

Legislative Assembly,

Tuesday, 27th September, 1932.

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

QUESTION—COLLIE RIVER IRRIGATION SCHEME.

Cost of Boring.

Mr. SLEEMAN asked the Minister for Works: In connection with the Collie River irrigation scheme at Roelands,—1, What was the cost per foot of boring, by means of rock drills, holes for excavation purposes in the channels up to the 15th September, 1932? 2, Does this cost unit include cost of motive power? 3, On what data was such cost unit compiled?

The MINISTER FOR WORKS replied: 1, As practically the whole of the work, including necessary shooting and removal, was carried out by piece-work, at an inclusive rate, the information asked for is not available. 2 and 3, Answered by No. 1.

MOTION—STATE FORESTS.

To Revoke Dedication.

THE MINISTER FOR FORESTS (Hon. J. Scaddan—Maylands) [4.38]: I move—

That the proposal for the partial revocation of State Forests Nos. 4, 7, 14, 15, 17, 20, 21, 22, 24, 25, 26, 27, 28, 29, 30, 34, 35, 36, 37, 38, and 39 laid upon the Table of the Legislative Assembly by command of His Excellency the Lieut.-Governor and Administrator on the 30th August, 1932, be carried out.

I propose to lay on the Table a somewhat lengthy paper giving particulars of the forest areas referred to in the motion.

On motion by Hon. P. Collier, debate adjourned.

BILL—ROCKINGHAM ROAD DISTRICT (LOAN RATE EXEMPTION).

Introduced by the Minister for Works, and read a first time.

BILLS (3)—THIRD READING.

- 1, Closed Roads Alienation.
 - 2, Dairy Cattle Improvement Act Amendment.
 - 3, East Perth Cemeteries.
- Transmitted to the Council.

BILL—FACTORIES AND SHOPS ACT AMENDMENT.

Further report of Committee adopted.

BILL—FRUIT CASES ACT AMENDMENT.

Report of Committee adopted.

BILL—SWAN LAND REVESTING.

Report of Committee adopted.

BILL—ROAD DISTRICTS ACT AMENDMENT.

Recommittal.

On motion by the Minister for Works, Bill recommitted for the further consideration of Clause 26, and of a new clause. Mr. Richardson in the Chair.

Clause 26—Amendment of Section 160:

Mr. THORN: I move an amendment—

That there be added at the end of paragraph (b) of Clause 26 the words "or any private land," and that there be added at the end of the said paragraph ten, the words "provided that the power conferred by this paragraph shall not be exercised in connection with or for the purpose of the drainage of any private land except with the approval of the Governor."

The MINISTER FOR WORKS: I think reasons should be given for the amendment.

Hon. W. D. JOHNSON: Let me explain. The amendment is to give power to a board to drain certain small areas of private land. For many years the Swan Road Board have been in the practice of gradually draining these small pieces of land, and in a number of cases have arranged with the landowners benefiting from the drainage to recoup the board any expenditure incurred. But in some instances one or two land owners have objected to the drainage being done, and so have prevented the board from proceeding. The amendment will give the board power to go on with the drainage, provided the Governor-in-Council is satisfied that the proposition is reasonable. For the drainage of large areas, where a number of property holders would be affected, the existing method of creating a drainage board with all its overhead charges and capital costs would have to be followed, but the amendment proposes to give the Swan Road Board and other boards an opportunity to drain small areas as part of the board's ordinary administration, without resorting to the creation of a drainage board, or the raising of special funds. The Swan Road Board has no loan indebtedness, and it desires to continue on that basis. That board's area lends itself to small drainage schemes, for the Swan River runs through the main portion of the board's district, and so affords ample opportunity for drainage. But in low-lying areas the water spreads afar and does considerable damage. The idea is to give the board power to dig a drain, so that the flood waters could be conducted to the river and the damage averted. The purpose of the amendment is to give the board power to negotiate with the owners of private land and when it is impossible to arrive at an agreement with all the owners, the board shall have power to proceed, provided the Governor-in-Council is satisfied that the board is not penalising the interests of the ratepayers in that ward. Some members may object that in such a case the funds of a given ward would be used to the advantage of a few ratepayers and the prejudice of all the other ratepayers in the ward. Suppose a drainage scheme costing £100 was necessary. The board would have to take £100 from the general funds of the ward and expend it on the drainage, and so it may be urged that until the money is recouped the rest of the ratepayers are denied

the use of that money which of course belongs to the whole of the ward. But it must be remembered that the board could not agree to any such drainage proposition unless a majority of the members of the board supported it, after which, of course, the Governor-in-Council has to give approval. As laid down in the Act, in the undertaking of ordinary drainage work there are certain overhead charges, and other expenditure to be met which should be unnecessary in the small drainage propositions contemplated by the amendment. Again, special rates and special administrative charges can be avoided by a commonsense arrangement such as is proposed in the amendment. In small propositions there is no need to incur all the overhead charges provided for in the Drainage Act. For years I have endeavoured to get this provision made. It was agreed to at the last road board conference; that is to say, it was intimated by the representative of the Public Works Department that the provision would be included in this Bill, and the road board conference unanimously endorsed the provision. While I am making a special plea on behalf of the Swan Road Board, I know that the amendment will be of advantage to the Bayswater and Bassendean Road Boards, and to a number of other authorities in the metropolitan area.

The MINISTER FOR WORKS: I am inclined to think this is a dangerous amendment. The principle involved has never had a place in the Road Districts Act. Under that Act the board must strike a rate, and that becomes the ordinary annual revenue of the board. This amendment proposes to use that revenue for the purpose of draining a certain portion of the district. I do not think that is right. The board in the first place has to make up estimates, and deciding that, say, £2,000 will be required for the year, it strikes a rate. Under the amendment the revenue derived from that rate will be used for the draining of certain districts, and so that much of the revenue will be taking the place of an ordinary loan. Private owners will benefit by the expenditure of that money, and the board will have to strike an additional rate from which to repay to the ordinary annual revenue the amount expended on drainage, and will spread it over a number of years—perhaps 20 years.

Hon. W. D. Johnson: Oh no; only five years.

THE MINISTER FOR WORKS: To spend money on draining five or six farms and then expect to have it repaid in five years, is not altogether reasonable. Under the Drainage Act boards have power to borrow money to drain certain lands and to strike a rate from which to recoup that expenditure.

Hon. W. D. Johnson: That is expensive in a small area.

THE MINISTER FOR WORKS: The Act provides that a local governing body may be constituted a drainage board.

The Minister for Railways: Where would you draw the line, anyhow?

THE MINISTER FOR WORKS: That is the point. The ratepayers not benefited by the drainage would have reason to complain. I feel that the amendment ought to be opposed.

Hon. W. D. Johnson: You must admit that it would be an economical way of undertaking the work.

THE MINISTER FOR WORKS: Yes, but where will it end?

Hon. W. D. Johnson: A safeguard is provided in that the Governor-in-Council must approve.

THE MINISTER FOR WORKS: I consider that the amendment would be dangerous, and I ask members to consider it seriously before voting on it.

Hon. J. CUNNINGHAM: Provision is made for a local authority to be constituted a drainage board, and that in itself obviates the overhead costs of a separate organisation. There is objection to giving a local authority the right to apportion the expenditure and to charge a rate to cover it.

Mr. Thorn: The ratepayers have asked for it.

Hon. W. D. Johnson: The expenditure would only be sufficient to cover the actual cost of the work.

Hon. J. CUNNINGHAM: The existing provision ought to meet the needs.

Mr. THORN: The Swan Road Board have endeavoured to conduct their business as economically as possible. They understand that they may be constituted a drainage board, but they do not desire that because the propositions involved are so small. In only about three places, involving five or six ratepayers, does the need arise. Some

ratepayers have asked the board to do the work, and have signed agreements to pay the cost, but the board cannot legally undertake the work without the power prescribed in the amendment. I would prefer to have portion of the proceeds of my general rate devoted to drainage to the striking of a drainage rate over the whole area.

The Minister for Works: The drainage rate could apply to a particular area.

Hon. W. D. Johnson: It is difficult to confine it to a precise area.

Mr. THORN: One man might stand out and object to a drain passing through his property.

The Minister for Railways: A drainage board could overcome that.

Mr. THORN: But it is too expensive. I realise that a principle is involved, but I see no danger in granting the power to the Swan Road Board.

The Attorney General: But the amendment would apply to other road boards.

Mr. THORN: Other boards requiring to drain small areas would find the amendment beneficial. A safeguard is provided in the stipulation that the approval of the Governor-in-Council must be obtained.

Hon. W. D. JOHNSON: Though a road board may be constituted a drainage board, it involves expense, and a drainage rate must be struck. It is always difficult to determine the exact area to which the drainage applies.

The Minister for Lands: There should be no difficulty about that.

Hon. W. D. JOHNSON: The difficulty could be overcome, but contour surveys, levels, etc., would have to be taken. The amendment would permit of the work being done inexpensively.

The Attorney General: Does not the amendment in effect give the board power to lend the money of the ratepayers to individuals for drainage purposes?

Hon. W. D. JOHNSON: No. The board would not lend the money; they would agree, on the representation of certain landowners, to confer on drainage matters. The board would use the ratepayers' money for the work—that is a weakness of the proposal—but the ratepayers would be protected by the ward representation, and over and above that is the provision for the Governor-in-Council to approve of the board's decision. If it will satisfy the

Minister, I am prepared to limit the estimated cost of such drainage to £150. I think that would have the approval of the member for Toodyay.

Mr. Thorn: Yes.

The Minister for Works: That limitation is an improvement.

The Minister for Railways: Could not the board do £149 worth of work each year over 10 years?

Hon. W. D. JOHNSON: No, it would be the estimated cost of the work. I move—

That the amendment be amended by adding the words "provided that the cost of such drainage is estimated not to exceed £150."

The MINISTER FOR WORKS: I do not like the amendment, but will leave it to the decision of the Committee. I agree that it limits the amount of revenue which can be expended in each year, and is a slight improvement on the position as it was set out before.

Amendment on amendment put and passed.

Amendment as amended put, and a division taken with the following result:—

Ayes	..	..	..	..	22
Noes	..	..	..	..	17
					—
Majority for	..	..	..	..	5
					—

AVES

Mr. Angelo	Mr. Marshall
Mr. Collier	Mr. McCallum
Mr. Corboy	Mr. Millington
Mr. Coverley	Mr. Munnie
Mr. Cunningham	Mr. Nulsen
Mr. Ferguson	Mr. Panten
Mr. Hegney	Mr. Sleeman
Miss Holman	Mr. Thorn
Mr. Johnson	Mr. Wells
Mr. Kenneally	Mr. Wilson
Mr. Lamond	Mr. North

(Teller.)

NOES.

Mr. Brown	Mr. Parker
Mr. Davy	Mr. Patrick
Mr. Doney	Mr. Piesse
Mr. Griffiths	Mr. Sampson
Mr. Keenan	Mr. Scaddan
Mr. Latham	Mr. F. C. L. Smith
Mr. Lindsay	Mr. Wansbrough
Mr. J. I. Mann	Mr. Church
Mr. McLarty	

(Teller.)

Amendment as amended thus passed.

Clause as amended agreed to.

New clause:

Mr. THORN: I move—

That a new clause be inserted as follows:—

29. A section is inserted in the principal Act after section one hundred and sixty-seven,

to stand as section one hundred and sixty-eight, as follows:—

Provision for recovery of cost of drainage works by the Board.

168. (1.) Where a Board, with the approval of the Governor, has constructed any works under the power conferred by paragraph (10) of section one hundred and sixty of this Act in connection with or for the purpose of the drainage of private land, the cost of constructing, maintaining, and repairing such works, including the amount of any compensation paid by the Board to owners of land through or upon which such works are constructed, shall be payable to the Board by the owners of the land which is drained into or by such works.

(2.) When the cost as aforesaid has been ascertained, the Board shall apportion the amount thereof between the owners of the land liable under subsection one hereof to pay such cost to the Board, in such amounts as are, in the opinion of the Board, proportionate to the value of the benefit derived by each of such owners respectively from the said works:

Provided that if any dispute shall arise between any person and the Board as to whether such person derives any such benefit or as to the value of such benefit, such dispute shall be referred to arbitration under the provisions of the Arbitration Act, 1895.

(3.) The amount for which any person is liable on the apportionment of the said cost as aforesaid shall be a debt due by such person and, until paid in full, by every subsequent owner in succession of the same land to the Board. Such debt shall be recoverable by the Board in the same manner as rates levied upon the same land are recoverable under this Act, and, until paid, shall be a charge against the said land.

Hon. W. D. JOHNSON: Section 167 of the principal Act says that certain works associated with the drainage of roads, etc., may be put under the control of the board. This new clause provides the machinery for carrying into effect the amendment that has already been agreed to.

The MINISTER FOR LANDS: It is now sought to give power to road boards to spend ordinary revenue in draining private land. The board has power to strike rates in order to obtain revenue, and to repay loans, but there is no provision whereby a rate can be fixed for the repayment of the money involved in work on private land. What will happen will be that the funds of the board will be used to increase the value of private land.

