

is a great thing to know that a man can be as hot-headed as he pleases outside, but when he comes to this place there is that touch of friendship which seems to be engendered here, and which certainly ought to be promoted. Some of us may have something to learn in that respect. Tolerance is a great virtue, and the two gentlemen who have left us were tolerant.

While I do not think that the late Mr. Boylen picked me out particularly, I will recall the occasions when I might have felt a bit off-colour and he would come to me, put his hand on my shoulder and say, "You had better go home, Charlie; I will find a pair for you." My deepest sympathy goes to his family, and I hope the sympathy of the members of this House will be some help in the great loss they have sustained.

THE PRESIDENT: Before putting the motion, I wish to associate myself with the remarks of the Chief Secretary, and those of the other speakers concerning the late Bob Boylen, especially with reference to his association with the members of this Chamber. This House has lost a great friend and a most valuable member through his sudden passing. I do appreciate very much the help given to me by the late hon. member in the conduct of the business of this House. I ask members to show their sympathy by rising in their places.

Question passed; members standing.

ADJOURNMENT.

THE CHIEF SECRETARY (Hon. G. Fraser—West): I move—

That as a mark of respect to the late Hon. C. H. Henning and the late Hon. R. J. Boylen the House do now adjourn.

Question put and passed.

House adjourned at 5.36 p.m.

Legislative Assembly

Tuesday, 9th August, 1955.

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

AUDITOR GENERAL'S REPORT.

Section "B," 1954.

Mr. SPEAKER: I have received from the Auditor General a copy of Section "B" of his report on the Treasurer's statement of the Public Accounts for the financial year ended the 30th June, 1954. It will be laid on the Table of the House.

CHAIRMEN (TEMPORARY) OF COMMITTEES.

Mr. SPEAKER: I wish to announce that I have appointed Mr. Hill, Mr. Moir and Mr. Brady to be temporary Chairmen of Committees for the session.

QUESTIONS.

BUNBURY TRANSIT SHED.

Delay in Erection.

Mr. GUTHRIE asked the Minister for Works:

(1) Is the Government aware that the material for the transit shed is still lying exposed and unerected in the railway yards at Bunbury?

(2) If so, does the Government know that the port of Bunbury is losing trade that would, and should, come through it, whilst all other ports in Western Australia are already receiving direct shipments from the Eastern States?

(3) Can he say who is responsible for the delay in having the transit shed erected and put into operation?

(4) Will he take steps to have immediate action implemented to have this unfortunate position rectified?

The MINISTER replied:

(1) Yes. The material is protected against deterioration.

(2) The Government is not aware that the port of Bunbury is losing trade through the absence of a transit shed, but, even if this is so, the work of erecting the shed could not be undertaken because of lack of funds.

(3) Insufficiency of loan funds.

(4) This project is listed for consideration in framing the 1955-56 loan programme.

EDUCATION.

(a) Check on Class Numbers.

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

(1) As at the date of the last check made by the department, how many teachers have—

(a) single classes of 50 children or more but less than 60;

(b) single classes of 60 or more;

(c) grouped classes of between 40 and 50 children;

(d) grouped classes of 50 or more but less than 60;

(e) grouped classes of 60 or more?

(2) When was such last check made?

(3) About what date will the next check be made?

The MINISTER replied:

(1) (a) 284.

(b) Nil.

(c) 245.

(d) 23.

(e) Nil.

(2) April, 1955.

(3) An initial check will be made in February, 1956, when the schools open. A complete check and analysis will be made during April-May, 1956.

(b) Classrooms and Temporary Accommodation.

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

(1) What number of additional classrooms is required to accommodate present Government school population on the basis that no class exceeds 45 in number, and the school leaving age remains at 14?

(2) What additional number is it now considered would be required if the school leaving age was raised to 15?

(3) What is the number of buildings belonging to others which are being used as classrooms?

(4) How many classes not accommodated in buildings belonging to others are accommodated in departmental premises which are not classrooms, e.g., hat rooms, offices, etc.?

(5) By the end of this calendar year to what extent will the deficiencies be remedied by completion of new orthodox classrooms?

The MINISTER replied:

(1) To reduce to not more than 45 is not known. To reduce to not more than 40 would require approximately 300.

(2) Approximately 125.

(3) At present 51 halls are being used.

(4) There are 78 groups housed in hat rooms, offices, etc.

(5) It is anticipated that a further 72 classrooms will be ready for occupation by 1956.

(c) Likely School Population, 1956.

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

To what extent is it likely school population will increase in 1956, and what additional number of classrooms will such increase require?

The MINISTER replied:

It is expected that the increase will be 6,500 and that the number of rooms needed will be approximately 180.

(d) Official Openings of Additions and New Schools.

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

(1) In respect of how many schools or substantial additions to existing schools have official openings taken place since the present Government took office?

(2) In what places were these schools?

(3) Which of them were—

(a) approved;

(b) commenced;

during the term of office of the preceding Government?

The MINISTER replied:

(1) As official openings of new schools or extensions to existing schools are arranged by the local citizens, no departmental records are kept of these openings.

(2) and (3) Answered by No. 1.

GOVERNMENT HOSPITALS.

Nurses' Salaries.

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

(1) What are the salaries paid to members of the nursing staffs of Government hospitals at the present time?

(2) Are these salaries the same as those provided for nursing staffs in other hospitals?

(3) If not, what are the differences?

(4) Are salaries paid in other States greater than those payable here, and if so, what are the differences?

(5) Have any, and if so what, increases been made in the salaries of nursing staffs in Government hospitals in this State in the last 12 months?

The MINISTER replied:

Following recent negotiations, a consent award was issued by the State Arbitration Court on the 12th July, 1955.

The new margins range from £3 5s. to £5 5s. per week for nurses, and from £6 10s. to £12 10s. per week for matrons.

In addition, new classifications have been created. Retrospective payment of these increases will be made on completion of current reclassification. The new rates compare favourably with other States in Australia and are in excess of those now paid in private hospitals in this State.

DAIRYING INDUSTRY.

(a) New Pasture Acreage.

Mr. HEARMAN asked the Minister for Agriculture:

(1) Is he aware that the 1953 dairy cost survey conducted by the Bureau of Agricultural Economics into the cost structure and management problems of dairy farms in Western Australia, discloses that for the period of the survey the average new pasture sown on dairy farms was 9.7 acres?

(2) As new pasture establishment is now "proceeding apace," according to his reported statement in "The West Australian" of the 2nd August, can he say what increase in the acreage of 9.7 acres per year, per farm, is now evident?

The MINISTER replied:

It is not possible to give an accurate reply to the hon. member's question without a further survey similar to that made by the Bureau of Agricultural Economics in 1953.

In addition to the Rural & Industries Bank, there are seven other trading banks operating in the State. The Rural & Industries Bank handles only a portion of the business of the dairy farmers in the State, and records kept apply only to work done on under-standard properties.

