it and a great deal of controversy outside of Parliament. When considering this class of legislation—we dealt with it quite recently—I think it necessary that members should have a full knowledge of all the facts, and I believe I am expressing the views of members on this side of the House when I say we should like to see justice done to both sections concerned, namely, landlords and tenants.

Many statements have been made about rents and tenancies. Quite a lot of them have not been verified, and I must say that I believe there has been some gross exaggeration. I readily agree that there have been hardships, both in regard to landlords and in regard to tenants, and I suppose many members have had experience of them. The suggestion I make to the Government—and it is a reasonable request—is that a select committee should be appointed, preferably from both Houses, to investigate this question. Inquiry by a select committee should not take very long. It might occupy a fortnight or three weeks at the longest. I believe that a select committee could table its report in a fortnight, and that would not delay the passage of this legislation through Parliament. On the other hand, it would give members a complete picture of what is actually happening in regard to rents and tenancies. I do not think it desirable that either side should approach this matter from a party political point of view.

**MR. SPEAKER:** The Leader of the Opposition is not entitled to speak on the Bill at this stage.

**HON. SIR ROSS McLARTY:** I am not speaking on the Bill; I am merely outlining reasons why I do not object to the suspension of the Standing Orders, and I am asking whether the Premier will agree to a certain request. I do not know what is contained in the Bill; I have no idea at all of its contents. But I make this suggestion, that the Premier should give favourable consideration to a sincere request. If that be done, I believe it will prove to be beneficial and will result in a much more satisfactory measure being presented to the House.

The **PREMIER** (in reply): Cabinet will give consideration to the suggestion made by the Leader of the Opposition.

Question put and passed.

#### ADDRESS-IN-REPLY.

*Second Day.*

Debate resumed from the 17th June.

**HON. SIR ROSS McLARTY** (Murray) [5.4]: I feel that there will be general approval of the early calling together of Parliament. On a number of occasions the suggestion has been made that we should have an earlier meeting of Parliament and get the business finished some time before the Christmas festivities and functions take place. In the month of December, members like to be in their constituencies. There is a demand for them to be there; undoubtedly the electors like to see their representatives at that time of the year, and I hope that, as a result of this earlier meeting of Parliament, the month of December will be available to members to visit their constituencies and accept the many invitations that will be extended to them.

Personally, I hope that the Government will introduce its legislation in a more orderly fashion than it did during the first session of this Parliament. The way in which it was then introduced was certainly very unsatisfactory, and the fact that the Government met the House without knowing what its full legislative programme would be was clearly indicated by the fact that legislation was introduced on the very last day of the session. The result was that some Ministers introduced Bills without having a full understanding of their contents. I hope that that unsatisfactory state of affairs will not be repeated this session.

The Speech of His Excellency was more informative on this occasion than that delivered by him at the opening of the first session of this Parliament. In the second session, the Speech, of course, referred to only one matter. On this occasion, however, we have been given much more information than hitherto as to what the legislative programme will be. Important legislation is foreshadowed and there is no doubt that some of it will be very contentious. I observe that the Minister for Education shakes his head. Unless he has reformed greatly, we shall have contentious legislation from him. Rumours are afloat that unless the Government gets its way, it will appeal to His Excellency for a general election.

The Minister for Education: That is a funny story.

**HON. SIR ROSS McLARTY:** I think it is a funny story, and from the outset I wish to make the point perfectly plain that I do not believe it. The figures of the polling at the recent Federal election, I believe, are sufficient to deter the Government from taking such a rash step.

The Minister for Housing: You ought to study the figures.

**HON. SIR ROSS McLARTY:** I have studied them and I can imagine how dis-appointing they must have been to the Minister for Housing.

The Minister for Education: You are not referring to the Legislation Council elections, are you?

**HON. SIR ROSS McLARTY:** No, I am referring to the election at which there was the popular vote about which the Minister speaks so much. However, should the Government wish to test its strength, the Opposition would offer no objection.

The Premier: Oh, oh!