Hon. W. D. Johnson: To be repaid.

The MINISTER FOR LANDS: The proposed new clause does not say how the money shall be repaid. We ought to be able to pre-

scribe the area in which the work shall be done, and then make provision for the striking of a special rate for the repayment of the money. Members will be setting up something for which they will be sorry. It is unwise to allow ordinary revenue to be used to enhance the value of privately owned land. True, the owner can be sued for the money, but the proposed new clause does not say within what period the cost must be repaid.

Hon. W. D. JOHNSON: This proposed new clause will apply only to small areas. Boards have already done drainage work after arriving at an agreement with private owners. Very often the money has been paid in advance. This new clause will merely give the board power to use ordinary revenue instead of being obliged to get the money beforehand. It will be a matter of arrangement between the owners of the properties concerned as to how much each shall contribute, and over what period the money will be repaid. Those who object will be rated.

The Minister for Lands: They will not.

Hon. W. D. JOHNSON: At any rate, the amount will be allocated, and the board will collect the money just as though a rate were struck. In my opinion, it is simplicity itself and I cannot see any danger in the proposal. If unlimited, it might be dangerous and, in that event, it might be better to proceed under the Drainage Act with all the consequent expense. I know of one instance in the Beechboro area where it has been desired to put through a drain for some years. One man has held up the work. On one occasion the board interviewed him and, after discussing the matter, he said he would agree to the work being undertaken. Within a day or two he wrote a letter intimating that he would not agree.

The MINISTER FOR RAILWAYS: In view of the fact that the amount that may be spent by a board is limited, I suggest it is unnecessary to refer any dispute regarding the allocation of the cost to arbitration under the provisions of the Arbitration Act. That procedure may involve considerable expense.

Hon. W. D. JOHNSON: But the man who forces the position will have to contribute.

The MINISTER FOR RAILWAYS: No, that is the difficulty. The board has to prove its case and if it varies at all from the decision of the court, costs are almost invari-

ably given against the board, and the general ratepayers have to carry the burden though some individuals only may benefit. In view of the fact that the Minister's approval has to be obtained before any such work can be undertaken, I suggest that, in the event of a dispute regarding the allocation, the matter should be referred to the Minister whose decision should be final. If recourse is had to arbitration, that procedure may cost as much as the amount involved in the small work.

Mr. Kenneally: Could you not provide an alternative and allow the dispute to go to the Minister or, should either party desire, to arbitration.

The MINISTER FOR RAILWAYS: The difficulty then would be that at times the man who objects is in a position to afford the cost involved. He may be a stubborn man and may insist upon the matter going to arbitration.

Hon. W. D. JOHNSON: I appreciate the point made by the Minister for Railways, and shall deal with it later on. I notice that two words appear in Subclause 1 of the proposed new clause and I do not think they should be there. I move an amendment on the amendment—

That in line 12 of Subclause 1 the words "into or" be struck out.

As the subclause stands now, it refers to owners of land "which is drained into or by such works." The reference should be to land "which is drained by such works."

The MINISTER FOR LANDS: I shall not proceed any further with my objection because there is provision whereby the State can protect a road board should that course be necessary. I have some knowledge of interpretation placed by road board members on Acts of Parliament. There is a danger of a road board using board funds for the enhancing of the value of land held by an individual. A definite date for repayment of money, with definite conditions, should be included. This may be regarded as an abuse of legislation, which is being turned to an account never intended.

Hon. W. D. JOHNSON: It is reasonable to include provision for compensation, or without it injustice may be done to an individual. The payment of compensation may be essential and in one instance, of which I am aware, is essential. I do not see that much harm can follow, seeing that the whole work must be limited to £150.

The Minister for Lands: That does not mean £150 a year?

Hon. W. D. JOHNSON: No, that is the total cost of the work.

The Minister for Railways: But the work is annual work.

Hon. W. D. JOHNSON: No.

Amendment on amendment put and passed.

Hon. W. D. JOHNSON: I move an amendment—

That in lines 6 and 7 of the proviso to Sub-clause 2, "arbitration under the provisions of the Arbitration Act, 1895," be struck out and the words "Minister whose decision shall be final and without appeal" be inserted in lieu.

Amendment put and passed; the new clause, as further amended, agreed to.

The MINISTER FOR WORKS: I desire by way of explanation to supply some information regarding the definition of "owner." It will be remembered that I promised this to the member for South Fremantle the other evening. The Crown Solicitor writes—

The amendment will not affect railway cottages under any circumstances. The Railway Act specifically states that railway land is not rateable. Therefore it would take an amendment to that Act before rates could be levied. The Education and the University Endowment Lands Act are different. They provide that the land becomes rateable if leased, but as the Road Districts Act stands at present when lands are leased by the trustees, they (the trustees) become liable for the rates. But your amendment will make the lessee liable as owner, and not the trustees.

This opinion should satisfy the hon. member who raised the question.

Bill again reported with further amendments.

BILL—FINANCIAL EMERGENCY ACT CONTINUANCE.

Second Reading.

THE ATTORNEY GENERAL (Hon. T. A. L. Davy—West Perth) [5.5] in moving the second reading said: The object of the Bill is to continue for a period of one year the operations of the Financial Emergency Act. I do not suppose that the measure comes as a surprise to any hon. member; I imagine that when the Leader of the Opposition's amendment to confine the operations of the original Act to one year was

accepted by this House, everyone anticipated that it would enable Parliament to review the position and determine whether it was again necessary to carry on the legislation. I do not suppose anyone thought we would have reached the stage when this legislation could be dispensed with. It seems to me that the re-enactment of the measure is unavoidable, and that view appears to be shared by all Parliaments in Australia. Even the new Queensland Government, although expressing some opposition to the so-called Premiers' Plan at the time of the Queensland elections, on assuming office, in effect accepted the inevitability of the plan. The plan, of course, has been subjected to a considerable amount of criticism, both in detail and in the mass, and I have heard one or two members in this House say that the plan has been a failure. In considering whether or not it has been a failure, one must first remember what it was intended to achieve. The short title of the principal Act was one which I myself felt half ashamed of, and I indicated that sense of shame when I introduced the original measure. It certainly was couched in somewhat flamboyant language, and yet when one examines the title now, I submit that the plan has achieved most of what was promised in the title. It is said to be an Act to make necessary provision for carrying out the plan agreed upon by the Commonwealth and the States for meeting the grave financial emergency existing in Australia. I submit that it has met that grave financial emergency. I submit also that the plan has re-established financial stability, because when that plan was formed every State in Australia and the Commonwealth was faced with almost immediate default. A year has passed, and we are very much further off default than we were a year ago. Whether or not the measures taken were the best to meet that financial emergency and to re-establish financial stability, is another matter altogether. I think they were, and I think they have met the two objectives. The last words of the title were those of which I was ashamed, but I think I made the position clear. Those words are "and restoring industrial and general prosperity." It will be remembered that when I introduced the Bill I said I was not fond of the title, that I did not want the people of Western Australia to think I imagined that the passing of the

Bill would immediately restore a state of prosperity. I did not think it would, and nobody thought it would. I regret that apparently Parliaments in Australia are not always prepared to be as completely frank with the people as they should be. Sometimes we make things look more pleasing than they really are, and if hon. members will remember it was decided between the Leader of the Opposition and myself that the title was the sugar which covered the unpleasant pill inside. But it did not disguise the unpleasantness of the inside of the pill from anyone. It will be interesting to refer to an opinion as to the effect of the plan, expressed by an English economist. Mr. J. M. Keynes, who, to a certain extent has supported the views expressed by members opposite, views indicating that a deflationary process might be disastrous. In an article which appeared in the "West Australian" on the 6th July last Mr. Keynes made this statement—

I sympathise intensely with the general method of approach which underlies the new proposals of the economists. I am sure that the Premiers' Plan last year saved the economic structure of Australia. I am not prepared to dispute that another dose of the same medicine may be necessary.

Again later in the same article which frankly is not entirely without criticism of the plan, he says—

Let me repeat that, broadly speaking, I take my stand with the experts and against their critics—

The experts to whom he refers are the members of the expert committee consisting of the four or five professors of economics—Professors Copland, Shann, Melville and Giblin—the Under Treasurers of the various States and the Under Treasurer of the Commonwealth.

Later Mr. Keynes adds these words which appear to me to be of considerable value—

One word in conclusion as to Australia's credit in London. I feel most strongly that it is immensely worth while to foster it. I believe that Australia has heavily over-borrowed in the past, and I have often advised that her securities be avoided. But I do not therefore conclude that the days of Australia's oversea borrowing are over. In my opinion the intrinsic quality of Australia's credit though still very sensitive to passing events, relatively to that of other borrowers is higher to-day, in spite of Mr. Lang, than it has been for several years. Apart from what I may think, I be-

lieve that Australian credit is rising rapidly in the estimation of the London market. Australia's heroic measures to fulfil her bond may have been apprehended in England somewhat slowly, but they have not escaped notice.

Of course there are some people in Australia who do not want to see the economic structure of Australia saved. They desire to see it collapse in order the more readily to substitute some other form of economic structure which in their opinion will be better for mankind. Perhaps I am giving some of them too much credit, their real objective being to seize some sort of power for themselves individually without much concern for their fellow creatures.

Hon. P. Collier: Do you think there are any such people in this State?

The ATTORNEY GENERAL: I believe they are limited in number; I do not believe there are any such persons in this Parliament. Their propaganda is listened to more attentively than is good for the community, but whether there are many who share their views is open to question. Some would seize them and throw them into gaol.

Hon. W. D. Johnson: And then more people would read their propaganda.

The ATTORNEY GENERAL: There is always the danger when taking action against those who express violent views, of making martyrs of them, and building up for them a following they would not get by treating what they have to say with silent contempt. Although none of us wants to see the economic structure of Australia crash, none of us, on the other hand, is satisfied that our present economic system is perfect. When people tell me that the capitalistic system has broken down and must be replaced by something else, I always think that under that capitalistic system, with all its imperfections, we have made most astonishing strides in the last hundred years. A person who is out of work in Western Australia to-day, and existing on sustenance, though he may be having an anxious and distressing time, is better off than the average unskilled worker in England who was working full time a hundred years ago. In this House we have a member who as a child of 10 or 12 used to work in a coal mine for half a day and attend school the other half.

Hon. P. Collier: A hundred years ago?

The ATTORNEY GENERAL: I suppose the Leader of the Opposition knows to whom I am referring. It would be perhaps less than half a century ago in the case of that hon. member. It shows how different that period was and the wonderful strides that we have made even in that comparatively short time under the admittedly imperfect capitalistic system. We are glad that that day has passed.

Mr. Kenneally: But that is not to say that the system should necessarily continue.

The ATTORNEY GENERAL: In my opinion, it is. If I find that a system has achieved in a hundred years more than any other system achieved in thousands of years, I come to the conclusion that it is worth while to continue that system, though not necessarily without alteration. In point of fact, the thing is altering and altering and altering all the time.

Mr. Kenneally: That is the question, the alterations.

The ATTORNEY GENERAL: Of course. Everyone is agreed that alterations to the system are necessary, but we may differ on how the alterations shall proceed. In order to preserve that system and prevent utter collapse and crash, with that hopeless confusion in the whole community which results in default of any Government and any financial system, the Plan was necessary; and it has achieved its purpose. I do not wish to air my views, or to enter into a lengthy discussion, with regard to what should be done in the way of altering the capitalistic system. One reason for restraint is that such matters are really out of our power. We are at least two degrees from the centre of this difficulty. The world-wide nature of the difficulty is one reason. Another reason is that we are inferior in legislative capacity to the Commonwealth; and, finally, we have but a very small share of the power to deal in any particular way with the trouble which faces us. Indeed, since the Financial Agreement was entered into and the Loan Council was established, our control of finance has been negligible. We simply have to fall into line with what the States as a body and the Commonwealth decide upon, our only alternative being to attend Premiers' Conferences and meetings of the Loan Council and oppose the plan suggested, and, if possible, sway the other members of the Conference or the Loan Council to agree with us. There has been considerable detailed criticism of the Act,

and I do not propose at this juncture to attempt to forestall it. I do not know how much of the criticism of the details of this Act and of the cognate measures is supported by members of the Opposition; and until I hear their criticisms, I do not propose to attempt to make any statement in response.

Mr. Kenneally: You are not allowing much scope. There is no opportunity for amendment of the Act.

The ATTORNEY GENERAL: There is every opportunity for discussion of every phase of the measure.

Mr. Kenneally: Discuss, but not amend.

The ATTORNEY GENERAL: If any hon. member can produce a case which ought to be attended to as far as the details are concerned, there is every means open to the House to remedy any such defect.

Mr. Kenneally: But amendment would be out of order.

The ATTORNEY GENERAL: Yes.

Mr. Kenneally: There is not much use in discussion if we cannot amend.