During the last two years, 7,081 acres have been cleared or part cleared, on 322 farms, representing an average of 22 acres or 11 acres per year.

The total cost was £45,790—representing £142 4s. per farm or £6 9s. 5d. per acre.

Since the inauguration of these developmental programmes by the Rural & Industries Bank, approximately 80 per cent. of farmers in the various districts were interested in the extension of their developed areas.

Of this number, from 85 to 90 per cent. have proved capable of handling this development successfully and establishing pastures within a reasonable time.

It is considered that if funds were available, programmes covering at least 2,000 acres of development per year could be arranged over the next three years.

The average acres of pasture and the average size of herds have been gradually increasing, and this fact is illustrated by the average size of herd included in grade herd recording.

The average in 1947-48 was 27, and this grew steadily to 36 in 1954-55.

(b) Basis of Butter Subsidy.

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

Can he explain briefly the basis on which the Federal Government pays the consumer subsidy on butter for the dairy farmer?

The MINISTER replied:

This is a matter that involves a good deal and has received considerable publicity in "The West Australian" over recent weeks, and it is still doubtful what the actual position is. I am examining the matter now; and if the hon. member will place his question on the notice paper, I will have the question answered officially.

(c) Effects of Federal Policy.

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

(1) In his statement in "The West Australian" of the 2nd August, he is quoted as saying, "Therefore the Commonwealth Government's recent urging of the dairy farmers to produce more had meant an increasing amount of butter for export on a falling market. This had naturally worsened the dairy farmers' position." To what Federal Government statement does he refer, and when was this statement made?

(2) Is he aware that at a public meeting in Busselton in July, 1952, the Federal Minister for Commerce and Agriculture told dairy farmers that any loss on export of butter in excess of 20 per cent. of home consumption would have to be borne by the industry?

The MINISTER replied:

My statement in that connection arose out of a number of meetings of the Agricultural Council that are held from time to time in Canberra, and out of the five-year plan or production target set by that council and approved by the Commonwealth Government. A target was set for the dairying industry—something which it was hoped would be achieved over a period of five years. As we were increasing our production locally, in spite of the fact that our population was also increasing, we had an ever larger amount of butter to be disposed of on some other market. That meant that we had to find some country overseas to absorb that butter which was surplus to our own local requirements.

If we are going to limit Commonwealth assistance to butter consumed locally, plus 20 per cent. exports, and other production increases at a time when there is an alteration of the whole trade set-up, as a result of which we no longer have any security of trade agreements between Government and Government but a matter of competition on a trader to trader basis, and with a falling English market, which is our main market, members can imagine what situation has been created by that policy. Anything I said of a critical nature in that regard still stands so far as I am concerned though my mind has been eased in recent days by reading that possibly the impact on the dairying industry will not be quite as severe as was anticipated. In any case it is severe enough for anyone with any interest in the industry to know that it was a most inappropriate time to do anything to encourage such a set of circumstances as has recently arisen.

(d) Findings of 1953 Survey and Government Attitude.

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

In replying to a question asked by the member for Blackwood last Thursday, the Minister indicated that some of the facts revealed in the 1953 dairy survey conducted by the Bureau of Agricultural Economics into costs in Western Australia were unexpected by the Government. Can he say what were the most important facts that were unexpected?

The MINISTER replied:

The hon. member has the position entirely wrong. I said that some of the findings of the commission were not unexpected by the Government. I quoted one of them in respect to the continuation of the work already started some years ago in connection with increasing pasture for

the various dairying areas. That was one case I quoted in that regard. It was not unexpected because of that. The policy that was laid down, I think in 1948, has been proceeded with ever since as far as has been possible in view of the money we have had in hand.

(e) Assistance by Rural & Industries Bank.

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

In answer to a question on Thursday last and in "The West Australian" of the 2nd August, he referred to the steps taken by the Government through the Rural & Industries Bank to increase pastures on backyard dairy farms.

Will he say:—

- (1) When was this scheme inaugurated?
- (2) What publicity was given to this scheme?
- (3) What sum of money is available per farm?
- (4) What amount of money did the Government make available for this purpose and how much is left unexpended?
- (5) What eligibility requirements do applicants for this assistance have to meet?
- (6) Is this scheme available to farmers who are not clients of the Rural & Industries Bank?
- (7) Does he know that many dairy farmers are not aware of the existence of this opportunity for assistance?

The MINISTER replied:

- (1) In 1948.
- (2) A commissioner attended a public meeting at Walpole on the 23rd February, 1948, when 29 settlers attended. Progress reports have been published in the bank's annual report. The Farmers' Union has assisted in organising programmes in some districts.
- (3) The policy is to bring each farm up to an economic farm unit by arranging such development annually as can be satisfactorily handled by each individual settler.
- (4) The funds advanced by the bank came from its agency department capital and were supplied by the Government to the Agricultural Bank and taken over by the Rural & Industries Bank on its formation in 1945, and represent repayments of loans made by the former institution.
- (5) Any settler of good personal equation whose farm is in the opinion of the commissioners under-standard is eligible to participate if able to support the loan with approved security or, if banking with a private bank, is able to arrange for his bank to finance the work.
- (6) Yes.
- (7) No.

BETTING.*Applications by S.P. Bookmakers, Armadale.*

Mr. WILD (without notice) asked the Minister for Police:

Would he obtain and lay on the Table of the House all papers in connection with applications by s.p. bookmakers with regard to the Armadale district?

The MINISTER replied:

I am afraid that to do what the hon. member asks would probably be a disclosure of private information in connection with applications of this kind and while I would not, at the moment, agree to having the papers laid on the Table, I will secure them for the hon. member and he can have a look at them in my office.

TRANSPORT.*Perishable Supplies, Cartage and Back-loading, Carnarvon to Perth.*

Mr. NORTON (without notice) asked the Minister for Transport:

Can he advise the House whether Cabinet has given consideration to allowing through transport of Carnarvon produce to Perth by road and for back-loading of other goods?

The MINISTER replied:

When the hon. member asked this question on the opening day, I told him that the matter had received some consideration by Cabinet but that, due to my absence at a Transport Ministers' conference, no decision had been reached, and Cabinet would probably discuss it at its meeting yesterday. I wish now to inform the hon. member that Cabinet has agreed to the Transport Board calling tenders for road transport of fruit and vegetables from north of the 26th parallel to Perth with the same vehicles having the right to back-load from Perth all classes of goods consigned to places north of the 26th parallel but not farther north than Carnarvon.

TOWN PLANNING.*Availability of Professor Stephenson's Report.*

Hon. J. B. SLEEMAN (without notice) asked the Minister representing the Chief Secretary:

Can he inform the House when Professor Stephenson's report on town planning will be available to members?

The MINISTER FOR HOUSING replied:

I cannot say with certainty, but it may be available during this present week.

BASIC WAGE.*(a) Effects of Increase.*

Hon. Sir ROSS McLARTY (without notice) asked the Premier:

(1) In view of the generally expected increase in the basic wage as announced by the Arbitration Court today, could he give some indication of what the increased cost will be to the Government?