**HON. SIR ROSS McLARTY:** We would not place any obstacle in the way, but the Premier would not have the sole choice of the battleground.

The Premier: What is the member for Maylands looking so worried about?

**MR. Oldfield:** I am not looking worried.

Hon. Sir ROSS McLARTY: His Excellency informed us that the rehabilitation of the railways had reached a stage where the system could cater without difficulty for the volume of traffic offering.

Hon. D. Brand: Thanks to the McLarty-Watts Government.

Hon. Sir ROSS McLARTY: His Excellency referred to the great progress being made at Kwinana, to the extension of electricity supplies, to the progress of land settlement, and to progress in other directions. In mentioning those State industries, I think it would have been a fitting gesture on the part of the Premier had he included reference to the work of the previous Government in starting those activities.

The Premier: I did that during the election campaign in 1953.

Hon. Sir ROSS McLARTY: Yes; and it will be most interesting to hear the Premier's speech when he goes down to Kwinana to open the B.H.P. works. I imagine that, to save embarrassment, he will send the Minister for Industrial Development. In regard to certain items of intended legislation, the people might well ask to be informed where they actually do stand. It is a most confusing state of affairs for all classes of businessmen and others to have the laws altered from year to year. This certainly must have a most unsettling effect on all classes of industry.

The Minister for Housing: It is confusing to the Government to have its legislation altered at the other end of the building.

Hon. Sir ROSS McLARTY: Let me give a few examples. At one stage we had price control. Then it was abolished, and now we have an indication that it is to be reintroduced. There is a further threat to insurance offices—strong Government opposition to be offered to them with a view, I understand, to wiping them out completely. I notice in the policy of the Labour Party that all compulsory insurance is to go to the State Government Insurance Office. I should be interested to hear what other forms of insurance the Government might think of making compulsory.

The Minister for Education: Do you know that your Deputy Leader in 1948 introduced a Bill to give a monopoly of State insurance under the Workers' Compensation Act to the State office? The Leader of the Country Party will not deny that.

Hon. Sir ROSS McLARTY: I am not concerned with workers' compensation insurance alone; there are many other avenues of insurance. Further, we are to have more legislation dealing with rents and tenancies. I appreciate that at this stage I am not permitted to enlarge upon that subject. I am grateful to the Premier for the statement he made when I offered

a few remarks on the motion for the suspension of Standing Orders, namely, that he would give consideration to my request for the appointment of a select committee to investigate the whole business of rents and tenancies and report to the House. I feel that this matter has been made a political football, and that the Legislative Council has been unfairly accused.

Members: Oh, oh!

Hon. Sir ROSS McLARTY: Members will recall that last session, before the conference between the two Houses took place, the Legislative Council did offer a further four months before evictions could be enforced.

The Minister for Housing: The Legislative Council did not do that. It was moved by the member for Dale, and the Legislative Council would not agree to it.

Hon. Sir ROSS McLARTY: That is so. Had the Minister insisted, I have no doubt that agreement could have been reached on the point.

The Minister for Housing: That proposal was rejected by the Liberal members in the Legislative Council.

Hon. Sir ROSS McLARTY: Further, no increased rent could have been charged until a court order had been obtained.

The Minister for Works: Where did you get that from?

Hon. Sir ROSS McLARTY: That was an amendment by the Legislative Council last session.

The Minister for Works: That there could be no increase of rent without an order of the court?

Hon. Sir ROSS McLARTY: That is so. A tenant could not be evicted merely to obtain an increase in rent.

The Minister for Works: The Council's amendment did not say that.

Hon. Sir ROSS McLARTY: That was certainly the effect of it.

The Minister for Works: Far from it.

Hon. Sir ROSS McLARTY: The Minister for Works took part in the debate on the matter here.

The Minister for Works: It was aimed at preventing the landlord, without the approval of the court, from increasing the rent to an incoming tenant.

Hon. Sir ROSS McLARTY: That is so.

The Minister for Works: But he could evict the tenant who was already there.