The ATTORNEY GENERAL: The hon. member, if he thinks fit, can introduce a Bill to amend any portion of the Act.

Mr. Kenneally: Oh yes!

Hon. W. D. Johnson: The hon. member's rights are very limited.

The ATTORNEY GENERAL: Why?

Hon. W. D. Johnson: Because he cannot effect any advantage to an individual without causing disadvantage to the Government or the State.

The ATTORNEY GENERAL: The hon. member could, I think, deal with practically any portion of the Act by a Bill introduced by himself. At any rate, he can make his case; and then, if he persuades the Government that his case should be met by legislation, they are in a position to deal with it.

Hon. W. D. Johnson: You do it! That is the way.

The ATTORNEY GENERAL: I am always open to conviction, and am always ready to listen patiently to the opinions expressed by the member for Guildford-Midland (Hon. W. D. Johnson).

Mr. Raphael: But no Government action results.

The ATTORNEY GENERAL: Having regard to the eloquence of the hon. member interjecting, it is quite possible that he might be able to make out a case.

Mr. Raphael: My chances are pretty slender.

The ATTORNEY GENERAL: I anticipate having a good deal to say in reply. Meantime, it seems to me, there is nothing more for me to do now except to move—

That the Bill be now read a second time.

On motion by Hon. P. Collier, debate adjourned.

BILL—MORTGAGEES' RIGHTS RESTRICTION ACT CONTINUANCE.

Second Reading.

THE MINISTER FOR LANDS (Hon. C. G. Latham—York) [6.8] in moving the second reading said: The Attorney General has already made out a case for continuance of legislation of this nature. The parent Act is supplementary to the Financial Emergency Act. It was not originally intended that the parent Act should form part of this legislation, which was intended to give protection to mortgagees. However, the position became so acute so rapidly that, having regard to the decision of the Premiers' Conference, it became necessary to introduce the parent Act. It has been in operation for 12 months, and I think hon. members will agree that it has given general satisfaction.

Hon. W. D. Johnson: Except to the banks.

The MINISTER FOR LANDS: The banks are not affected by it. The banks are covered by financial emergency legislation, but not by this Act. I shall not anticipate a motion moved by the member for Kataning (Mr. Piesse), who suggests that the Agricultural Bank should be brought under this legislation. I shall deal with that question when an opportunity arises. However, this Bill does not propose to do anything except continue the operation of the principal Act for another year. A question may be raised whether the period should not be longer than 12 months, but I think it will be agreed that emergency legislation such as this Act should have a limited life. If there should be justification for the continuance of the Act beyond next year, the House will no doubt readily agree to it. No member of this House desires to throw into chaos this State's industries, on which we are so dependent. If there is no restriction on the powers of the mortgagee, our primary industries will suffer.

Mr. Raphael: You have much faith in the members of this Chamber.

The MINISTER FOR LANDS: I have every faith that every member of the House will do the right thing where industry is concerned. I have no fear, whatever the decision of the people may be next March, of this legislation being discontinued so long as industry requires it. It has been a very serviceable piece of legislation. Not that it has been availed of much, but it has acted as a deterrent against importunate mortgagees. They know very well they cannot foreclose without an order of the court, and this House has definitely laid down the conditions under which the Commissioner should grant permission to foreclose. The Bill is a one-clause measure increasing the life of the principal Act to the extent of one year. It will expire on the 11th December, 1933.

Mr. Wansbrough: But while you restrict private mortgagees, you do not restrict the Agricultural Bank.

The MINISTER FOR LANDS: So far as I know, no Government ever compelled the people as a whole to do certain things.

Mr. Wansbrough: I know of one case where you forced a private mortgagee to do what you as a Government are not prepared to do.

The MINISTER FOR LANDS: If the Agricultural Bank were controlled by this Act, there would be no difficulty in getting from the court an order for foreclosure in that particular case. I do not think the hon. member suggests that we should use the court to determine something that our own common sense should determine for us.

Mr. Kenneally: That is what the ordinary mortgagee would say, too.

The MINISTER FOR LANDS: No. I could give the hon. member some instances of persons having bought property and paid substantial deposits, amounting to thousands of pounds, with only a small balance left to pay. But for this legislation such purchasers would have lost the whole of their payments, and through no fault of their own, but owing simply to the fact that industry did not permit them to meet their indebtedness on the due date. After all, the House agrees that it is necessary to restrict the rights of mortgagees. No Government would have a long life if they availed themselves of an opportunity from which private mortgagees were debarred. I suggest that

when the motion on the Notice Paper has been moved, the Government will be able to reply to any substantial cases that hon. members may put up. I move—

That the Bill be now read a second time.

On motion by Hon. P. Collier, debate adjourned.

BILL—CONSTITUTION ACTS AMENDMENT ACT (1931) CONTINUANCE.

Second Reading.

THE ATTORNEY GENERAL (Hon. T. A. L. Davy—West Perth) [6.13] in moving the second reading said: The principal Act to which this Bill relates was a portion of the Plan which had to be put in a special Act because of certain circumstances.

Hon. P. Collier: This is consequential upon the other?

The ATTORNEY GENERAL: Upon the Financial Emergency Act. The principal Act in this case is the piece of legislation which reduces the salaries of the Governor, his private secretary, the judges and Ministers of the Crown.

Mr. Marshall: You should send a copy of the Act to the Federal Government.

The ATTORNEY GENERAL: I move—

That the Bill be now read a second time.

Hon. P. Collier: I think we might go on with this Bill. There is no objection to it.

Question put and passed.

Bill read a second time.

Sitting suspended from 6.15 to 7.30 p.m.

In Committee.

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

BILL—TENANTS, PURCHASERS, AND MORTGAGORS' RELIEF ACT AMENDMENT.

Second Reading.

THE ATTORNEY GENERAL (Hon. T. A. L. Davy—West Perth) [7.33] in moving the second reading said: Already the Act has been extended for a further term of a year, and in the form of this Bill it

now comes before the House for a further continuance of a like period. The measure was never a popular one, because while it did not go as far as some of the tenants would have liked it to go, it went too far for the satisfaction of some of the landlords. The fact that it displeased a portion of both sections shows probably that it is just about right. I move—

That the Bill be now read a second time.

On motion by Hon. P. Collier, debate adjourned.

BILL—REDUCTION OF RENTS ACT CONTINUANCE.

Second Reading.

THE ATTORNEY GENERAL (Hon. T. A. L. Davy—West Perth) [7.35] in moving the second reading said: The Act to be continued by the Bill the second reading of which I have just moved was not really part of the Premiers' Plan; as a matter of fact, it was passed before the conference took place at which the Premiers' Plan was fixed. But the measure which it is now proposed to continue for a year, although not made part of the Premiers' Plan, was a natural corollary to it. It provided for the reduction of rents in current leases by 22½ per cent. I think there can be no argument that the measure should not continue for another year. I move—

That the Bill be now read a second time.

On motion by Hon. P. Collier, debate adjourned.

BILL—METROPOLITAN WHOLE MILK.

Second Reading.

Debate resumed from the 20th September.

MR. McLARTY (Murray-Wellington) [7.36]: I am glad this Bill has been introduced at last. It is overdue. Had it been introduced some time ago, a good deal of trouble would have been averted. Since the Bill came down I have mixed freely with a great number of whole milk producers, and I find there is amongst them a tremendous interest in the Bill. They believe they will derive advantages from the measure and that it will help to stabilise the industry.

Mr. Marshall: Does not the consumer also deserve some consideration?

Mr. McLARTY: I am coming to the consumer. I agree with the Minister that the industry is in a chaotic state, and I say that at present there does not appear to be any indication of its improvement. On the contrary, I think the position will become more difficult, for, despite the depressed state of the industry, more people are going into it, and so in the near future greater quantities of whole milk are likely to be produced and efforts will be made to put the increase on the metropolitan market. All sections interested in whole milk have asked for the Bill; not only the producer, but the retailer and the depot keeper also favour some measure of control. I know some members do not approve of this class of legislation, particularly in relation to primary products, but milk is in a different category from any other primary product. It is a perishable commodity and has to be disposed of immediately. Then there is the health point of view, and from that point of view the Bill is most important. The Minister, when moving the second reading, said Perth is one of the lowest whole milk-consuming populations in the world. That is a very serious statement. Dr. Atkinson, the Chief Medical Officer, said milk was a perfect food, and that every child over the age of two years should have at least one pint daily. Another authority states that the quantity should be two pints. Dr. Atkinson went on to say—

In fact, milk is the only food which in itself is capable of sustaining life up to six months, as it does in the case of children. All medical men agree that milk is the most necessary article of human diet.

The Education Department has made tremendous efforts to supply children in the metropolitan area with whole milk, and those children who are unable to get a diet of milk daily and have been issued with milk through the State schools, have shown marked improvement in their physical condition in a very short time. This indicates why the industry is so necessary to the community, and it also goes to show how important is the whole milk industry from a health point of view. I have dealt with this health aspect in order that members may view the Bill from that angle when giving it their consideration. Two Royal

Commissions have investigated the dairy industry in this State, and both recommended that the whole milk industry should be controlled. The Royal Commission which sat in 1925 said—

The milk supply can be regarded as a public utility comparable with water supply, and in order to endeavour to organise the industry on a basis such as that, it is necessary that some form of control more effective than hitherto prevailing should be instituted.

It will be noticed that the consumers compared it with water.

Hon. P. Collier: I understand they are mixed very often.

Mr. McLARTY: Not only is Perth as a city one of the lowest whole milk consuming populations in the world, but the Minister gave figures to show that we have one of the widest margins between the producer and the consumer, a difference of 1s. 4½d. Surely there is room for improvement in that direction—one of the widest margins in the world between the producer and the consumer, and to the detriment of both! Owing to the chaotic state of the industry, the Minister formed what was called a whole milk advisory board, consisting of representatives of country producers, of the metropolitan milk suppliers, of the wholesale and retail distributors, and two departmental officers, namely the Director of Agriculture and the Superintendent of Dairying. That board made every effort to stabilise the industry, but failed for want of statutory power. The prices they suggested could not be enforced, and they had no power to fix minimum prices, such as the Bill will give to the board. For instance, on the 6th April the board agreed that 1s. 2d. would be a reasonable price to the producer, which was the rate ruling at most factories at the end of February. This price, it was considered, would enable milk to be sold to the consumer at 7d. per quart. Owing, however, to keen competition, a price of 1s. 1d. at metropolitan depots was considered more possible of achievement, and the board endeavoured to bring this about. Strong efforts were made in this direction, and everything possible was done by the board to get the producers, the depot-keepers and the retailers to agree to that price, but without any success. The prices at that time at metropolitan depots was 11½d. per gallon, a price

that would give the producer from 7½d. to 10d., depending upon the distance he was from the market. I have a list that indicates what a price of 11½d. per gallon would yield producers. At Wanueroo it means 10½d., Osborne Park 10¼d., Gosnells 10¼d., Wellard (Peel Estate) 9½d. on the farm, Byford 10½d. at the railway station, Armadale 10½d. at the railway station, Serpentine 9¾d., Mundijong 9¾d., Waroona 9½d., Yarloop 7½d. at the depot, 7d. at the farm, Harvey 7½d. at the depot. The price is dependent upon the geographical position of the producer. It is said that the metropolitan area requires about 10,000 to 12,000 gallons of milk daily. A drop of 1d. per gallon on 10,000 gallons would mean a loss of £15,000 a year to the producers. I should think that during the past 12 months there has been a drop of probably 5d. per gallon, which would mean a loss of something like £75,000 to the producers. The Advisory Board were powerless to prevent prices falling and they were also powerless to organise the industry.

Hon. W. D. Johnson: Of the £75,000, how much went to the consumers? Did they get the benefit or did the middlemen get it?

Mr. McLARTY: The greater proportion of it certainly did not go to the producers, and I do not think the consumers got the benefit they should have had. I do not wish to belittle the work of the Advisory Board. I believe that the board did everything possible in the circumstances to improve the conditions. I admit that the board under the Bill are to be given wide powers. That cannot be denied, but wide powers are necessary if the board are to have any hope of organising the industry thoroughly.

Mr. Marshall: Do you believe in the constitution of the board as proposed?

Mr. McLARTY: I shall deal with that. The board will have many difficulties to contend with—distribution, transport, health and numerous other problems. It is proposed that the board shall consist of four producers, two representatives of depot keepers and retailers and a representative of the consumers. I expected some criticism of the constitution of the board, but the consumer has nothing to fear.

Mr. Marshall: He has something to fear in regard to the powers to be conferred on the board under the Bill.

Mr. McLARTY: I have attended dozens of meetings during the past few months and have heard many expressions of opinion from producers, and not at any meeting

have I heard it suggested that the consumer is not paying sufficient for milk. On the contrary, the producers maintain that the consumer is paying too much compared with the price the producer is getting.

Mr. Kenneally: Why not give the consumer better representation on the board?

Mr. McLARTY: I do not think the hon. member need worry about the representation.

Mr. Kenneally: One-seventh is supposed to be fair!