(2) Has provision been made for that increase in regard to the loan programme or will certain loan works be affected?

The PREMIER replied:

I think it is doubtful whether the increase granted by the court this morning was generally expected.

Hon. Sir Ross McLarty: I think so.

The PREMIER: We had better agree to differ on that.

Hon. Sir Ross McLarty: I think the President of the court gave that indication some months ago.

The PREMIER: No. The President gave an indication some months ago on a different basis altogether from the one that was acted upon this morning. The financial results of the increase to the Government, will naturally be to increase expenditure in connection with both Consolidated Revenue and the Loan Fund. In connection with the loan works, a lot will depend upon how the prices of materials are affected as a result of this increase in the basic wage. The Leader of the Opposition knows that loan works absorb a great deal of materials. Therefore the cost of materials is a very important factor in loan expenditure.

The direct expenditure by the Government on wages from loan funds is not as great as the expenditure upon materials. So, I am not able to indicate with any certainty whether the increase will have the effect of reducing the volume of loan works in this State during the current financial year. The loan programme is now in the process of being drawn up. When that work has been completed, the members of the Government will be in a better position to know the total expenditure of the programme, and at the first opportunity information on that basis will be made available to members of this House.

(b) Inquiry by Arbitration Court.

Hon. A. V. R. ABBOTT (without notice) asked the Premier:

In view of the increase in the basic wage granted by the President of the Arbitration Court, and the possibility that the President may continue to give quarterly increases, and because of the impact on the State economy and also the fact that the Government supported an application for a quarterly adjustment, will the Government take steps to have a basic wage

inquiry made by the court under the Industrial Arbitration Act so that the full facts and all information in connection with the effect of the basic wage increases on the economy of the State, may be placed before the President to assist him in his decisions.

The PREMIER replied:

The Government will give consideration to the suggestion put forward by the hon. member. At the same time, I point out that under the Industrial Arbitration Act, either party—that is either the employers or the employees—is entitled to seek a thorough investigation. In addition, the court of its own volition has the right to investigate the basic wage thoroughly. The net result of the decision of the court, from September, 1953, until recently, not to grant quarterly cost-of-living adjustments has undoubtedly had the effect of reducing the real basic wage. During that period, considerable increases in the cost of living have taken place, and to the extent that the basic wage was not adjusted in accordance with those increases, so has the nature of the basic wage as it existed in 1953 been reduced.

Hon. A. V. R. Abbott: That is a question that should be investigated.

Mr. SPEAKER: Order! The hon. member cannot debate a question.

The PREMIER: So, there would appear to be every justification for a thorough inquiry into the whole of the basic wage issue.

(c) Burden on Treasury of Cost of Living Increases.

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

Can he state the approximate additional cost to the Treasury in one year if all the cost-of-living increases shown by the statistician since the basic wage was pegged had been added to the basic wage?

The PREMIER replied:

The member for Stirling was, at some stage during the afternoon, good enough to leave upon my desk a written copy of the question, but as I was away from the House attending an official function and did not arrive back until 25 minutes past four—five minutes before the House commenced business—I was not able to check up to ascertain the figure. I am not therefore in a position to state what it is. However, whatever the figure be, it would be the total amount of which the workers and their families in this State have been deprived as a result of the cost-of-living increases which took place in that period. I think I might add, with your permission Mr. Speaker, that had the court not refused to grant the first increase in September, 1953, there would have been a greater degree of responsibility shown by this Parliament, especially the other end of it, if I may put it that way, and also a

greater degree of responsibility by those in control of industry, trade and commerce in this State, and as a result, the prices would not have increased during the period to nearly the same extent as they have increased, and consequently all the increases which did take place would not, in fact, have taken place. I hope I have made myself clear.

QUESTIONS TO PRIVATE MEMBERS.

Permissibility.

Mr. LAWRENCE (without notice) asked the Leader of the Opposition:

I would like to ask the Leader of the Opposition—

Mr. SPEAKER: Order! Is this in connection with the business of the House?

Mr. LAWRENCE: Yes.

Mr. SPEAKER: Which the Leader of the Opposition is sponsoring?

Mr. LAWRENCE: That is true.

Mr. SPEAKER: I cannot allow the question just yet. There is no business before the House which the Leader of the Opposition has sponsored.

Mr. LAWRENCE: It has to do with a question which the Leader of the Opposition put to the Leader of the Government.

Mr. SPEAKER: I am afraid I cannot allow the hon. member to question the Leader of the Opposition on that basis.

SITTING DAYS AND HOURS.

The PREMIER: I move—

That the House, unless otherwise ordered, shall meet for the despatch of business on Tuesdays and Wednesdays at 4.30 p.m., and on Thursdays at 2.15 p.m., and shall sit until 6.15 p.m., if necessary, and, if requisite, from 7.30 p.m. onwards.

The hours proposed in this motion have had a good trial in this House, and I think they have been acceptable to all members. Therefore I anticipate that the motion will be carried.

Hon. C. F. J. NORTH: Although I support the motion, I would like to make a few remarks about it because it contains a word which has appeared in the motion moved every year, and each time I like it less. The word is "onwards," where the motion says, "and, if requisite, from 7.30 p.m. onwards." It is a very indeterminate word. In fact, I think we all have to exercise mental reservations when we look at this motion because, in my opinion, it contains many invisible words which come out only under the effect of heat or acid—either an acid remark or a heated exchange.

Here is what I think the invisible words are, "If requisite from 7.30 p.m. onwards till breakfast next morning, and if requisite onwards to lunch, and if requisite on and on and on." That, Sir, has happened over the years on many occasions. It so happened recently that a trial or an experiment was made with regard to motor drivers for some future trial. It was found that after 12 hours at the wheel they had lost 42 per cent. of their efficiency. By the time we reach 10.30 at night, which is the usual time that the Premier, or the Leader of the House in his absence, is willing to adjourn, that usually happens.

This word lays us right open for all-nighters at any time members raise a little quarrel. My point is that I think we should, at this stage, in view of the encouragement we have received from some Ministers in certain directions, and from the Leader of the Opposition when he was Premier, to achieve alterations over the years, endeavour to improve this position.

As one who has been here the longest, apart from the member for Fremantle, I could, without wasting the time of the House, amaze members by telling them of the improvements that have been effected over the years in the direction of more reasonable hours. But the fact remains that the word "onwards" is indeterminate and I cannot understand why this Chamber, which has been revealed by the action of the Federal Government to be—and which we ourselves previously knew to be in the case of our own Chamber—the highest court in the land, should not, if the courts of law are able to do their work within fixed hours when their brains are at their best, do likewise.

I cannot see why we should be made liable by this word "onwards," through some quarrel or other, to be kept here for all sorts of hours until eventually the legislation suffers and, if not the legislation, then the Standing Orders themselves. Only last session you, Sir, were put in a most unfair position in regard to the Betting Control Bill when, at about 5 a.m., some small point arose, on which you were able next day to correct an obvious mistake due to the unreasonable hours.