Hon. Sir ROSS McLARTY: But what benefit would it be to the landlord to evict a tenant, if he wanted a higher rental and could get it only by an order of the court? So, the propaganda put out was not fair, and the Legislative Council did not receive justice.

The Minister for Housing: It received its deserts.

Hon. Sir ROSS McLARTY: I was going to say something further about the select committee which I suggested, but in view of the statement made by the Premier I shall not pursue the matter further. The Premier will shortly be leaving to attend the Premiers' Conference. I know something about Premiers' conferences and the work they entail, and I hope that the Premier will be successful in obtaining the finance that is necessary to enable our public works programme to continue in this State. I believe he will obtain more money through income tax reimbursement, and I feel sure that the Federal Government will treat him justly in regard to his loan programme.

For my part, I hope the party outlook will not dominate the Premiers' Conference. I feel that there has been too much party politics in these conferences—some of it, the latest part, no doubt, with a view to influencing the recent Federal elections. The Premier himself has been well to the fore in this regard. The State Premiers should take a realistic view when they attend these conferences, and not play the party game. Some of the loan requirements put forward by the States have been fantastic, and the Premiers know this. They have gone there and asked for hundreds of millions of pounds just as though money did not count and knowing full well that the loan market could not supply the amount they asked for. Yet, in order to embarrass the Commonwealth Government, they have asked for these staggering sums.

Of course, I recognise that there is a need for expenditure and that we have urgent public works, but the amount of money which the loan market can provide is limited and only a proportion of the work can be carried out in any one year. I think a priority should be established according to the urgency of these works. The sum of £112,000,000 was raised through the loan market this financial year compared with £52,000,000 in 1952-53. In 1950-51, which, I think, was the peak year in regard to the amount of money available on the loan market, £152,000,000 was raised, leaving £127,000,000 after certain bond holders or unconverted bonds were paid off.

So I believe the indications are that greater sums will be available in the future by way of loan and by way of revenue. The Commonwealth found £180,000,000 this year for Commonwealth and State public works. It should be remembered that the taxpayers have to shoulder the major portion of this burden. Taxation reduction which is so important from the national point of view, cannot be achieved if the Commonwealth has to go on providing such huge sums of money. As we

all know, there is a clamour for tax-reduction. It is said that certain industries cannot function as successfully as they should because of the burden of taxation. We just cannot have it both ways. We cannot ask the Commonwealth to provide these enormous sums from revenue, and give relief from taxation as well. Taxation reduction is important from the national point of view.

The Minister for Housing: So are loan moneys to the States.

Hon. Sir ROSS McLARTY: I agree. The Loan Council should also take into consideration both the manpower and the materials position. I do not think this is done. When I first started attending Loan Council meetings, there was a coordinator and he had a look at the programmes submitted by the States. He went into the position of materials supply as well as manpower, and he would report to the conference just what materials and manpower were available, and what cuts should be made in the loan programme.

It should always be kept in mind that it is necessary for private industry to carry on as it provides for many urgent and important requirements. The needs of primary industry must also be kept in mind; and the denuding of the market of both materials and labour by an over-ambitious public works programme is detrimental to the general interests of the community. The creation of additional semi-governmental instrumentalities with their own borrowing powers is an important matter. They tend to raise the cost of public works and to lessen the amount of money that is available for the loan programme.

When I attended a Loan Council meeting I obtained permission for the State Electricity Commission to have its own separate borrowing powers. That has proved to be a wise and beneficial method, but there is a tendency today to try to create additional semi-governmental bodies with their own separate borrowing powers. These bodies borrow money at a higher rate than the Loan Council does, and this adds to the cost of the public works.

Western Australia, I will admit, has been at a disadvantage in this regard because the other States, particularly the non-claimant States, have had semi-governmental instrumentalities operating with special borrowing provision, and that has been to their advantage. But, I repeat, it has not been in the best interests of the country because it has resulted in competition from the semi-governmental instrumentalities in the loan market.