Mr. McLARTY: The producers will not do anything that will be to their own detriment. They desire to encourage the greater use of milk. If they do anything to raise the price to consumers, which they admit is sufficiently high, very much less milk will be consumed and that will be to their own detriment.

Mr. Thorn: They will see that the consumer gets a fair deal.

Mr. McLARTY: The producer is not likely to fix a price that will prevent the consumption of milk. He wants to encourage consumption in every possible way. He agrees that the price to the consumer is sufficiently high.

Hon. A. McCallum: Then why is a representative of the consumers wanted on the board.

Mr. McLARTY: To state the views from the consumers' point of view.

Hon. A. McCallum: What about the depot keeper.

Mr. McLARTY: It is only reasonable that all sides should be represented.

Mr. Marshall: What side does he represent, the centre side?

Mr. McLARTY: The producer is the man most vitally concerned, and it is only reasonable that he should have a majority of the representation.

Hon. W. D. Johnson: He has it so far.

Hon. P. Collier: I think there should be five producers on the board!

Mr. McLARTY: We will be satisfied with four.

Hon. P. Collier: You will need to allow for one of them backsliding a bit!

Mr. McLARTY: We can trust the producers to elect satisfactory representatives.

Mr. Kenneally: Four out of seven and the chairman with a casting vote is fair!

Mr. McLARTY: The hon. member need not worry. The producers' representatives will not fleece the consumers, or the people they represent. A tremendous amount of

work awaits the board, but if given an opportunity, the board will be able to do effective work. On several occasions in this House reference has been made to the cost of distributing milk. It has been pointed out that three or four carts may be seen in one street, having travelled miles to supply two or three pints of milk. The board, if given an opportunity, will be able to control that phase of the industry. There is no question that the producer and the consumer have to stand that cost. Another thing which has acted detrimentally to the producer and which the board could control is that, owing to the low prices prevailing, there have been a number of blow-ins running about the country—other primary industries suffer from them when prices are low—picking up milk wherever possible and taking it to the metropolitan area. If they were able to sell the milk at a profit, they would pay the producer. The producer has been placed in such a position that he has been glad to get rid of his milk at any price. He needed a little ready money on which to live and he has been ready to supply milk to the men who have called.

The Minister for Agriculture: The producer did not always get the money for it.

Mr. McLARTY: No. The board would have power to deal with that type of man and would be able to protect the producer. The difficulty might be overcome by the board insisting on the lodgment of a bond or some other guarantee of good faith that the retailer or depot keeper was genuine. The Bill provides for the price of whole milk to be fixed on a butter-fat basis. I suppose that is really the only basis on which the price could be fixed. It is provided that such price shall be fixed in accordance with the butter-fat content and value, bacterial test, and added value for services involving production of whole milk.

Hon. W. D. Johnson: What is the butter-fat value?

Mr. McLARTY: The factories inform the producers of the butter-fat value each month, and that is the basis on which whole milk will be priced.

Hon. W. D. Johnson: Are we to understand that the factories will create the value of butter fat?

Mr. McLARTY: The factories create it at present. The Bill provides, and rightly so, that the whole milk producer shall be

entitled to something additional for the extra service he renders. The producer of whole milk loses the skim milk and consequently cannot have it for pigs and poultry. He has to rise at a very early hour in the morning and work to a time table. That is understandable. The retailers are waiting to get the milk in order that the people in the city may have it for breakfast. The producer has to work seven days a week. He can never get away from his farm; continuity of supply is essential. He has to exercise greater care regarding the pastures than does the man who is producing for butter fat. In the South-West, subterranean clover is one of the principal pasture plants, and the producer of butter fat can turn his cows on to the clover and it does not make any difference. A whole milk supplier cannot do that because the clover taints the milk, and if he sent tainted milk to Perth, it would be returned to him. I do not think any man is more deserving of a living wage than is a dairyman, more particularly the producer of whole milk. No man is tied more closely to his task. We are all hoping that this Bill will do something to enable him to get a living wage, which he has not had for a considerable time. I shall not traverse the whole Bill because there will be considerable discussion in the Committee stage.

Hon. P. Collier: I do not think so!

Mr. McLARTY: But I wish to deal with the subject of surplus milk. I am sorry that surplus milk has been mentioned in the Bill. Surplus milk has been the trouble in the past. Owing to the tremendous rush to produce whole milk, a great quantity of surplus milk has come into the city. The producer has been paid for it at cut rates, averaging about 6d. per gallon. The producers claim, as do also the Agricultural Bank inspectors, that a great deal of this surplus milk has been sold in the metropolitan area as whole milk, and at the same price as other milk, namely, 2s. to 2s. 4d. per gallon. There has been no check upon it in the past. If a retailer was known to be dishonest enough to sell for 2s. or 2s. 4d. surplus milk which he had bought at 6d. a gallon, there was nothing to stop him. The producer simply had to take his word for it that he was not doing that.

Hon. W. D. Johnson: Nevertheless surplus milk is whole milk.

Mr. McLARTY: It was paid for at 6d. a gallon because it is supposed to be separated, whereas whole milk is paid for at 11½d. a gallon.

Hon. W. D. Johnson: Would not the consumer profit by that?

Mr. McLARTY: The consumer has not profited by it. Surplus milk has been treated in many cases as whole milk.

Hon. W. D. Johnson: The middleman has been getting the difference?

Mr. McLARTY: Yes.

Mr. Kenneally: That is why you want representation on the board?

Mr. McLARTY: I hoped that surplus milk would not be mentioned in the Bill. It may be difficult to get rid of it. A penalty should be provided in the case of any retailer or depot keeper who supplies surplus milk at whole milk prices.

Hon. W. D. Johnson: Do not you think there is another danger, namely, the dairyman who retails his own milk? How are you going to protect the other retailers against him?

The Minister for Agriculture: There is nothing to stop him. He can do as he likes.

Mr. McLARTY: I am afraid that will have to be left to the board. The member for Mt. Hawthorn (Mr. Millington) spoke about the settlers who would not or did not pay their interest, and said they were competing with men who did pay. I take it he was referring to the settlers on the Peel and Bateman Estates. The recent strike had its stronghold in those particular districts. These settlers are dependent on whole milk, in fact, are almost solely dependent upon it. The hon. member should have said, "competing with settlers who are unable to pay their interest." When they were supplying milk at reasonable prices they were standing up to their interest liabilities pretty well.

The Minister for Agriculture: Some of them are doing so to-day.

Mr. McLARTY: Of all the group settlers they paid the best. When the price of milk fell, it took them all their time to keep body and soul together. They could not possibly meet their interest obligations when the price fell as low as 5½d. per gallon.

Hon. W. D. Johnson: They were not placed there as whole milk suppliers.

Mr. McLARTY: The group settlers were put into the shorthorn zone, from which I understood they were expected to enter into

the supply of whole milk for the metropolitan area.

Hon. W. D. Johnson: No.

Mr. McLARTY: If a producer can supply the metropolitan market, surely he has a right to do so.

Mr. Marshall: If your argument holds good you have no right to stop anyone who is producing milk within the metropolitan area.

Mr. McLARTY: I am not trying to do so.

Mr. Marshall: The Bill tries to do so.

Mr. McLARTY: There are hundreds of settlers on the Peel and Bateman Estates. Unless they are given a chance to stabilise their industry they will soon reach a hopeless position, and the country will be the sufferer. While the group settler is getting a price which does not cover the costs of production he cannot stand up to his interest obligation. A great quantity of whole milk comes from Harvey. The further away a producer is from a market, even with railway concessions, the more he is handicapped. I suppose the Harvey producer is the most heavily taxed farmer in the State. A tremendous amount of money has been spent there, and what with water rates and road board rates and other things the producer at Harvey has to carry a heavy burden. It has always been the policy of Governments to encourage settlers, in any kind of production, and the further away they are from the metropolitan area the greater has been the desire to assist them. I gather from the remarks of the member for Mt. Hawthorn on the subject of arbitration that he indicated that the metropolitan producer would come under that tribunal, whereas the country producer would not do so. Surely that applies only to the retailer and his employees. The hon. member is also afraid that the board as suggested will not possess adequate business knowledge. I do not agree with him. The retail depot keepers are not likely to elect novices to represent them. It is not natural to assume that they will elect any but those who are well versed in their side of the business. The representative of the consumers, who will be chosen by the Minister, is sure to be a hard-headed business man.

Hon. P. Collier: Not necessarily.

Mr. McLARTY: I hope he will be. Surely the Minister would not appoint any other class of man. The producers themselves will

see that their representatives are men of ability. The farming community is generally pretty conservative.

Hon. P. Collier: I do not think so.

Mr. McLARTY: I am not referring to politics. Great care will certainly be taken to choose the right people to serve on the board.

Hon. A. McCallum: How can a Conservative support this Bill?

Mr. McLARTY: I do not know, because I am not one. It is claimed that the board will not consist of experts. Men who have been engaged in this industry all their lives should possess expert knowledge. No experience can come up to the practical experience. If it is the desire of the board to avail themselves of departmental or outside experts, they can do so. I should like to stress the importance of the personnel of the first board, for they will have all the spade work to do. The Minister has plenty of good material from which to make up that personnel.

Hon. P. Collier: He has one man in mind already. That man does not produce milk, although he may be a capable person.

Mr. McLARTY: I do not know what people are in the mind of the Minister. I feel sure the producers will be represented by four men of ability.

Mr. Panton: If you get the board.

Mr. McLARTY: I am sure the hon. member will help in that direction.

Mr. Panton: Do not be too sure of that.

Mr. McLARTY: He knows the conditions under which the whole milk producers are working, and as one of the advocates of a reasonable wage he must surely vote for the Bill. I hope the Minister will form some idea whereby producers' representatives can be elected from the various zones. It would not be a good idea to elect them en bloc. I should like to see separate representatives of the metropolitan area and the country districts. The wider the representation is distributed the better will the board work.

Mr. Marshall: What chance has the metropolitan producer to secure representation on the board under the proposed system of election, when most of the producers are outside the metropolitan area?

Mr. McLARTY: That is a difficulty I want to overcome. I shall have something more to say in Committee. The Minister has shown a desire to help the producer and

has already done good work in tightening up the Dairying Act generally. When the report of the Royal Commission comes up for discussion, I hope to have an opportunity to speak about the butter-fat section of the industry. I hope the Bill will receive favourable consideration at the hands of members. I do not think the business of putting up posters, having displays and asking people to drink more of this or eat more of that helps very much. People will not eat more than they require.

Hon. P. Collier: Very often, nowadays, they cannot get as much as they require because they cannot buy it.

Mr. McLARTY: Despite these efforts, I do not think people will eat more than they desire, but certainly they are not drinking enough milk. Anything we can do to encourage them to drink more of that commodity should have our earnest consideration. All the producers ask for under the provisions of the Bill is a fair price and a pure milk supply to the consumer at a reasonable figure. That should encourage a greater demand for this most essential commodity.

HON. W. D. JOHNSON (Guildford-Midland) [8.16]: I agree with the member for Murray-Wellington (Mr. McLarty) that the people, particularly those resident in the metropolitan area, have been urging the passage of legislation to deal with milk supply and distribution, and have prosecuted their requests for a number of years. In framing the Bill, the Minister should have been assisted to a great extent by the recommendations of Royal Commissions and committees of inquiry that have gone into the question and submitted reports to Parliament. I am rather afraid the Minister has largely ignored those recommendations and has been influenced in the preparation of the Bill by the revolt that took place amongst the milk producers during the period of strife that has been referred to.

Mr. Raphael: Intimidated would have been nearer the mark.

Hon. W. D. JOHNSON: I support the public's desire to secure some organisation with reference to milk supply and distribution. For that reason, I am prepared to support the second reading of a Bill of this description, but I want to make it perfectly clear that unless the measure is altered in Committee, it will not secure my support at the third reading stage. Hon. members know I have always supported the organisation of

the marketing of our primary products. It is in the interests of the producers that some legislative authority be given them, especially in regard to marketing operations. But it is extremely dangerous to deal with the marketing of a commodity that is dealt with like milk, as compared with marketing in the sense I usually refer to. When I have dealt with the marketing problem, it has had reference to commodities partly consumed within the State, the remainder being exported. It is not in relation to the marketing phase only that we are required to give attention to milk.

The Minister for Agriculture: We do not export milk.