It is no use me or anyone in Opposition attempting to move an amendment because that could be charged as an attempt to take the business of the House out of the hands of the Government, but I do suggest that the Premier when replying, if he feels at all moved in my direction in regard to keeping reasonable hours—because we have here the words, "unless otherwise ordered," which always give him some protection in reserve—might agree to treat the House on ordinary sitting nights, at 10.30 p.m. or thereabouts, as we are now treated at 6.15 p.m. on Thursdays when, as members know, whatever member is on his feet at about 6.10 p.m., looks at the clock and, with the approval of the House and by means of the

little device which we imported from South Australia, is enabled to obtain leave to continue his speech at another sitting.

Why should not this House as an experiment do that each night at about 10.25 p.m., especially in the early part of the session and, if the member who is speaking is not finished, give him an opportunity to continue at the next sitting? What is the alternative? What often happens now is that some member rises at about 10.20 p.m. and, receiving no cue from that part of the House where the Premier sits, speaks until about 11 p.m., at which time some other member generally rises, saying, "I was not going to speak on this measure, but, owing to what the hon. member has said, I feel I must have something to say," and then we are off again.

I think I have made a reasonable request to which the Premier might well agree. I have not done this to gain any benefit for the Opposition because if the motion were discussed in these terms from the other side there would be loud roars, but I know that this is the only chance I have of trying to achieve a reasonable atmosphere for the contentious matters which arise from time to time. Had such a state of affairs existed at the time when we were dealing with the betting legislation, the Minister in charge of the Bill would, at a reasonable hour, have asked for permission to continue at a later sitting. If he or his deputy had wanted to continue the debate the alternative would have been simple; to adjourn the House by special adjournment to 2.15 p.m. the following day, instead of 4.30 p.m. and then, if members were not satisfied, to divide the House and gag them.

In supporting the motion, I have had the encouragement of other members to justify my making these remarks. One of those who has been helpful to me in this direction is the Premier himself, who on several occasions has adjourned the House at 10.30 p.m. when the pressure has been on. Another who helped us was Hon. F. J. S. Wise who, when Premier, devised the method whereby we could hold conferences without the whole 80 members of Parliament being present. That was a decided improvement.

Last session the Leader of the Opposition brought forward what I thought was a splendid improvement, in that, when the House was dealing with some contentious matter, he put forward perhaps two of his best speakers, got them to do their stuff and left it at that. An important point is that the Press can tell the people what the quarrel is about, if the debate closes at 10.30 p.m., but if we sit here all night, all that appears in the morning's Press is a line stating, "The House was still sitting when this edition went to press." If we adjourn at 10.30 p.m. the people, next morning, can read what has taken place and are able to take an intelligent interest in the work of this House.

I repeat that such a position was encouraged last session by the Leader of the Opposition who, towards the middle of the session, began picking out two speakers to deal with each question that arose, thus enabling us to adjourn at a reasonable hour and the Press to report the matter decently next morning. It is important that the job we do here should be done with 100 per cent. efficiency. When I was Speaker, I had many happy minutes, during long debates, when I went up to the public gallery and watched members lying in their seats, especially at times such as that when the Minister for Housing gave us his four-hour marathon—he tortured us for four hours and we had to take it because there was no way out. If my suggestion is agreed to that sort of thing will be quite unnecessary.

The greatest assistance, I might add, that I received in the suggestion I am putting forward came from the Minister for Housing himself, because he was the one whose efforts in favour of Thursday afternoon sittings were responsible for the arrangement under which a member who is speaking at 6.15 p.m. on a Thursday is enabled to continue his speech later. The highest court in the land should work reasonable hours and with top-notch efficiency. There is not an elector in the State who cares a hoot when we sit here all night and injure our health. All they want to know is the argument that took place on both sides and how the voting went. With those few remarks, I support the motion.

Hon. Sir ROSS McLARTY: I would not have risen to speak had it not been for the remarks of the member for Claremont. I supported the Premier in silence, as this is the usual motion which has been moved every session for many years and which has been brought down by all parties. We did do something about limiting the length of speeches, and I think members generally will agree that that move has proved to be a satisfactory one. I would suggest to the Premier that he give some consideration to the suggestion that has been made by the member for Claremont because I think we all agree that very late sittings are not desirable. Some members may enjoy them, but most of us like to get away at a reasonable hour.

Hon. J. B. Sleeman: You often kept us here late enough when you were in charge of the House.

Hon. Sir ROSS McLARTY: I think the hon. member is one of those who enjoy late sittings.

Hon. J. B. Sleeman: And you enjoyed keeping us here.

Hon. Sir ROSS McLARTY: I did not. I would join with the Premier, if possible, to bring about some agreement in this respect in order that Parliament should not

have to sit until some unearthly hour at night. I, like the member for Claremont, do not think it is in the interests of the House or of the country that we should sit to an extraordinarily late hour.

We know that particularly towards the end of the session, there is often a rush of legislation and members naturally desire to give expression to their views. I think that would pertain more to the last session of a Parliament than to other sessions, but, even so, I think we could arrive at some satisfactory arrangement whereby we need not sit unduly long hours or, at all events, hours such that members are not in a state of mind which enables them to give their best attention to the work in hand.

When we have had long sittings, members have often complained about our treatment of the staff of this House, because we have to keep our staff here. Their duties, as we know, are in many cases exacting. They have to give us a correct report of all proceedings and the concentration over many hours does entail considerable strain on them. I feel that the suggestion of the member for Claremont is one to which we should all give our attention, and I suggest to the Premier that he give consideration to what that hon. member put forward.

The PREMIER (in reply): The Government has no desire to sit late. As the Leader of the Opposition would well know, Ministers work in their offices during the day and then come to Parliament House and do another shift here, as it were. Therefore it would be the desire of all Ministers that sittings should finish each evening as early as was reasonable. I would point out also to members that an election is due early next year. I suggest to members on both sides of the House that they reserve their vocal strength during the remainder of this year for use in the elections next year. If they do that, we shall probably finish earlier each day on which we sit during this session.

Question put and passed.

GOVERNMENT BUSINESS, PRECEDENCE.

On motion by the Premier, ordered:

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

COMMITTEES FOR THE SESSION.

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

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

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

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

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

BILL—SUPPLY (No. 1), £17,000,000.

Standing Orders Suspension.

On motion by the Treasurer, resolved:

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

Message.

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

In Committee of Supply.

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

THE TREASURER (Hon. A. R. G. Hawke—Northam) [5.32]: I move—

That there be granted to Her Majesty on account of the services for the year ending the 30th June, 1956, a sum not exceeding £17,000,000.

Members are aware that it is necessary for a Supply Bill to be passed each year to provide the Government with authority to carry on the services of the State. The supply which is granted covers expenditure from the Consolidated Revenue Fund and also from the Loan Fund. The amount sought this year is approximately £500,000 greater than that provided last year. The figure last year was approximately £16,500,000 and this year's figure is £17,000,000.