I do not think the Premier should be in too much of a hurry to condemn the proposal of the Prime Minister to set up a national works advisory committee. After all, the committee will be advisory and it is likely that most of the representation will come from the States. I cannot imagine

that the Commonwealth wants to set up this committee to the detriment of the States. I feel sure there is a genuine desire to help the States. Surely there is a need to have some orderly plan for public works because the most essential works should be given priority.

The position at present is that each State makes an effort to get all the loan money it can. No doubt in the past the Loan Estimates of some of the States have been grossly inflated in the hope that the sum would create such an impression that the greater portion of the claim would be agreed to. This is an unsatisfactory state of affairs and it leads to inflation all round. For instance, if a water scheme is of more importance to Western Australia than the proposal for some other public work in another State, then the water scheme should surely be given priority.

Let it be remembered that the loan market, to a large extent, depends upon the demand for our great exportable commodities. Wool has been a great help in this regard. We know the concern that is felt about wheat and other exportable commodities that are facing a difficult period. There is no doubt that if we have a recession in wheat prices, it will have a very detrimental effect upon our economy generally. I was reading only today where dairy-processed foods are meeting with very vigorous competition from overseas, and this is having a serious effect upon our exportable dairy-processed foods.

We are having extreme difficulty in finding markets for our flour and jams, and also there has been some contraction of our overseas markets for potatoes. So, there is need for careful handling of our loan raisings. With regard to production generally, all Governments should keep a close watch on production costs. Any substantial drop in the price of wool would have a detrimental effect on all economic factors, and would undoubtedly create difficulties not only for the Federal Government but for the State Governments as well. As we know, economic conditions are subject to unexpected changes, and when money is plentiful there is still a vital need for Governments to see that it is spent to the best advantage. Economical administration by Governments is also always essential. Wild and extravagant promises at election times are a real danger. There is no question about that.

The Minister for Works: You should know that.

Hon. Sir ROSS McLARTY: I have learned more since the Federal elections; if I did not know before, I have certainly learned the lesson since. I have no doubt that the Deputy Premier must have been greatly relieved at the result of the election because he, as a thinking man, must have known perfectly well that those record promises of extravagance could not possibly be carried out.

Naturally I am pleased to see that the goldmining industry is to be assisted. I feel that the assistance offered will considerably benefit it. I have heard it stated that further assistance is required. I did discuss this matter with the Prime Minister when he visited this State. While he was not prepared to make any further promises during the election campaign, he did tell me that he was prepared to have consideration given to any reasonable and practicable proposals that might be put forward with a view to giving further assistance to the industry. Gold holds the confidence of the financial world and recent developments in Western Australia give encouragement for further development of our goldmining industry.

The Minister for Health: That assistance will be for marginal mines only.

Hon. Sir ROSS McLARTY: I cannot tell the Minister what the assistance will be.

The Minister for Health: The sum of 30s. an ounce.

Hon. Sir ROSS McLARTY: It would be worked out on a formula; but I should think that there are certain mines which require assistance today. As I say, I am sure the Prime Minister would be prepared to consider further assistance being granted to those mines that have prospects, if a practicable proposal were to be placed before him. In view of the huge area our goldfields cover, and the comparatively large population they carry, it is necessary that every effort be made to prevent the industry from declining.

I am sure we were all pleased to see that an additional £8,000,000 is to be made available to the States from the petrol tax. I suppose this sum will be distributed, as previously, on a population and area basis. There has not been any objection to this from any of the States in the past, and I do not think there will be any objections in the future. Should the matter be raised at the Premiers' Conference, the Premier should insist upon the distribution being made according to the previous formula.

The Minister for Health: If the area basis were not used, it would affect Western Australia detrimentally.

Hon. Sir ROSS McLARTY: It would. I suggest to the Premier that portion of this money be set aside for road development in our northern areas. At this stage I shall deal only briefly with the subject of finance, because I shall have another opportunity to discuss it when the Budget is introduced by the Premier. In a statement in "The West Australian" of the 2nd June, 1954, the hon. gentleman said that the accumulated deficit for the past 11 months was £1,014,196 compared with £1,294,347 at the end of May last year. On the 16th February, 1954, he told the Grants Commission that he expected the deficit to reach £600,000; he budgeted for



a deficit of £88,000. In the Governor's Speech he said that he expected, owing to the improved position in the June figures, that the deficit would be approximately £88,000. The Premier has made a number of guesses at it and, of course, hopes for the best.