Hon. W. D. JOHNSON: Thus, the present phase is a totally different proposition from that usually dealt with when we discuss marketing operations. The title of the Bill states that the measure is to deal with production, treatment, distribution and also the purchase and sale of milk. There are two interests only in regard to milk supply and consumption. Those interests are those of the producer and of the consumer respectively. They are the only two to which we must give consideration. The Bill should not be confined to a buying or selling proposition, nor should it make marketing the main factor. Certainly it should be a factor, but not a major one in a Bill of this description. If we are to make marketing the main factor, then we must give the two interests equal representation, and we must see to it that the interests of the consumer are not likely to come into conflict with those of the producer, nor should the producer be given power to in any way work to the detriment or injury of the consumer. In my opinion, the Bill has been introduced as one mainly dealing with marketing. I admit that phase must be a factor, but the Bill itself is not a marketing Bill; it is one dealing with a social service. The member for Murray-Wellington correctly emphasised the importance of milk as an item of diet and a necessity for human consumption. The question of the marketing of milk must be associated with a guarantee of purity. It is wrong to frame a Bill that gives so much attention to the marketing side and so little consideration to the interests of the consumers. I emphasise that we should attempt to view the subject from a social service point of view. From that standpoint only is the Bill justified. The

fact that producers obtain bad prices and become dissatisfied, with the result that they clamour for legislation to give them some special advantage, should not influence this House to respond to their desires. We must see to it that we give consideration to the interests of the producers, but in doing so we must extend the same measure of consideration to the consumers. If we give the producer an advantage over the consumer, then it ceases to be a social service. If we give any one section the power of exploitation, even in a most indirect way, then it ceases to be a social service. If the Bill serves to give an advantage to one section of the community, then it must cease to be a measure I can support with the enthusiasm I should like to display.

The Minister for Agriculture: Do you not think that the producers should have some advantages?

Hon. W. D. JOHNSON: I will deal with the producers' point of view when I come to that phase. The first essential of the Bill should be that the administration of its provisions is of an absolutely impartial character. I hope the House will not agree to pass the Bill in a form that will give special advantage to one section of the community. It would be wrong for Parliament to do it, and wrong for the Minister to expect Parliament to give such wide powers to a board constituted as he proposes. The Bill is very indefinite in regard to production, treatment, distribution and sale of milk, but it is most definite regarding the purchase of the commodity. In other words, the only definite feature of the Bill is the clause that states the board shall fix the price to the producer. As to what shall be charged to the consumer, that aspect is evidently left to the discretion of the distributor. Clause 27 states specifically that the board shall have power to fix the minimum price per gallon to dairymen for their milk supply. Having given that definite power to the board with regard to purchase, the Minister is silent regarding the price of milk when sold to the consumer. Then, as a guarantee that the price fixed shall be just and adequate to the producer, the Minister says that not only shall the price be fixed, but that those who collect the price shall be constituted a price-fixing board. That is the effect of what the Minister says in the Bill. The board, he says, shall be constituted in such a way that the

producers of the milk shall have a majority vote.

The Minister for Agriculture: The price is fixed on the butter-fat basis.

Hon. W. D. JOHNSON: I will deal with that point in due course. The Minister goes further and says that, in case the provision for the four producers' representatives to the three representing other interests may slip, the board shall select their own chairman. The producers, having a majority, will naturally elect one of their number to the chair, and as chairman that member will have a deliberative and a casting vote.

Mr. Sampson: The Bill does not say that the producers' representatives will elect one of their number as chairman.

Hon. W. D. JOHNSON: No.

Hon. P. Collier: Of course the producers' representatives will elect one of the consumers' representatives as chairman!

Hon. W. D. JOHNSON: They are sure to! What is the objection to the board regulating the price to be paid by the consumer? If it is possible for the board to arrive at an equitable price for the producers of the milk, surely it is possible to so organise the business that the price to the consumer shall be the maximum price fixed by the board. It is wrong, in my opinion, to suggest that the price shall be fixed for one section and leave the middleman to exploit the consumer to his heart's content. Then there is the treatment of milk. The Bill says that the board may or may not insist on treatment. The Bill provides that the treatment of milk may be permitted and the definition clause shows what is meant by treatment. The Bill itself is silent in directing as to what constitutes treatment.

Mr. Sampson: The board is charged with that work.

Hon. W. D. JOHNSON: No, the board is not charged with it. It is left to the discretion of the board as to whether treatment shall be insisted on or not. There is no provision in the Bill, so far as I can see, to guarantee a supply of wholesome milk. There is nothing definite in that regard. We, therefore, have a Bill presented to us that neglects to protect the interests of the consumer from a price point of view, and then further neglects to see that that which the consumer shall consume is wholesome milk. The consumer must take what

the distributor may supply. When dealing with a social service like the milk supply, one of the essentials is a guaranteed standard. It is quite a common practice in other parts of Australia and in other countries for the wholesomeness of the milk to be guaranteed by organisations somewhat on the lines of the organisation proposed by the Minister, and what is the objection to making the testing of milk and the treatment of milk compulsory in such a manner as to guarantee its wholesomeness when delivered to the consumer?

The Minister for Agriculture: The Health Department attend to the testing.

Hon. W. D. JOHNSON: It is impossible for the Health Department, with a limited number of inspectors, to protect the interests of the consumers. The matter of a wholesome milk supply is of such vital importance to the health of the community that, when we legislate to organise and control the commodity, we should include provision to ensure that the consumer shall profit by the organisation and shall receive milk of guaranteed quality. The Bill provides that the milk shall be valued on a bacterial test, as well as on a butter fat basis, but only casual reference is made to the bacterial test. There is nothing definite about it. As far as I can judge, there has been no effort on the part of the Minister or his advisers to make provision for a wholesome supply. Quality cannot be guaranteed without treatment, and the Bill is most casual in its reference to the most important question of treatment. Numerous authorities, amongst them the Principal Medical Officer, Dr. Atkinson, agree that the best system of treating milk is by pasteurisation. It would be quite possible, in a Bill of this kind, to provide for a measure of pasteurisation or complete pasteurisation. If medical authorities agree that pasteurisation is a protection to the consumer, what is wrong with our deciding that the purity of the milk shall be guaranteed, as far as purity can be guaranteed, by adopting that system?

The Minister for Agriculture: You suggest that it should be compulsory.

Hon. W. D. JOHNSON: I would not agree to the Bill unless provision were made to guarantee a wholesome supply. It would be wrong to pass a Bill dealing with the milk supply unless we guaranteed that the commodity would be wholesome. It is

an outstanding responsibility of Parliament to ensure the wholesomeness of the product.

Mr. McLarty: Cannot that be done at present?

Hon. W. D. JOHNSON: There may be other means of guaranteeing purity, but I wish to see it definitely stated in the Bill. My view is influenced largely by the views of Dr. Atkinson. He specially studied the question both here and abroad, and he has stated that pasteurisation is an effective means of purifying milk. There is a system in vogue of brine cooling. In the metropolitan area some of the milk is pasteurised, but the quantity so treated is so very small as compared with the total consumption that the cost of pasteurising is high. So far as I can gather, the cost is about 2½d. per gallon in Perth, whereas in Wellington, New Zealand, where the whole of the milk is pasteurised, the cost is only ½d. per gallon. I understand that brine cooling merely delays the activities of the bacteria in the milk. It maintains the milk at standard quality until the distributor is able to supply it to the consumer. Pasteurisation, however, is a different proposition. It destroys the bacteria and makes the milk more wholesome. I do not think any process would make bad milk good, but I understand that pasteurisation makes good milk better. Where it is possible to guarantee the consumer milk of better quality, Parliament should insist that consumers get it. We should investigate the conditions applying elsewhere and ascertain whether world experience is not such that pasteurisation, or some such treatment, does guarantee greater purity in the milk supply. If this is so, we should adopt it and guarantee to the people of the metropolitan area the most wholesome milk that can be supplied. Regarding distribution, the Minister proposes that he shall declare the dairy area and districts. What is going to influence the Minister in that connection? Is he going to view it from the standpoint of the more economical distribution of milk in order to help the consumer, or is he going to fix the dairy area to give producers better opportunities to supply their product to the distributors? It is one part of the Bill that needs explanation. I suggest that the Minister has omitted to consider this important matter. The member for Murray-Wellington (Mr. McLarty) referred to

the fact that we have a multiplicity of distributors delivering milk in one street. He said a supplier would travel a long distance to deliver milk to one customer. Every commission or committee that has investigated the question has emphasised how uneconomical is the existing practice. In other parts, the difficulty has been overcome by blocking the city or the metropolitan area—dividing the district into blocks and arranging for each block to be served by registered distributors. It may be objected that, if this were done, people living in a block would be compelled to purchase milk from one distributor. That objection could be overcome by fixing the blocks on the basis of population or consumption and providing a living for two or three distributors for each block. It would be provided that within the block there would be sufficient population or consumption to maintain a given number of retailers or distributors licensed for the block.

Mr. Marshall: Could you do that without regulating the price?

Hon. W. D. JOHNSON: I hope that a maximum price will be fixed from time to time by the board, just as they are to fix the price that the producer is to receive.

Mr. Raphael: Short measure and so on will not be taken into consideration.

Hon. W. D. JOHNSON: If there were fifty retailers distributing milk, there would be a greater likelihood, by reason of the competition, of getting inferior milk and short measure. Overproduction is one of the difficulties of the world to-day. We should so regulate competition as to get effective service at the minimum of cost. I suggest it would be better that Victoria Park should be served by two or three milkmen, properly organised and certificated, who would be obliged to supply milk of a wholesome quality, than to have a continuance of the existing system where quite a number of milkmen are operating, but find it impossible to make a living without resorting to tactics for which intensive competition is largely responsible.

Mr. Raphael: And put the rest on the dole at the cost of the Government.

Hon. W. D. JOHNSON: In the interests of the consumers, it is desirable to limit the number of milkmen. How are we to compensate those who lose their living? I do not suggest that they should be put out of business without some compensation for their

goodwill. It is a simple matter to arrange that. The value of the rounds could be arrived at by a method to be agreed upon. Once it is arrived at, the board could accept the responsibility, and in licensing the areas to those who are to operate them they could fix a price that would recoup the board for the amount of compensation paid. The consumer would gain by the process, and the producer would not be likely to lose. If we are going to do the job at all, let us do it thoroughly, and see to it that not too many people are allowed to operate in an industry which cannot carry them all. Let us limit the numbers so that we can guarantee a decent living for those who are left in. This will enable them to give a proper service and supply the very best article. I do not agree with the constitution of the board. There is no justification for giving the producers a majority control. The board should not consist of more than three persons. If seven are to be elected, seven will have to be paid, and the industry itself will have to carry all the overhead charges.

Mr. Marshall: The Government will do so.

Hon. W. D. JOHNSON: No. With three members the administration could be more effectively carried out. The metropolitan area lends itself to economic administration. The New South Wales Act is administered by a board of three, who have the control of the enormous milk consumption of Sydney compared with that of our metropolitan area. A board of three should be quite sufficient to give us an impartial tribunal, one that will see that justice is done to the consumer as well as to the producer. All that is necessary is to give a representation of one to the producers, of one to the consumers, and of one to the Government, the last-named being the chairman. The Government nominee would hold the balance between the other two interests. That is the general practice in other places. Wherever that has been tried it has proved effective. There is no need to have seven members on the board. It would be wrong to have such representation, and I would suggest that the Minister should agree to a board of three. The Minister also suggests that the distributor, the middleman, should have representation on the board. That is quite a new proposal. The distributors are people who serve the producers and the consumers. They have no right to dictate to either.

Mr. McLarty: I think they are the mas-

Hon. W. D. JOHNSON: They have assumed the position of master, and that is where a great deal of our trouble arises. It is wrong to give the middleman representation on the board. There is no room for him there. He has no right to interfere with the producers, or to direct the affairs of the consumer. He must give service to both. He is the middleman, who sees that the production of the producer is properly presented to the consumer, and there his responsibility ceases. The extraordinary proposal contained in the Bill is to give the distributors more representation than the consumers. A more ridiculous idea I have never seen in a Bill. I cannot understand the Minister trying to justify it.

Hon. P. Collier: He is to have double the representation.

Hon. W. D. JOHNSON: Yes. The Minister says that the two distributors will be elected. He gives the board enormous powers, and included in those powers is a proposal that the districts should be divided up, and that the licensees should be determined by the board. He also proposes that two distributors should have the right to decide who their competitors should be, where they should be situated, and how they should operate. It is wrong that the Minister should say that he or anyone else is capable of selecting two wholesalers.

The Minister for Agriculture: They are elected.

Hon. W. D. JOHNSON: The Minister put upon the retailers and wholesalers the responsibility of electing two of their number. Immediately that is done, and these men are elevated to the board, they will be in a position to crush their competitors or hamper them in all their operations.

The Minister for Agriculture: You said just now the producers could dominate the board.