The additional amount sought is required to meet the higher charges which have come into operation in connection with State expenditure and I think most of it would be accounted for by the increases in margins for skill, which were granted early this year and which were given retrospective application, in most instances, back to the 24th December of last year. Later in the year the Estimates of revenue expenditure and also of loan expenditure will be placed before members in detail, work upon which is to commence shortly and work upon the Loan Estimates for the year is already in hand. In the meantime it is essential for the Government to have funds with which to carry on the State's services.

Question put and passed.

Resolution reported and the report adopted.

In Committee of Ways and Means.

The House resolved into Committee of Ways and Means, Mr. J. Hegney in the Chair.

THE TREASURER (Hon. A. R. G. Hawke—Northam) [5.35]: I move—

That towards making good the Supply granted to Her Majesty for the services of the year ending the 30th June, 1956, a sum not exceeding £11,500,000 be granted from the Consolidated Revenue Fund and £4,000,000 from the General Loan Fund and £1,500,000 from the Public Account.

Question put and passed.

Resolution reported and the report adopted.

Bill Introduced.

In accordance with the foregoing resolutions, Bill introduced and read a first time.

Second Reading.

THE TREASURER (Hon. A. R. G. Hawke—Northam) [5.37]: I move—

That the Bill be now read a second time.

HON. SIR ROSS McLARTY (Murray) [5.38]: As the Treasurer has told us, the Bill provides for an addition of only £500,000 over and above the amount asked for in a similar Bill introduced last session and I readily understand why an additional amount should be required. I expected that that would be so. When introducing the Bill I would have liked the Treasurer to have given us some indication of how this money is to be spent. When I was Treasurer I felt that I should briefly give members some account of how such money would be applied. I know we will have a chance of obtaining that information at a later stage, but I do think that at this juncture it is advisable for us to know in which direction the money is going.

There are a few matters I want to mention concerning this Bill. I know I will get a chance later, but since it has become the custom of members to avail themselves of the opportunity to deal with certain matters which they think should be ventilated, I propose to say something on this measure. First of all, I draw the attention of members to the amount of money which His Excellency told us we would obtain during this year. If I remember rightly, our revenue and loan funds came to something like £60,000,000. That is a tremendous sum, and I think all who have an interest in the general welfare of the State should give some thought to those figures. The revenue in this State is increasing rapidly and £60,000,000 is a very large sum of money.

The Minister for Works: That was the amount of the Federal surplus.

Hon. Sir ROSS McLARTY: Now that the hon. member has mentioned this fact, I shall say something about it. I was going to make some reference to the amount of money that we are receiving from the Federal Government. I hope to do something to debunk this idea that the Commonwealth is not sympathetic towards us. I find that this year the States are to receive from income tax reimbursement funds £157,000,000, being £7,000,000 more than they received last year. Last year we obtained £11,806,000. For 1955 and 1956 we are to get £12,335,000, or an increase of £529,000.

We should not forget this fact: It is not by any means all that we secured because last year we received from the Commonwealth, on the recommendation of the disabilities Commission, an additional £7,100,000. The correct amount would be £7,450,000 because apart from the amount of £7,100,000 we also received £350,000 in reduction of the deficit for 1952-1953. So I think it is wrong to say that the Commonwealth Government is not treating us fairly. I draw the attention of hon. members to the speech of the Premier and Treasurer last year. I make a brief quotation from it. This is what he had to say in regard to uniform taxation—

So far as the taxpayers of our State are concerned, uniform taxation has many advantages. If the State had to collect from its own taxpayers the same amount of revenue on income tax as it receives from the Commonwealth, taxpayers in Western Australia would have to bear a more severe burden of taxation than they do at present.

The Minister for Works: Do you agree with that?

Hon. Sir ROSS McLARTY: I think that is so. That being the case, when we find the Commonwealth is prepared to let us have this amount of money from both income tax reimbursement and through the disabilities Commission, there is no justification for saying that it has been niggardly. Apart from that, we know that there are many other avenues through which we receive help from the Commonwealth. In the Auditor General's report for the year ended the 30th June, 1954, we find that we received from the Commonwealth a total of £31,699,433. In that is included income tax reimbursements and the disabilities grant. If one goes on and reads the report one will find that the Commonwealth made available to us large sums of money in other directions.

So, taking into consideration the general overall picture in regard to our treatment by the Commonwealth, we are doing pretty well and are being fairly well treated. A tendency has developed to make the people

of this State believe that the Commonwealth Administration is an unfriendly Government whereas they should realise that it is just as much part of Australia as is this State. Before the Commonwealth Government can hand out sums as lavishly as has been suggested it should, it has first to collect the money from the taxpayers of this country.

Some of us should take a more reasonable attitude in regard to Commonwealth-State finance. The Minister for Works said something about the Commonwealth surplus and I have read some criticism in regard to the £70,000,000 surplus. Of course the real fact, as has been pointed out, is that it is not all surplus.

The Minister for Works: Certainly it was not a deficiency.

Hon. Sir ROSS McLARTY: It was not a deficiency but a good deal of it had already been earmarked, and the Premier knows that in regard to the loan programme, it is expected that the Commonwealth will make good from its surplus the deficiency which the loan market is unable to provide. I do not know how much that will be, but the present indications are that the loan market will find considerable difficulty in making available the £190,000,000 which the Loan Council has agreed to. We have a guarantee from the Commonwealth that it is prepared to underwrite that amount and the only way it can do that is from revenue or through bank credit. I do not think it is desirable that bank credit should be used to any great extent in regard to loans.

Then we have the continuous call from people, and I think justifiably so, that something should be done for pensioners in the next Commonwealth Budget, particularly for those on the lower rung of the ladder. So it goes on in regard to the Commonwealth. We hear it repeatedly said that the Commonwealth should provide more money in this direction and more money in that direction—all running into many millions of pounds, when we just cannot have all those things and Governments expect to get still more and more from the Commonwealth. I know that at every Premiers' Conference there is a cry for more and more money, and the Premiers must know that some of the propositions put forward by them are not at all practical. The late Mr. Chifley, at one of the Premiers' Conferences that I attended, said that we were going to have the annual crying match from the Premiers about the ungenerous treatment they received from the Commonwealth.

I do not know how much longer that sort of propaganda will continue, but I know that a more practical approach should be made to the problem, and that Premiers and Treasurers must realise that they must put practical propositions to the Commonwealth—propositions to which

the Commonwealth can give real consideration. Had the requests of the Premiers been agreed to and had they obtained all the money they asked for, which they never believed they would get, they would not have been able to spend it, because even today the manpower position and the materials position are such that they could not make full use of all the money they asked for originally.

Further, should not consideration be given to the needs of private industry? I think every member will admit that private industry has a part to play in the general economy of the State. If the Government is going to lash out with more expenditure on loan works and take all the money it can get, industry will be in a difficult plight. There must be some balance between Government spending and the spending of private industry.