He forecasts this deficit despite the fact that huge consignments of rollingstock, locomotives and other railway equipment have been received and, as members know, the railways have been the chief cause of our deficits in the past. Why, I would ask, is he uncertain in his estimates? He told the Grants Commission that he had raised an additional £2,000,000 last year through taxation and increased charges. He went on to say that from time to time consideration would be given, through Parliament, to obtaining increased revenue from other sources. I do not think there is much doubt that the Treasurer will be after additional revenue, and in pretty big lumps. Members will recall the last time when he introduced a Bill to increase probate charges, feeling, I suppose, that there could not be any repercussions because of such a tax. But he made the statement that he would obtain the increased revenue only with parliamentary sanction.

I do not know why he told the Grants Commission that. Perhaps he thinks, "When the public reads this in the Press, the people will say 'Mr. Hawke would not impose this additional tax but Parliament has made him do so.'" As the Budget is so close to being balanced, and as our railway finances are improving all the time, there should not be any need for additional taxation or increased charges. I suppose it is safe to assume that the railways will continue to earn much more money than they have in the past. As we all know, that department has been the chief source of our deficits.

Parliament should be told by the Premier something about the administrative side of government and he should state what action, if any, the Government is taking to keep down production costs, thereby enabling our exportable commodities to compete successfully on the world's markets. I know that some say this a Federal matter; a responsibility of the Commonwealth. Of course, that is not so. Extravagance by State Governments must add to the cost of various commodities and it must have an effect on all our great industries, both primary and secondary.

Mr. Johnson: Why must it? There is no great connection.

Hon. Sir ROSS McLARTY: I should say that any increases in charges made by the Government must have an effect.

Hon. L. Thorn: Railway freights.

Hon. Sir ROSS McLARTY: Any increase, whether it be by way of taxes, administrative costs, or any other charges, must have its effect on industry.

Mr. Johnson: Increased charges may, but not administrative costs.

Hon. Sir ROSS McLARTY: It does not matter which way Governments incur additional expenditure; it must have its effect. I mentioned earlier in my speech the position of some of our primary industries today and that should give all of us cause for concern.

As regards the loan programme, which the Premier will be placing before the Loan Council in a few days, I do not know what sum of money the Premier will ask for at the Loan Council meeting. I suggest to him that he state separately, if possible, the sum he will require for public works in the North-West and Kimberleys. In my opinion, he should make a special feature of this. It is true that the Loan Council does not give consideration to public works carried out in different parts of the State; they are put before the Loan Council, but the council is concerned with the aggregate sum needed by a State. Our northern areas present a set of circumstances that do not apply in other States and I would like to see a special sum provided in the State's loan programme for works to be carried out in our northern areas.

I also notice, from Press reports, that the wheat position will very probably be discussed at the Premiers' Conference. This great industry is of vital importance to Western Australia. I think one might claim that the wheat industry means more to Western Australia than it does to any other State.

Hon. J. B. Sleeman: Do you believe in this "go slow" policy?

Hon. Sir ROSS McLARTY: I do not believe in "go slow" policies anywhere. This is our second greatest industry. The Premier of Victoria, Mr. Cain, so it is stated, is going to raise the wheat question. Mr. Cain must accept responsibility for the confusion which arose over wheat several months ago, and the recent Federal elections clearly showed that the great majority of Victorian electors did not agree with him. Our own Minister for Agriculture did not agree with him, nor did representatives of other wheatgrowing States. I think the only other State which agreed with him was Queensland. There again the vote at the recent Federal elections was an overwhelming one in favour of the present Government.