Hon. W. D. JOHNSON: The producers certainly will do so. Two distributors will be on the board to influence the remainder as to how the board should act with regard to their competitors. They will have the inside knowledge of distribution. They will know all about the metropolitan area and the distribution of milk. The Minister proposes to establish them at the board's table to decide the destinies of their competitors. The thing is so ridiculous that the Minister will surely understand that this provision must go out. I do not think the represen-

tatives of the producers in the House are likely to encourage the middleman to have a say in matters of this kind. My inquiries lead me to believe that the normal round in the metropolitan area is 30 gallons, some distributors going up to 45 and some having as low a round as five or six gallons. It will be difficult for the board to decide who shall be elected from the distributors to hold licenses. The process of exclusion should not be decided by interested parties, who can profit by the distribution of licenses, and gain some advantage by representation on the board. This lends itself to all kinds of profitable logrolling, and is so dangerous that I trust it will not be adopted. When the member for Murray-Wellington (Mr. McLarty) was speaking, I interjected to draw his attention to the weakness of the measure in regard to dairymen who were also vendors of milk. According to the Bill a dairyman who is also a distributor will be licensed. That is the most dangerous part of the measure from the distribution point of view. During the flush period such dairymen would have an advantage over others. The Minister will say that we are dealing with surplus milk. As holders of a license these dairymen are a potential danger all the time they hold it. They get their milk in the flush period, and dispose of it. They have plenty of opportunities to do that. The experience in other parts has been that they are always the dangerous factors as an undermining influence. Before the Bill goes through the Minister should look into this question.

The Minister for Agriculture: They are the men who supply the best quality milk.

Hon. W. D. JOHNSON: They may do so.

The Minister for Lands: They do.

Hon. W. D. JOHNSON: How is it possible to control the industry when it is proposed to give one set of men such a great advantage over another set?

The Minister for Agriculture: Only to sell their own milk.

Hon. W. D. JOHNSON: At certain times of the year the milk will be surplus milk. If it were not surplus at some time these men would have insufficient milk at other times of the year. To regulate the supply so that a sufficient quantity is forthcoming during the normal period, it is necessary to get rid of the surplus during the flush period. The Minister may say that these

dairymen sell their milk at butter-fat rates, and that it does not go into the market as whole milk. The danger is that it will go into the market as whole milk. Experience has proved that it is very dangerous to give these men the opportunity to work in a dual capacity as producers and distributors. I do not say they should be excluded, but it is necessary to stiffen the provisions of the Bill to see that they are not led into temptation.

The Minister for Agriculture: They are the easiest men to deal with.

Hon. W. D. JOHNSON: How are the Board to arrive at the value of butter fat? Is it to be regulated on the London parity plus the Paterson bonus? Generally speaking the producers control the factories and fix the price of butter fat from time to time. It is fixed on the London parity.

Mr. McLarty: I am not sure that the producers control the factories.

Hon. W. D. JOHNSON: Over 70 per cent. of them are co-operatively controlled.

Mr. Parker: Do you say that of those concerns which supply whole milk for the metropolitan area?

Hon. W. D. JOHNSON: No. Over 70 per cent. of the factory butter produced in this State emanates from co-operatively controlled concerns.

Mr. Parker: Harvey is a co-operative district.

Hon. W. D. JOHNSON: Yes.

Mr. Parker: What about Nestle's Milk Co.?

Hon. W. D. JOHNSON: That is a separate thing.

Mr. Parker: The Pascomi Company is not a co-operative concern.

Hon. W. D. JOHNSON: Yes; it is registered under the co-operative Act.

Mr. Parker: No.

Hon. W. D. JOHNSON: I think it is.

Mr. Parker: I know it is not. It is registered under the firms Act. The South-West Dairy Farmers are in it.

Hon. W. D. JOHNSON: I understood they were registered as a co-operative company.

Mr. Parker: They are only part owners with the Pascomi Company.

Hon. W. D. JOHNSON: That is only a small factor. The member for Murray-Wellington states that the price which will be paid to the producer for whole milk in

the metropolitan area is to be based on butter fat value. But the question arises, how can butter fat value be arrived at? The hon. member said that the factories declare the price.

Mr. McLarty: The Butter Board declare the price.

Hon. W. D. JOHNSON: That is so; and the Butter Board, of course, represent the factories. Therefore we can take it that the price of butter fat is the price declared by the Butter Board from time to time. I have no doubt that the Minister, when replying, will deal with that matter. It is rather important for us to know where the foundation is for the price of butter fat. I have indicated that drastic amendments will have to be made in Committee in order that the Bill may have my support on the third reading. I am of opinion that hon. members will assist in making this a workable measure, just and equitable to every interest affected. I believe we are all desirous of doing justice to the producer. We agree that he has been having a very bad time indeed, and that over-production in the metropolitan area during flush periods has been disastrous to him. We wish to protect him as far as possible. Legislation of this kind is introduced for the purpose of protecting the producer, but in our desire to safeguard his interests we must not neglect those of the consumer. Above all else, we must see that that which the producer supplies is as wholesome and as pure as it is possible to have the article. Therefore we should keep the middleman away from the board. We do not want to give the middleman any say in the administration of the board's affairs. We should so constitute the board as to have an even balance between the producer's interests and the consumer's; and that can be achieved by appointing a capable business man chairman of the board. Next, we must see that the board direct the distributors in the way they should serve the consumers. In my opinion, the board should direct that the milk shall be treated. Further, the board must see that the milk supplied to consumers is wholesome. It is quite competent for Parliament to frame legislation of this kind in such a way as to do a great social service to the consumers in the metropolitan area. Elsewhere, in Wellington and other New Zealand towns where the supply is municipalised, excellent results have been en-

joyed by the producer, and great benefits have been bestowed upon the consumer. Exactly the same thing applies in Sydney and in other parts of the world. Where organisation has been introduced, it has proved beneficial.

The Minister for Agriculture: How long has the system been operating in Sydney?

Hon. W. D. JOHNSON: Quite a long time.

The Minister for Agriculture: The system is in a great mess there.

Hon. W. D. JOHNSON: Sydney is in a mess generally. All I can say is that even in Sydney the system has not been a failure.

The Minister for Agriculture: It was a failure until the appointment of the last board.

Hon. W. D. JOHNSON: No doubt there was a great wrangle in constituting the board. Sydney is most active as to the personnel of those who occupy certain positions. Sydney adopts the American plan of accompanying a change of Government with a change of representation on boards. Nevertheless, apart from political considerations attaching to the first board, the New South Wales Act has operated mainly to further the interests of the producer and of the consumer. I maintain that it is perfectly possible for this House to pass a piece of legislation that will be a credit to Parliament and a benefit to the community; but the Bill as presented must be drastically amended before that end can be attained.

MR. SAMPSON (Swan) [9.6]: I agree with the previous speaker that the consumer's needs must be cared for, and I feel sure they will be cared for. Unfortunately, in the past, fair treatment has been denied to the producer; and I must heartily congratulate the Government on having brought down this Bill. I shall not speak at length, because I am anxious to see the Bill go into Committee and become an Act as speedily as possible.

Hon. P. Collier: We might get it through to-night!

Mr. SAMPSON: I am prepared to stop late to do it. The Bill is a step in the right direction, and on its broad principles I support it. Partly in reply to the remarks of an hon. member, I point out that this is a Bill to provide for regulation, organisation, production, purchase, treatment and so on of whole milk.

Hon. W. D. Johnson: Where does the Bill provide for treatment?

Mr. SAMPSON: In Clause 27.

Hon. W. D. Johnson: There is no clause dealing with the machinery necessary for treatment.

Mr. SAMPSON: One would not expect to find those details set out in such a Bill as this. Milk distribution is, to an extent, a criterion of civic progress, of the progress of civilisation. I was once in a country where the morning and afternoon milk was carried around per goat, and the owner of the goat milked her at the door of the consumer.

Hon. P. Collier: Then there were no middlemen there.

Mr. SAMPSON: Unfortunately this milk, taken neat, was regarded as an unsafe food; unsafe, that is, to persons not immune to a disease which might arise through the consumption of milk. Visitors to the place were informed that it was unsafe to drink this milk. In Italy during 1914, and, I believe, up to the time of the rise of the Dictator Mussolini, this system obtained. Milk needs to be cooled down and treated as described in this Bill. For several years I have supported organisation in marketing, and control legislation. We know what has happened in Queensland; the progress which the fruitgrowers of that State have made, and the progress which by virtue of the Exports Control Act has resulted in New Zealand. The Bill indicates great progress. I wanted the Primary Products Pool Bill introduced by Mr. Troy; and I have always regretted that the measure was not enacted. It passed this House, where I had the pleasure of supporting it through its various stages, but it came to grief in another place, being defeated by one vote. A good deal of water has run under the bridge since then: organisation in marketing is more general, and there is wider understanding of the subject. The effect in New Zealand, and the progress made in London by New Zealand primary products because of marketing legislation, are notable effects of the new system. Similarly, this measure will mean progress here. I am positive that it will be a good thing for the consumer, because there will be that control which is essential. Milk will be treated as required, and there will be a limita-

tion on that spread of costs which operates to-day. Whereas the producer receives an exceedingly low price, there is no benefit to the consumer. The price to the consumer always remains high.

Hon. P. Collier: Where will the limitation of spread of costs come in?

Mr. SAMPSON: There will be a limitation, I understand, in respect of distribution. I am hoping that the proposed board will bring in the block method of distribution. The spectacle so graphically portrayed by the Leader of the Opposition on another occasion, when he pictured the running up and down the street of several milk carts, would be done away with. The member for Guildford-Midland questioned some aspects of the Bill. He is perfectly justified in criticising the measure if it is not what it should be. On the broad details of the Bill, I propose to vote for it and also to approach the Committee stage with an open mind. At the same time, I believe that the measure will make for the advantage not only to the producer, who, heaven knows, needs it—there is no one closer to the status of serf than the milk producer—but also for the consumer's advantage. Seeing the duties with which the board are charged, the measure should make for the advantage of the consumer; and I am sure there will be no increase of costs.

MR. WELLS (Canning) [9.15]: It is not my intention to delay the House by speaking at length. The indications are that the measure will have a turbulent passage through the Committee stage but we shall have opportunities to discuss various phases later on. I appreciate the desire of the Minister to stabilise the industry. I also appreciate his motive in endeavouring to see that the producer shall receive a price for his milk that will enable him to continue in the industry with a fair return for his labour, and, on the other hand, to assure that the consumer shall receive pure and wholesome milk at a price he can afford to pay. I am not favourably inclined to the control of industry by legislation. When we commence to harness up operations by means of Acts of Parliaments, we hamper industry and frequently prevent the flow of capital that is available for private enterprise. In my opinion, the producers sold their birthright when they handed over the

distribution of their milk to the distributors. I favour the conduct of industry on the basis of supply and demand. It is evident, however, that the whole milk industry has got beyond that stage, and competition has become unfair in many respects. Particularly does that apply to the milk produced on group settlements and sent to the metropolitan market. Those settlers compete unfairly with the producers of the metropolitan and outer metropolitan areas, who have had to develop their business and build up their herds by the expenditure of their own capital. Some producers have spent thousands of pounds in achieving that end and yet have been subject to strict inspection of herds and premises and to arbitration court awards. Producers in the outer districts have not been limited to that extent.

Mr. Kenneally: The Bill proposes to extend inspections and so on, to the dairymen in the outer areas.

Mr. WELLS: To a large degree that has been responsible for the introduction of the legislation. The producer who has been subsidised by the Government from public funds, has been established by the State in the industry and is certainly in a position to compete unfairly with others who have had to expend their life savings in building up their herds. In my opinion, the board proposed in the Bill is unbalanced. The producers and the consumers should have proper representation, for they are the two sections of the community that should have our most earnest consideration. The board of three suggested by the member for Guildford-Midland (Hon. W. D. Johnson), would probably be too small, but I think one comprised of five members would be better than a board of seven as proposed in the Bill. It is important that the members of the board shall be thoroughly conversant with every phase of the industry so as to do justice to both producer and consumer. I notice that the board will not only handle the production, sale, distribution, transport and inspection of milk, but will also have the power to issue or withhold licenses. With such wide powers at their command, a board not properly constituted could easily play havoc with the industry. Apparently persons from whom licenses have been withheld will have no right of appeal.

Mr. Marshall: The board can refuse to issue licenses at all.

Mr. WELLS, That is so, but the point I make is that no right of appeal is given to the individual from whom the board may withhold a license.

The Minister for Agriculture: Right of appeal is given to the Minister.

Mr. WELLS: As there will be another opportunity to discuss various phases of the Bill respecting which further information will be desired, I shall not delay the House any longer.

MR. MARSHALL (Murchison) [9.21]: I approach the discussion of the Bill with mixed feelings. The measure contains principles that I can readily support. While there is much virtue in the Bill, that phase is overshadowed by objectionable features. Under the Bill it is sought to over-ride two important pieces of legislation—the Health Act and the Shops and Factories Act. The Minister did not refer to those measures at all when he introduced the Bill. If we agree to the measure as it stands, we will hand over functions that are now carried out by the Health Department. We are asked to leave that work in the hands of a board comprised of laymen who will be allowed to say how milk shall be treated, how it will be distributed and so on, perhaps in defiance of the expert advice that has been available in the past. I have been struck by the remarkable inconsistency of members on the Government side of the House.

Mr. Kenneally: Their inconsistency is not remarkable.

Mr. MARSHALL: Ever since I have been a member of the House, each proposal submitted for the purpose of controlling the distribution of necessities of everyday life has been viewed with hostility by members sitting on the Government side of the House to-day.

Mr. Kenneally: Including rents.