Mention has been made in the House today of the plight of the dairying industry, and I propose to say something on that question. Without doubt, the difficulties of the industry in this State are causing very considerable concern, particularly amongst producers of butterfat in the lower South-West. The survey carried out recently was undertaken, I believe, as a result of an urgent request that was made by the Liberal and Country Party members of this Parliament in 1953. Several meetings were held between members of the Federal and State Liberal and Country Parties, and the economics of the industry were considered.

From figures supplied as a result of the survey, the position of the dairy farmers must be considered as a matter of urgency. If many of them are to remain on their holdings, immediate action on the part of the Government is necessary. The Minister for Commerce and Agriculture in the Federal Parliament has issued what I think is a most interesting statement covering quite a number of the questions that were addressed to the Minister for Agriculture this afternoon. The report stated—

Mr. McEwen referred to the concern of dairy farmers over the fall in butterfat prices and said that he himself was perturbed. He said the Commonwealth Government had provided more money for the coming year to stabilise export sales than ever before. For butter and cheese sold in Australia, farmers would be paid the same return per lb. as during the two previous years.

The Government's recent decision had covered the extra costs this year of manufacture and interstate transport so that the returns to farmers should not be reduced because of higher cost on these items.

This year farmers will be paid on about 120,000 tons of butter sold in Australia about 7½d. per lb. more than

its sale realises, and on about 24,000 tons of butter exported, they will be paid on present calculations from 1s. 4d. to 2s. per lb. more than its sale realises. The subsidy on cheese will be comparable.

Last year, more than 24,000 tons of exported butter sold by the Australian Dairy Board, which is under control of producers and representatives of co-operative factories, realised about 1s. per lb. less than the Australian guaranteed price, and the Commonwealth had to make up the difference.

This year, provision has been made for Commonwealth funds to build up the returns to farmers on about the same tonnage to the guaranteed price of 49.29d. per lb. commercial butter, although export sales are estimated to bring from 1s. 4d. to 2s. per lb. less than the guaranteed price.

The Minister for Agriculture: You know that the same hon. gentleman expressed the view that the price of butterfat to dairy farmers would probably be decreased by at least 2d.

Hon. Sir ROSS McLARTY: I saw that in a later statement, but I do not know how it will pan out. The report continued—

The reduced return to farmers is due to conditions which were never any part of the Commonwealth guarantee negotiated between the Government and industry leaders.

The Minister for Agriculture: Do not you think that this is a state of emergency?

Hon. Sir ROSS McLARTY: I do.

The Minister for Agriculture: Then do not you think that the Commonwealth should take definite action and forget all about that for the time being?

Hon. Sir ROSS McLARTY: I think it is necessary that members should know exactly what the Commonwealth is doing.

The Minister for Agriculture: That is what I think, and also what the Commonwealth is not doing.

Hon. Sir ROSS McLARTY: We shall hear what it is not doing. The report continued—

The conditions which have brought about the reduced price per lb. to farmers are—

- (a) An expectation by the Equalisation Committee that overseas prices will be substantially lower this season than last.
- (b) Termination of the United Kingdom bulk contract forcing payment to farmers, at this stage, to be made on the basis of an estimate of what

exports will return as contrasted with last year when there was a known figure of the contract.

- (c) An assumption at this stage of a substantially greater total production this year than last, leaving a bigger quantity to be sold at low export prices, bringing down the overall average, as not all exports are guaranteed by the Government.

The Commonwealth Guarantee Plan is a law of the Federal Parliament. The Government must carry it out. It has carried it out fully. The plan provides—

- (i) The Government must each year fix a guaranteed price after receiving a recommendation from an independent authority.
- (ii) The Government must guarantee that the farmer receives the guaranteed price for all butter and cheese consumed in Australia and for a quantity exported equal to 20 per cent. of that consumed in Australia.

Each year the Commonwealth Government has fixed as the guaranteed price that which has been recommended by the independent authority.

Then he proceeded to state how the industry operates financially, but I think members have a fair idea of that. The report continued—

Because the United Kingdom contract has now ended the industry's own Equalisation Committee has more difficulty and necessarily has been forced to be much more conservative this year in the price it recommends factories to pay out.

Prices to farmers will be increased by factories during the year if—

- (i) Experience during the year shows that present calculations of the Equalization Committee are conservative;
- (ii) Overseas prices rise;
- (iii) If total production is less than the very high figure which Equalisation Committee has allowed for at this time;
- (iv) If Australian consumption does not fall off.

Any of these conditions would increase farmers' returns. Apart from a price adjustment during the year, an additional or "bonus" payment at the end of the year could be a means of adjusting a conservative early basis of payment to farmers.

Any price adjustment of farmers' returns during or at the end of the year—from these factors—is in the hands of the industry not the Government.

Including £14,500,000 allotted for Butter and Cheese Subsidy this year, the present Commonwealth Government will have paid approximately £100,000,000 as Dairy Subsidy since elected to office in December, 1949.

No other industry has ever had a fraction of such help in all our history.

In the arrangement for this year's subsidy payment the Government will allow the Equalisation Committee to draw funds in excess of the amounts which present equalisation calculations indicate.

Representatives of the industry organisations agreed that this would increase the return to farmers beyond the amount due to discharge the guarantee price, on present calculations.

The Government's decision towards stabilising the industry gives it an amount this year of £19,100,000 as against £15,700,000 last year.

This is made up of direct Treasury subsidy £14,500,000; 3½d. per lb. selling price increase on say 120,000 tons butter, £4,200,000; and selling price increase 1½d. per lb. on say 23,000 tons cheese—£400,000.

Total added to returns on butter and cheese £19,100,000.

There is no doubt that the dairying industry faces a difficult time, but I do not think there is a State in the Commonwealth that faces greater difficulties than does Western Australia, for the reason that the dairy survey which was made, and has just recently been released, tells us that the cost of production in this State is 6d. per lb. more than that of the Australian average. This creates a serious position for our dairy farmers, and we have to see in what manner they can be helped. I have heard certain people say, "If an industry is not an economic one, why worry about it?" Surely that would be a very short-sighted view.

The whole of the South-West of this State is dependent to a large extent on the future of the dairying industry. This report tells us that a considerable percentage of dairy farmers are helped, on their farms, by their wives. It tells us, too, about the long hours they work. One of the problems we have to face is to know how we can decrease the cost of production—this extra 6d.—which is above the average Australian price. As our butter production increases, we know that we have to compete on the world's markets, and 6d. is certainly a heavy handicap.

Under the heading "The Cost Structure of the Dairy Industry in Western Australia" the report states—

The State average cost for farms in the cream producing areas (i.e. excluding coastal) was 48.2d., compared with 42.0d. for the Commonwealth as a whole.