To indicate the importance of this industry, I quote from a report in "The West Australian" of the 12th June, 1954, issued by the Bureau of Agricultural Economics, as follows:—

The Bureau estimates wheat and flour exports for 1953-54 at £60,000,000, a fall of £29,400,000 on the previous year.

It is not hard to visualise just what effect that has on the general economy of Australia, and, as we export a larger percentage of our wheat than any other State, what it means to Western Australia.

The Minister for Health: Do you think that it will be necessary to reduce the acreage of wheat put under crop?

Hon. Sir ROSS McLARTY: I shall have a word or two to say about that as I proceed. From what I have read, I think the wheat producers will be able to compete on the export market if they act on the right advice. It is said that we can produce wheat more cheaply than any other country.

I have not had practical knowledge of wheatgrowing, but I have visited other countries and I have seen the difficulties which they encounter in regard to production of wheat. Even so, with all the difficulties they encounter, quite a number of them are greatly expanding their wheat production, and some of them, as the Minister for Agriculture knows, which were importing countries until a few years ago, are now producing sufficient for their own needs and exporting as well. We know there are many factors which affect the cost structure with regard to wheat production. Seasonal conditions in all wheat-producing countries are certainly one of the main factors, and there could be a world shortage of wheat in the not too distant future.

If our production costs are carefully watched, I feel sure that our producers will successfully compete on the world's markets. Whilst it is said this question is to be raised at the Premiers' Conference, I feel that the Premiers should await the report of Sir John Teasdale, chairman of the Australian Wheat Board, before they come to any firm decision. As we know, Sir John recently attended the International Wheat Conference in London, and he is regarded as one of the foremost authorities on wheat in the world. So I urge the Premier to be very careful of any advice given to him by Mr. Cain with respect to wheat.

The Minister for Housing: He can look after himself.

Hon. Sir ROSS McLARTY: Let him obtain advice from the Australian Wheat Board, the Western Australian executive of the Farmers' Union, and from Sir John.

The Premier: You think Cain is not "Abel"?

Hon. Sir ROSS McLARTY: Yes, I do. Don't let the Premier be led along the garden path by Mr. Cain.

The Premier: Nor by Sir John Teasdale.

Hon. Sir ROSS McLARTY: The Premier knows that Sir John Teasdale is regarded as an authority on wheat. We can be sure of the advice given by Sir John

Teasdale. He will be acting in the interests of the wheatgrowers of this State and of Australia as a whole.

The Premier: The Leader of the Opposition would not agree that I should let Sir John Teasdale lead me up the garden path.

Hon. Sir ROSS McLARTY: I think the Premier should listen to him carefully.

Mr. Brady: Do you regard as good the advice of Sir John Teasdale on the reduction of wheat acreage?

Hon. Sir ROSS McLARTY: The hon. member has put a difficult question. I ought to ask him to give notice of it, but I did say just now that if we can keep a watch on production costs and Governments can assist wheatgrowers to keep down costs, we will be able to compete successfully on the world's markets.

The Minister for Health: Do you not think that our costs of 12s. 7d. per bushel are a little high?

Hon. Sir ROSS McLARTY: I do think they are high, but, comparing them with the costs of other countries, I find that the cost of producing a bushel of wheat in other countries is higher than our own. In quite a number of those countries, the crop outlook is more uncertain.

The Minister for Agriculture: Would you favour a subsidy, if it is found necessary, to enable us to export our wheat?

Hon. Sir ROSS McLARTY: Suggestions have been made to the Minister for Agriculture that certain light lands in Western Australia should not be further utilised for wheatgrowing but that there should be a changeover to some other form of production, such as sheep-raising. If such a plan is considered advisable in the national interest, then I think some assistance should be given to those farmers.

I do not know that I wish to say anything more at this stage on the Address-in-reply. I have dealt with all the matters I intended to mention. On the last occasion I felt that my speech on the Address-in-reply was a long one, though, of course, informative. This time, I do not want a prolonged debate, so I hope we will not be very long in getting through the discussion on the Address-in-reply. I remember when I was on the opposite side of the House and the Address-in-reply debate was continuing week after week. I would go to the Whips of both parties and ask how many speakers there were for a particular night, and the information would be given to me that members were not ready. I think members should be ready; they certainly have plenty of time in which to prepare their speeches. I do not think the Address-in-reply should hold up the Government's business for an indefinite period.