Mr. MARSHALL: The argument has always been advanced that the law of supply and demand should prevail. Every effort Labour made to relieve the position by way of fixing prices or otherwise was always attacked by members sitting on the Government side of the House.

The Minister for Agriculture: Now you are returning the compliment.

Mr. MARSHALL: Even last week, during the discussion on a Bill, we were told that we should not interfere with private enterprise, and that competition was the soul of trade. Now we are asked to agree to the passage of a Bill that specifically in-

terferes with private enterprise and free competition. Is there any consistency in that attitude?

The Minister for Lands: I am wondering when you propose to get to the Bill instead of continuing your lecture.

Mr. MARSHALL: I am not surprised at that attitude of the Minister. He is always wondering. When it suits the Government and their supporters to interfere with free competition such as exists in the wholemilk industry, they have no compunction about doing so. I do not know that they desire to do it at all, except that at one time a certain board was created with partial control over the production and distribution of milk. That board found itself in a hopeless position.

The Minister for Agriculture: The board never had control.

Mr. MARSHALL: The board had control but no legal status. At any rate, that board influenced the Minister and approved of the Bill.

The Minister for Agriculture: No.

Hon. A. McCallum: Don't make any error about that.

Mr. MARSHALL: The Bill is not the outcome of the Minister's deliberations.

Hon. A. McCallum: Ask the strike leaders about that!

Mr. MARSHALL: The Bill was not framed by the Minister. In its provisions there is no semblance to the Minister's generosity. It was prepared by the red-raggers who were on strike.

The Minister for Agriculture: No, it was not.

Mr. MARSHALL: It was mostly framed by them.

The Minister for Agriculture: Their suggestions are not contained in it.

Mr. MARSHALL: The Minister cannot put that over me. I know him well enough and I know some of the parties concerned in the trouble. I know the temperament of one individual in particular who was a member of this Chamber.

The Minister for Lands: For how long were you associated with him?

Mr. MARSHALL: Quite a time. I can see his hand in the Bill and I cannot see in it any indication that the Minister's own thoughts are being carried out in its provisions. The Bill has been practically framed by those who are keenly interested in a big way in the distribution of milk in

the metropolitan area. I will be frank and say that it is practically confined to two firms in the city, or their representatives. Those are the people who are interested and have been engaged in assisting to draft the Bill. I do not think the Minister will deny that statement. I do not blame them; they stand to win much by the introduction of legislation of this description, and to lose nothing.

The Minister for Agriculture: They are complaining bitterly about some of its contents.

Mr. MARSHALL: I do not doubt that. The title of the Bill shows that it is to provide for the regulation and organisation of the production, purchase, treatment, sale and distribution of whole milk for use by consumers within the metropolitan area. There is the trouble. And, outside a few distributors and producers, there is not one individual in the metropolitan area that will have the slightest say in the Bill. The purpose of the Bill is to supply milk to the consumers in the metropolitan area, yet the consumers, the parties that are making the market for the producer, are to have but one representative on the board, while the middleman has two, and the producer four.

The Minister for Agriculture: Do you not think he should have a majority?

Mr. MARSHALL: I do not think the majority of producers, whether inside or outside the metropolitan area, are particularly anxious about the majority. What really happens is this: There are incidental producers, both inside and outside the metropolitan area, who desire control and to have their own special benefits. That is why the Bill is here. The producer who deserves every consideration is not interested, save that he desires a fair price for his product. That applies to the majority of them. But there is a section of the producers, just as there is of the distributors, who desire to get control of the production and distribution of milk for their own special benefit only. They are not concerned about the consumer, nor are they very much concerned about the distributor beyond the fact that they stand or fall with him. They would not worry about the majority of the distributors, so long as they themselves were all right; and through the Bill they will secure a power and influence to which they are not entitled. A board of this sort should give equal representation to all the parties concerned. Actu-

ally there are only two parties concerned, the producer and the consumer. They alone should be represented, and represented equally, and should have an independent chairman appointed by the Government. By that means we should get a board that would do some good for the bulk of the producers, and incidentally for the consumers also. But here we are to have a board of seven members and, what is remarkable, four of that seven can form a quorum! There are to be on the board four representatives of the producers. Even if they fell foul of the representatives of the distributors, and of the consumers, they could exclude them entirely from a meeting, form a quorum, proceed with their design, and it would have legal standing under the Act.

Mr. Kenneally: And they could elect a chairman.

Mr. MARSHALL: Yes, and he could have a casting vote, although they would not require the casting vote. If they found themselves at variance with the other two sections represented on the board, they could say to them, "You can go to Halifax. We are calling a meeting at which the whole of the members present will be representative of the producers." And they can sit and carry any motion they like, impose any obligations they like, remove other obligations, do whatever they will, and under the Act it will be quite legal. The four representatives of the producers could do that. Does the Minister think that is fair?

The Minister for Agriculture: The majority always decides.

Mr. MARSHALL: Yes, but in a majority of the boards the representation is equal. The Minister has not that in the Bill.

The Minister for Agriculture: In the majority of the boards they are all producers.

Mr. MARSHALL: Under the Bill, the board will have seven members, of whom four represent one section. Then you make four a quorum. That is the Bill. Therefore, if the four producers' representatives find themselves at variance with the whole of the other representatives, they can ignore them and can sit and carry resolutions in favour of almost anything regarding the production and distribution of milk.

Mr. Kenneally: Could even fix the price.

Mr. MARSHALL: Yes, and issue or revoke licenses. They could even stop every producer within the metropolitan area, because there is no doubt the representation

of the producers will come from outside the metropolitan area.

The Minister for Agriculture: What makes you think that?

Mr. MARSHALL: Where does the Minister think they will come from? Under the measure how many of the producers will be qualified to vote?

The Minister for Agriculture: The member for Mt. Hawthorn the other night said that 60 per cent. of the cows were within the metropolitan area.

Mr. Millington: But not the owners. You should give the cow a vote.

Mr. MARSHALL: Having regard to the possibilities of the producers outside the metropolitan area securing 100 per cent. of the producers' representation on the board, it will be seen that they could close down every dairyman in the metropolitan area.

Hon. P. Collier: Which they will do, no doubt.

Mr. MARSHALL: Under the Bill it is quite possible.

The Minister for Agriculture: No, not without the approval of the Minister.

Mr. MARSHALL: They can get that at any time. This is not the Minister's Bill.

The Minister for Agriculture: Yes, it is.

Mr. MARSHALL: Well, I am assuming that it is not.

The Minister for Lands: You are off the track.

Mr. Millington: He is relieving the Minister of the responsibility.

Mr. MARSHALL: Yes, I think it is not the Minister's Bill. It is a Bill that has been more or less drawn by parties vitally concerned, and they seek power and influence and want to get a legal status. So they go to the Minister and say, "This is the Bill we want you to introduce." The Minister simply takes it.

The Minister for Agriculture: They made a lot of amendments in it.

Mr. MARSHALL: Having caught the Minister in the first place, they think they can catch him again. They wish to be even surer than they were originally. Just imagine the powers the Minister gives the board, even over the treatment. Suppose the board decided on pasteurisation; we have only one plant in the metropolitan area, indeed in the whole of the State.

Hon. W. D. Johnson: There is only room for one.

The Minister for Lands: You were using their information to-night, and they say three are required.

Mr. MARSHALL: I am led to believe there is only one company having the machinery necessary for pasteurising milk. Under the Bill they could use their influence with the producer, who would not be very concerned about the distribution of milk, provided the price he was receiving was a profitable one. That would be all that the producers' representatives would be concerned about.

The Minister for Agriculture: Would they not be concerned about increasing the consumption?

Mr. MARSHALL: I do not doubt that, but it is a great pity there are so many dairy farmers outside the city watching the possibilities of a market within the metropolitan area for the sale of milk. But to get back to pasteurisation: I understand there is a certain amount of influence at work in order that this firm shall get full control of the distribution of milk in the city because of the pasteurisation. I am not going to say it is true, but the Minister did not labour it very much, did not say very much about it when moving the second reading.

Hon. P. Collier: No doubt that is what is behind it.

Mr. MARSHALL: I should not like to say that is always behind it, but there is a possibility of the board going to even that extent. And there is no appeal from anything the board may do, other than to the Minister.

Hon. P. Collier: It is to be a Mussolini board, with the last word.

Mr. MARSHALL: Practically the last word, for there is the appeal to the Minister. I do not know what the Minister's attitude may be, since he is a representative of the primary producers. I do not know whether there are any dairymen in his electorate.

Hon. A. McCallum: He appoints the board, and there is to be an appeal from the board to the Minister.

Mr. MARSHALL: That exists only for the next two years.

Mr. F. C. L. Smith: It is from Caesar to Caesar.

Mr. MARSHALL: This board will have all the spade work to do, the building up of the control of the industry, and so most of the trouble will occur within the first 12 or

18 months. The Minister will find himself in the invidious position of having appointed the board and then having to hear an appeal by some section against the board's decision. So he may have to chastise the board that he himself appointed. The taxpayers of the State have spent millions of pounds in settling migrants and Australians on the land. I refer now to the group settlements. It was not intended when that scheme was initiated that the settlers should go in for the production of whole milk. The Premier of to-day was the Premier then, and in season and out he declared the possibilities of group settlement in the South-West for the purpose of supplying with dairy by-products, not only the local market, but also the market overseas.

The Minister for Agriculture: With dairy products.

Mr. MARSHALL: Yes. He quoted bacon, butter and cheese as the requirements of the United Kingdom running into millions of pounds, and hundreds of thousands of pounds worth of those commodities needed in this State. Every member of the Chamber in those days, including you, Mr. Angelo, believed that our group settlers were to produce those commodities. Unfortunately they have got it into their heads that they have been put on the land for the purpose of producing milk for consumers in the metropolitan area. That is the whole trouble.

Mr. McLarty: But they are close up against the metropolitan area; they are only an hour away from it.

Mr. MARSHALL: I am not concerned about that. The fact remains they were never put on the group settlements for the purpose of supplying milk to the metropolitan area. Indeed I have no recollection of the metropolitan milk supply ever being short. There was always an abundance of milk available, even long before the group settlements were thought of.

Mr. Piesse: At that time we were importing butter from the Eastern States.

Mr. MARSHALL: I know that. I agree that the group settlements were inaugurated for the purpose of supplying butter, bacon, cheese and other by-products to this State and to the market overseas. Instead of the Government insisting upon the production of those commodities, the group settlers have taken advantage of a ready market in

the metropolitan area and have competed with men who were producing milk long before group settlement was thought of.

Mr. Lamond: And the local producers established themselves on their own capital.

Mr. MARSHALL: Yes, their own capital and industry. Yet those producers may be put out of business and no provision is made in the Bill for the payment of compensation. I suggest that if the Minister for Agriculture had been established as a dairy farmer in the metropolitan area, he would not be found introducing this Bill. He would realise the danger of it. But his particular form of production is not likely to be affected.

The Minister for Agriculture: Do not you realise that a dairy area will be fixed?

Mr. MARSHALL: The Bill will empower the board to do certain things. One is to issue licenses and anyone who has not a license may not carry on the production of milk or the distribution or treatment of it.

The Minister for Agriculture: Such a man would have the right of appeal.

Mr. MARSHALL: But only to the Minister, and I do not agree with that.

Hon. A. McCallum: No right of appeal is provided in the Bill.

The Minister for Agriculture: Notice of an amendment appears on the Notice Paper.

Hon. P. Collier: But we are dealing with the Bill. No appeal is provided in the Bill.

Mr. MARSHALL: I was assuming it was in the Bill. I do not think the Bill will be passed. Another place does not believe in interfering with private enterprise or with the law of supply and demand. Members there are very consistent, more so than members here.

Hon. P. Collier: That is their outstanding virtue.

Mr. MARSHALL: Unfortunately for the Government, the only consistency in their supporters lies in their inconsistency. The Minister is not fair to the producers of the metropolitan area who have established themselves in the milk production business. To take away their livelihood for the benefit of some who until recently were not thought of in the business would be most unfair. The only price fixing to be done by the board is that for the producer. The consumer can battle for himself. He is to have one repre-

sentative on the board and that is all. The Minister has been careful to ensure that the producer gets a fair and reasonable price, but the consumer has no protection save one representative on a board of seven. Yet the Bill is to govern the supply of milk to the consumers of the metropolitan area. One would have thought the consumers had caused all the trouble, but while they have been paying an exorbitant price, the producer has not received full value for his commodity. The Bill will protect one section of the people, namely, the producers. I am with the Minister in that, and will assist him. I know what dairy farming is. I did a little of it, and I want no more. The dairy farmer deserves all he can get. But the consumer who makes the market for the dairy farmer also deserves consideration. A remarkable feature of the Bill is the provision that in times of scarcity the board may fix a premium for milk. Not satisfied with a reasonable price, when a shortage occurs, the board may charge a higher price.

The Minister for Agriculture: There is never likely to be a shortage.

Hon. P. Collier: Then why make provision in the Bill for a shortage?