I think we should be giving immediate attention to this problem. At the end of one of their reports as to how the industry can be helped, they mention how many farmers they interviewed, and this is one conclusion they arrived at—

The major problem in achieving an increase in farm earnings is one of pasture development to enable the scale of operation on the farms to be increased. The attitude of the farmers in recognising the need for more land development, and the expressed willingness of the majority to invest and borrow for this purpose, indicate that the farmers themselves are aware of the opportunities which exist for improvement of their position and would react favourably to measures taken to enable them to extend their scale of operations.

This conclusion does not deny the importance of other aspects of farm management, nor the need for improved management of existing pastures. But it does draw attention to the overwhelming importance, at the present stage of development of the dairy industry in W.A., of increasing the areas under pasture.

I think we must do something about this, and do it quickly.

The Minister for Agriculture: The matter is being given further consideration at this moment.

Hon. Sir ROSS McLARTY: I would be glad to know what is doing and if I had a say in it today—which I have not—there is something that I would do. Apparently these farmers who are on partially developed properties—the member for Blackwood asked the Minister for Lands a question about increased pastures this afternoon—and on these limited areas, and who have insufficient pasture and cleared land, are in a pretty desperate position. I am told, by those who should know something about this matter, that unless some assistance is given to them in the very near future, they will have to walk off their properties. The Minister comes from the Manjimup district, which is one of those to which I refer. There is also the Margaret River district and several others in the far South-West which are in a similar position and the Minister would therefore know whether that statement is correct or otherwise.

The Minister for Agriculture: I would say it is reasonably correct.

Hon. Sir ROSS McLARTY: The Minister agrees that it is reasonably correct and so I think it safe to assume that unless we can do something for these dairymen and butterfat producers, there will be a walk-off in the near future. This, surely, is a matter of urgency, which I think should be receiving the first consideration of the Government.

The Minister for Agriculture: It is.

Hon. Sir ROSS McLARTY: If we have a considerable walk-off in the far South-West, what is to happen to these properties which will be abandoned and what is to happen to the amount of Government and other finance which has already been provided there? I read a report the other day which said the Minister had stated that large sums of money had been provided for bulldozing and perhaps in some other directions, and I think he said the large sum was £62,000. The Minister can correct me if I am wrong. Is that, in view of the position of the industry in Western Australia today, a large sum of money? I do not think it is.

I said that I would do something if I had a say today, and I will tell the Minister what it would be. In order to bring up to production the holdings of those farmers who today have not a prospect of meeting their obligations, I would make £500,000 available to them by way of loans and I do not think we could expect interest for the first two years.

The Minister for Works: From where would you get the £500,000?

Hon. Sir ROSS McLARTY: I could tell the Minister where his Government let hundreds of thousands of pounds go. I say we could not charge any interest on this money for the first two years because, as members who have any practical knowledge of land development must know, when one clears land, in the first year one cultivates it and puts in the pasture and can expect no return. In addition, there are all the costs of superphosphate, cultivating, clearing, burning off and so on, and no return can be expected. I do not think one can expect much return in the second year as it takes time for pasture development to have effect.

It would be at least two years before these butterfat producers would receive any return and it would therefore be necessary that they be given an exemption from interest payments for a period, which I suggest should be two years. When we come to the other side of the picture—our increased cost of production—I think we must also do something there. I have in mind certain matters, to which I am giving considerable thought, whereby certain producers could receive direct assistance. It might be asked, "From where are you going to get the money?"

The Minister for Works: You could not take it from the Works Department Vote.

Hon. Sir ROSS McLARTY: I would get it from somewhere and would regard this matter as one of such urgency that out of the £60,000,000 revenue and loan funds which His Excellency referred to the other day, I would make money available—from some source—to help the dairy farmers.

The Minister for Works: Of course you could use part of the deficit.

Hon. Sir ROSS McLARTY: When I say I would provide £500,000, I do not think it would be necessary at the beginning to provide all that money. Some of it could be obtained by bank guarantee. Many of these dairy farmers, as the Minister pointed out this afternoon, are dealing with private banks. A guarantee could be given to those banks and the settlers allowed to operate through those institutions.

The Minister for Agriculture: Do not you think it would be a good idea for a start to have a conference of all the interested parties, before making a decision as to what we intend to do?

Hon. Sir ROSS McLARTY: I do not think there is any objection to that.

The Minister for Agriculture: That is proceeding now and the conference will be held next Wednesday.

Mr. Johnson: From where would the private banks get the money to lend, even if there was a guarantee?

Hon. D. Brand: Surely there have been sufficient conferences already on this question!

Sitting suspended from 6.15 to 7.30 p.m.

Hon. Sir ROSS McLARTY: Prior to the tea suspension I was saying what I thought should be done to assist the dairying industry and I made reference to the fact that I would, by way of loan, provide a sum of £500,000. This would become a revolving fund and the pasture and other improvements, such as clearing, that would be carried out would have to be with the approval of the Government. Where the money was not procurable through the Rural & Industries Bank, it could be made available by the associated banks who could be given a guarantee for the sum involved.

I said also that owing to the increased cost of production in the State, said to be 6d. per lb., I would consider some direct method of assisting certain producers still further. This is an industry of great importance and even if it costs us money, that money must be found, and I believe there are ways and means of finding it. One member asked me how the associated banks would be able to find this money. I suggest that an approach could be made to the Commonwealth Bank and the needs of this great industry pointed out. It is an industry that means so much to this State,

particularly the south-western portion of it, and under such circumstances I think the Commonwealth Bank would agree to make the money available.

It is a matter of urgency brought about by economic factors over which the producer has no control. We are faced with this position: If we want the industry to continue, we must give it some assistance during the present period. I say that the matter is one of such urgency that immediate attention should be given to it. There are other opportunities, such as the Address-in-reply debate, for me to discuss other subjects but I shall content myself for the present with the remarks I have made on the Supply Bill.

MR. HEARMAN (Blackwood) [7.34]: I should like to take this opportunity of discussing matters concerning which I addressed certain questions to the Minister for Agriculture this afternoon. I refer to the dairying industry. I think it would be as well to mention the objects of the survey which was conducted in 1953 by the Bureau of Agricultural Economics. This survey was made into the cost structure and management problems of dairy farms in Western Australia, and on page 1 of the survey the objects are clearly set out as follows:—

That a new survey of the industry be made to collect data which would serve both as a basis for assessment of costs and to initiate action to increase net incomes of high cost producers by cost reduction or increased productivity.

It is quite evident that the reason for conducting the survey was to find ways and means of alleviating the position and lifting the efficiency of the butterfat section of the dairying industry. I think it follows naturally that a survey of this nature should convince the Federal Government of the position as it exists in the State and it also clearly indicates that there is a responsibility on the part of the State Government to take notice of the position that is disclosed and to take appropriate remedial action. If the intention of the survey was not to point out the way to take remedial action, then it appears obvious that there was no object in conducting it. To that end I think the State has a distinct responsibility in this matter.