Hon. J. B. Sleeman: It went a fair while last year.

Hon. Sir ROSS McLARTY: It did, and it generally does. The curtailment of speeches is not a bad idea, and I think it has proved to be beneficial. Members, of course, take the opportunity, when speaking to the Address-in-reply, to express their views on matters appertaining to the Government and the welfare of the State, as well as to those dealing with their own constituencies. If the Government decided that it was not going to permit the Address-in-reply to drag on, it would be taking a proper stand; and there would be no objection from me.

Mr. May: Were you always ready in years gone by?

Hon. Sir ROSS McLARTY: Yes, I used to make my contribution to the Address-in-reply fairly early; I never waited until the closing stages to speak to the motion.

The Premier: And those contributions were always informative!

Hon. Sir ROSS McLARTY: There is no doubt about that; in that respect the Premier is certainly a good judge.

The Minister for Railways: You have done quite well today.

Hon. Sir ROSS McLARTY: I thank the Minister for that remark.

The Minister for Lands: You heard that one.

Hon. Sir ROSS McLARTY: In conclusion, I do hope that the Premier will bring down the Budget early—I feel that is his intention at present—and that full scope will be given to members not only to discuss the Budget itself, but to deal with all the departments and items concerned.

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

*House adjourned at 5.55 p.m.*

## Legislative Council

Wednesday, 23rd June, 1954.

### CONTENTS.

	Page
Questions : Water supplies, (a) as to delivery to Norseman, cost, etc. ....	31
(b) as to storage and consumption ....	32
(c) as to adequacy of conservation facilities ....	32
Housing, as to condemnation orders ....	32
Bill : Supply (No. 1), £16,500,000, Standing Orders suspension ....	32
Address-in-reply, third day ....	32
Speaker on Address— Hon. L. A. Logan ....	32
Adjournment, special ....	39

### QUESTIONS.

#### WATER SUPPLIES.

(a) *As to Delivery to Norseman, Cost, etc.*

Hon. G. BENNETTS asked the Chief Secretary:

(1) What is the delivery costs of water, per thousand gallons, from Mundaring to the Coolgardie-Norseman take-off?

(2) What is the delivery cost, per thousand gallons, from the Coolgardie take-off to Norseman and the detail of such cost?

(3) What was the average daily gallonage delivered to Norseman for the months of December, 1953, and January and February, 1954?

(4) What was the average number of hours daily of booster pump operation at Widgiemooltha and Higginsville respectively for the months of December, 1953, and January and February, 1954, respectively?

(5) What was the daily operational cost of booster pump stations at Widgiemooltha and Higginsville for the months of December, 1953, and January and February, 1954, respectively?

(6) When supply of water to the Norseman section is restricted at the Coolgardie take-off, as has been the case recently, would not the booster pump stations at Coolgardie and Norseman be equal to delivering such restricted supply without the booster aid of the Widgiemooltha and Higginsville stations?

The CHIEF SECRETARY replied:

(1) Estimated 9s. 8d. per thousand gallons (1952-53).

(2) Estimated, 1952-53—5s. 6d. made up as follows:—

	s.	d.
Local pumping .....	2	3
Maintenance main and reticulation .....		5
Interest sinking fund and administration purposes ....	2	10

Gallons Per Day.

(3) December, 1953 .....	400,000
January, 1954 .....	343,000
February, 1954 .....	370,000

Hours.

(4) December, 1953 .....	9.1
January, 1954 .....	3.1
February, 1954 .....	4.2

Per Day.

(5) December, 1953 .....	18	1	0
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Reduced pumping—

January, 1954 .....	7	10	6
February, 1954 .....	9	10	0

These costs cover wages and all pay overheads, fuels, oils, etc.

(6) No.

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