Mr. MARSHALL: To my knowledge there has never been a shortage of milk.

Hon. P. Collier: If the board put some of the dairymen out of the business or did not grant them a license, there might be a shortage.

Mr. MARSHALL: That is one of the objectionable features of the Bill. Clause 27 provides that during periods of scarcity the price may be increased. If the cost of production increased, the producer would be entitled to a higher price, but if a scarcity occurs—it may be due to some action by the board and not to any increase in the cost of production—there is no justification for increasing the price. Yet power is given to do so. With regard to most of the necessities of life, the time is rapidly approaching when we shall have to control prices. All over the city there is a scandalous waste in the distribution of primary products. This applies not only to milk, but to fruit, fish, meat and other commodities. Huge sums of money are being pushed into the pockets of landlords for the distribution of fruit and vegetables. Almost every second shop is a fruit shop carrying a rental of £15 to £25 a week.

Hon. P. Collier: Shops with a 9-ft. frontage.

Mr. MARSHALL: Yes, sometimes two or three shops together.

Hon. P. Collier: The rent is putting up the price of those commodities.

Mr. MARSHALL: Overlapping of that kind has to be paid for by the consumers. Milk is no exception. After the war, when we tried to regulate prices, we were not allowed to interfere. We were told that competition was a good thing. The Minister, however, has changed his opinion.

The Minister for Agriculture: I was not here then.

Mr. MARSHALL: But I know the opinions held by the Minister. Now, when pressure is brought to bear, how quickly he can change his opinion!

Hon. P. Collier: He has changed with the processes of the suns.

Mr. MARSHALL: The advocacy of Labour years ago is having its effect. Competition, as we know it, is not altogether good. Control is necessary. The provision for control is about the only virtue of the Bill, but the means by which it is sought to bring about control are most objectionable.

The Minister for Agriculture: The means consist of organisation.

Mr. MARSHALL: Many of the principles contained in the Bill are most objectionable. The measure might be satisfactory for producers outside the metropolitan area, but not for those inside the metropolitan area. The board will have unlimited power.

Hon. P. Collier: As a matter of fact, it is intended to give a sole monopoly to the member for Murray-Wellington!

Mr. MARSHALL: And the member for Murray-Wellington seems anxious to get it.

Hon. P. Collier: This is the last thing. He has everything else but this!

Mr. MARSHALL: This Bill will be indelibly fixed in my mind for future reference. When I hear members opposite talking of competition being the soul of trade and good for everybody, I shall remind them of this measure. When they talk of the virtues of private enterprise and of its success and efficiency, I shall remind them of the Bill. Private enterprise has proved a dismal failure, and yet members opposite condemn State control. Private enterprise

all around us is failing. This is one of two or three measures which the Government have been requested to enact to give private enterprise power of control. In the final analysis private enterprise is not nearly so efficient or successful as members opposite would lead us to believe. Except for one or two principles, I do not like the Bill, and I do not intend to vote for the second reading.

Mr. McLarty: That is disappointing.

MR. PARKER (North-East Fremantle) [9.59]: Like the member for Murchison I am not enamoured of the Bill, but I will vote for the second reading in the hope that in Committee we may be able to amend the Bill and get the milk supply on a better footing. Undoubtedly it is essential that the whole milk industry should be placed on a better footing than it occupies at present. The health of the people must be protected. There is no greater danger for them than a bad milk supply. I should like the Bill put into shape so as to give complete control over the whole milk industry as regards the health of the people. I want to see that in the metropolitan area a proper and adequate supply of milk is maintained. We shall not have a proper and adequate supply in the near future unless something is done immediately to control the industry. The danger I foresee is that as a result of the under-cutting that is going on, the genuine dairyman may be put out of business because he will no longer be able to pay his way. If we drive out those who understand the business and are prepared to supply the metropolitan area with a wholesome article, we shall have to fall back upon a supply that is not adequate and is not produced and supplied in a proper manner. The Bill should aim at a proper and adequate supply of milk to be produced in proper surroundings, with proper safeguards, and should provide that the consumer shall be enabled to get it at a reasonable and proper price both for himself and the producer. In other words, a wholesome milk supply should be available to the people who need it most, generally speaking, the wage earners. A cheap and reasonably good milk supply is essential for the children of all, especially the wage earners. Generally speaking, I object to price-fixing. The member for Murchison (Mr. Marshall) will not be able to say anything about me in

respect to my consistency on that subject. I object to price-fixing as a principle. There are, however, exceptions to this and perhaps the milk industry is one of them. Milk is an essential community which has to be produced and retailed under peculiar conditions. It is necessary to protect the consumer. For that reason, price-fixing within certain limits would be a proper thing. Whatever price is fixed for whole milk can be checked, for the reason that if the producer does not like it, he has another outlet for his product. In Harvey there is a condensed milk factory which will take whole milk. I believe the company there will pay according to the price of butter fat plus a premium of $4\frac{1}{2}$ d. per lb., because they take the skim milk as well as the butter fat. This brings up the price of whole milk to a fairly reasonable amount. If, therefore, the board does not fix a reasonable price, we will not get any milk from the dairymen. They will send their supplies to the factory or the condenser, and sell it on its butter fat value. This creates rather a peculiar position for the principle of price-fixing.

Hon. P. Collier: It is a good thing to know there is this other outlet for the milk, if the distributors on the board fix a price that cannot be paid by the consumers.

Mr. PARKER: Some people are anxious to make the producers turn out a commodity purely for the consumer's benefit. In that case the producer soon goes out of existence and the consumers find themselves with nothing. That is one of the great dangers of price-fixing. There is no inducement to the producer to go on producing.

Hon. W. D. Johnson: If the producer has to depend on butter fat values in the metropolitan area, he will soon go out of existence.

Mr. PARKER: I understand the best milk that comes into the metropolitan area is produced in the Harvey district, for the reason that the land there is irrigated. We have been told this evening that the Harvey dairymen are the highest taxed farmers in the State because, in addition to other rates and taxes, they have to pay irrigation rates. The milk they produce, however, contains in the region of 6 per cent. of butter fat. The minimum allowed by law is 3.2, so that the Harvey milk is extraordinarily good. Is it not better that the consumers should derive the whole of their supplies from such a district as that, where the milk is of such exceedingly high quality?

Mr. Millington: Who told you it averaged 6 per cent.?

Mr. PARKER: During the last week I have been engaged on an arbitration case over that very question, and have had all the facts and figures before me.

Mr. Millington: It was not the member for the district who told you that?

Mr. PARKER: No. I should like the Bill to contain some provision whereby the board could fix the price for different grades of milk. I do not suggest that any milk should be sold as whole milk under a 3.2 butter fat content, nor that any milk should be adulterated, or mixed, say, Harvey milk mixed with skim milk, and brought down to a standard of 3.3. I should like to see the various grades of milk classified, so that if some consumers wanted to buy the higher standard of milk, which is produced in some districts, they could readily secure it in the metropolitan area. It seems to me that the price for two or three different grades of milk should be fixed by the board. I sincerely trust it will be done in that way.

Mr. Millington: The depot keepers will see that the six per cent. milk goes out.

Mr. PARKER: I hope they will. This is not an idea of my own, but what has been worked in London for many years. The dairymen who supply the London market cannot get sufficient first-class milk to supply the demand; that is to say, milk of the highest grade.

Member: The same thing applies in New York.

Mr. PARKER: Yes. Thus the dairyman is fully protected, and the consumer is fully protected, if prices are fixed for the various grades. There is no objection then to any price-fixing. There should be no more difficulty in policing the highest grade than there is at present in policing the 3.2 per cent. as the legal standard of milk. The good dairyman will then get the good price, and I am quite sure that the consumer will always pay a higher price for the higher grade of milk.

The Minister for Railways: The grade might change overnight. A new cow coming in will alter the whole grade.

Mr. PARKER: Cannot the dairyman then sell the milk as second-grade?

The Minister for Railways: When he is found out he can.

Mr. PARKER: The Minister for Railways puts up a peculiar case. If there is such a change in the grade overnight as suggested, the dairyman will sell the lower grade as a higher grade at his own risk. I feel certain that there is proper machinery to regulate what amount is to be paid for milk, not as it leaves the dairyman, and not as the middleman receives it, but as the consumer receives it. The price should be according to the grade which the consumer receives. I shall vote for the second reading of the Bill, but I would like to see many alterations made throughout the measure. I shall not enter into the various objections I have to the Bill as printed.

Mr. Millington: We will help you to alter it.

Mr. PARKER: I am sure that when the hon. member sees the various amendments I desire to make, he will support me in my suggestions. I assure him that I shall be only too delighted to render him any assistance in my power as regards any amendments which may be brought forward by him, and with which I have no doubt I shall agree.

On motion by Hon. P. Collier, debate adjourned.

BILL—INDUSTRIES ASSISTANCE ACT CONTINUANCE.

Second Reading.

Debate resumed from the 8th September.

HON. P. COLLIER (Boulder) [10.15]: It is necessary, of course, that the principal Act should be continued for another year at least, in order to protect the Agricultural Bank's securities. I am glad to know that new accounts have not been taken during the past year, and that there has been considerable reduction in the amount of advances made. I think the figures mentioned by the Premier were £11,000 for last year as against £106,000 for the previous year. Really, therefore, the continuance of the Act amounts only to the business of winding up the Industries Assistance Board. I hope it will not be many years before the board will disappear altogether. The measure has rendered great assistance to the farming community of Western Australia during the many years it has been in operation. In

fact, I do not know how we should have been able to get through some of our difficult years had it not been for the help rendered by the Act. Accordingly I support the second reading of the Bill.

MR. PIESSE (Katanning) [10.16]: Whilst appreciating the good work that has been done by the Industries Assistance Board in the past, I cannot help suggesting that the Government should, at the earliest opportunity, take into consideration the conditioning of the accounts now operated by the board. That brings me back to the thought which is at the present moment uppermost in the mind of the Government of New South Wales. They are instituting a new order of things in regard to controlling farmers' debts and forwarding legislation for farmers' relief. In a new Bill just introduced, the New South Wales Government provide for the abolition of the Rural Industries Board, which is run on somewhat similar lines to our Industries Assistance Board.

The Minister for Lands: Nothing of the sort. The two are quite different.

Mr. PIESSE: We cannot get away from the fact that somewhat similar conditions prevail in New South Wales as now exist here under our Industries Assistance Board. It behoves the Government at the earliest moment to take into consideration the whole question of legislation for the adjustment of farmers' debts. This concerns a large number of the farmers now under the Industries Assistance Board.

Mr. SPEAKER: The hon. member is outside the scope of the Bill.

Mr. PIESSE: I wish to emphasise that the Industries Assistance Board is able to go on for ever, apparently. It has now been going on for 15 years. The time has arrived, in my opinion, when in the interests of the farmers themselves either the Agricultural Bank or the Industries Assistance Board should join with the State in creating some new order of things in this respect. I know the Industries Assistance Board has shown every consideration to the farmers. But when one recollects that the Agricultural Bank is the principal creditor of the farmers, it does seem as though little consideration had been shown to other creditors. Those other creditors have proved most forbearing over a very long period. As many of the Industries Assist-

ance Board accounts have become stagnant, it would be in the interests of the farming industry itself if something were done as suggested in New South Wales—abolish the Industries Assistance Board as soon as the Government can decide upon some comprehensive measure, and then put the Industries Assistance Board accounts under the control of a new board. I hope that before the session closes the Government will be able to indicate that something is to be done on these lines. It is most unsatisfactory that the Industries Assistance Board should have been allowed to continue for so long without some greater relief being given, or some better chances being afforded to farmers under the board's control to recover themselves from their unfortunate position. Unless something is done to encourage those farmers to get out of debt, they will be forced to go on from year to year, and in the end the State will have to forego a large proportion of the amount that is owing. And this might as well be done at once instead of waiting for years.

Question put and passed.

Bill read a second time.

In Committee, etc.

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

House adjourned at 10.22 p.m.

Legislative Council,

Wednesday, 28th September, 1932.

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

PERSONAL EXPLANATION.

Hon. E. H. Gray and the Electoral Department.

HON. E. H. GRAY (West) [4.33]: I desire to make a personal explanation in reference to the Chief Secretary's remarks concerning the Electoral Department yesterday. The ordinary man in the street, reading the "West Australian's" report of the Chief Secretary's speech yesterday, would regard it as a serious reflection on my personal honour. Since every action of mine in relation to the Electoral Department will bear the closest investigation, I desire to make this explanation. I know the Chief Secretary would not willingly express any opinion against me, and I am convinced that what he said was said on the strength of information given to him by the department. That information, I am sure, can be satisfactorily explained away. The headings used by the "West Australian" this morning over the report of the Minister's speech were—Electoral Claims. Minister's Strong Speech. Sensational Charges. "In plain English, Forgery." A case mentioned by the Minister yesterday was one in which a man was prosecuted on the charge of signing a false declaration or, as the Minister stated, of forgery. It had nothing to do with any of the cards put in to the Electoral Department by me for the West Province, or by