The survey was conducted in 1953, but the report of it has been slow in coming to hand. However, that does not suggest that its substance was not known to the Government many months ago. In fact, it is quite clear, both from the report itself and from the remarks passed by the Minister for Agriculture, that the State departmental officers contributed a good deal of assistance and information to the Bureau of Agricultural Economics and it is obvious that the Government, through

its own officers, should have been able to anticipate a number of the findings of the survey. In any case, in my opinion the survey does not disclose anything radically new or anything that the dairy branch of the Department of Agriculture did not already know.

The dairying industry has been surveyed on two separate occasions, apart from this one, within the last five years. Mr. Schaffer, of the Institute of Agriculture, conducted a survey in the Margaret River area and the Farmers' Union also made a survey in 1951. None of these surveys is markedly in conflict in any of the findings, so I do not think it can be suggested that there is any reasonable excuse for the Government's being uninformed of the position in the dairying industry or surprised at any of the findings in the survey. In answer to a question, I think the Minister suggested that some of the findings were not unexpected and I think it follows that perhaps other findings were unexpected. When the member for Harvey asked the Minister which were the unexpected ones, the Minister did not reply. The fact that any of these findings were unexpected is something in the nature of a reflection on the Government and on its interest in this matter.

The Minister for Agriculture: Do not talk silly!

Mr. HEARMAN: Quite frankly I do not think that the Government has evinced sufficient interest in the dairying industry in the past.

The Minister for Agriculture: What did you do during the six years that you were on this side of the Chamber?

Mr. HEARMAN: Now that the Minister is endeavouring to bait me, I would remind members that on last year's Estimates there was a sum of £3,000 for artificial insemination. When I asked the Minister what it was for and what he intended to do with it, he did not answer me, and I had to get an answer by placing the question on the notice paper. Although it was of sufficient importance to place the item on the Estimates, the Minister was not sufficiently interested to know exactly what he intended to do with that sum of money. So I do not think the Minister can gain very much in attempting to bait me in that manner.

The Minister should know that the previous Government did make a sum of money available to provide bulldozers to develop the understandard farms at a cheap rate. I think the Minister himself had something to do with the administration of that fund. I understand that since then the Government has increased the price of those bulldozers to dairy farmers. Also, the Minister seems to make quite considerable play on the assistance that has been given through the Rural & Industries Bank, but again it would appear

that all the Government has done is to continue a policy that the previous Government initiated.

So far as I can see the scheme that was started in 1948 is unlikely to meet the situation that exists in 1955. Therefore, to claim some credit for carrying on the policy of the previous Government is no credit to the Minister and at least the action of the previous Government in this matter is worth while emulating and continuing.

One of the most startling disclosures to the general public—although I do not think it would be particularly startling to men such as myself, the member for Harvey and the member for Vasse and a few others—appears in paragraph 12 on page 4 of the survey which reads as follows:—

During the three years 1950-51 to 1952-53, the average annual return available as a payment for all farm labour working on the farm, after paying cash costs, interest on capital, and depreciation, was £391. This represents the full sum available to pay the farm labour force, which on the average, was 1.41 adult male equivalent per farm. To "break even," after allowing £496 as the annual wage for an adult male—

I ask you to bear that figure in mind, Mr. Speaker. You will note that it is approximately £500. Continuing—

—the average farm would need an additional £306 gross income (1956 lb. c.b.)—an increase of approximately 29 per cent. butterfat production.

However great the disabilities of the worker on the basic wage might have been, that survey definitely discloses that they were in no way comparable to the difficulties a great many dairy farmers had to face. If the Government did feel any obligation to the basic wage earner to increase his wage as a result of the cost of living increases, it had even a greater obligation, in the circumstances, to render more assistance to the dairy farmer.

The argument of "no finance" is rather nebulous when any Government is prepared, as the present Government has been, to make the necessary budgetary arrangements, as indicated in the proposed industrial arbitration legislation, for the purpose of increasing the cost of living adjustments to the basic wage and is prepared to spend up to £1,000,000 in making those adjustments. The excuse of not having sufficient money to do anything is not a valid one so far as this Government is concerned. I do think, however, all State Governments, apart from any Commonwealth responsibility, have a considerable obligation to meet in regard to this matter.

After all, the Commonwealth Government at best can only make general arrangements to finance this industry that apply over the whole of Australia. The Commonwealth Government has been doing that over a number of years by way of subsidy. I am going to suggest that a subsidy is not the most satisfactory way of coping with the situation as it exists in this State.

One of my objections to this method of assistance is that the big farmer who needs least assistance is the man to benefit most from the subsidy. The man who is milking 100 cows and who probably requires no help at all, gets five times as much as the man milking 20 cows although he is the one who requires considerably more assistance. Quite obviously, the assistance granted by way of the subsidy is designed to help not the man who is working with 20 cows but the man who is working on the basis of 100 cows.

Before the Commonwealth Government can become interested in any request put up by the State Government to assist these people, it is up to the State to put forward a valid and practicable scheme which will achieve the objective of increasing the efficiency and lowering the production costs of these small farmers. Until such time as the State Government has arrived at a decision on what should be done and has worked out the details and submitted the case to the Commonwealth Government for its consideration, then I suggest there are no grounds on which the State Government—moral grounds at any rate—can ask the Commonwealth Government to do more.

It would seem to me that the State Government at present is in the position that it has had no scheme of this nature in mind—and the problem has certainly been under consideration, as disclosed in the survey during the whole of the period it has been in office—but the Minister now informs us that it is calling conferences to deal with the matter. I suggest that the time to have called a conference to deal with this problem was when the Government first came into office, because the survey only goes up to June, 1953.

The Minister for Agriculture: Do you mean before we came into office or after?

Mr. HEARMAN: I mean exactly what I said. The survey goes only as far as June, 1953, so quite obviously at that time or soon afterwards the Government could have tackled this problem. Today, the Minister says it is exercising the mind of the Government, but I suggest that it is a little late. The Minister himself knows perfectly well that this problem is not new and also that it is a serious matter.

Although the position has arisen as a result of increased cost of production throughout Australia and the falling export markets have perhaps accentuated it,

there is nothing new in this present situation. The only difference is that the position has become rather worse as a result of falling returns; but nothing has blown up in the last five minutes. Therefore, there is a clear-cut obligation on the part of the State to put forward some realistic proposition.

I suggest that if the State wished the Commonwealth Government to lend it a sympathetic ear, it would have to put forward a detailed plan which would give some promise that the standard of efficiency in the industry in this State would be lifted. I suggest that one of the most valid arguments it could put forward is the Government's willingness to contribute some of its own money towards the execution of this proposition—something in the nature of a £ for £ scheme. I would suggest that the immediate problems facing this industry are twofold. In the first place there is, or will be, an immediate need for some form of amelioration for people on the very low incomes. It is well known, and I think the Minister would know because it would apply in his own area, that quite a number of storekeepers and people of that class carry a number of farmers, as it were, for most of the year; the account is usually settled during the flush period.

We all know the story of the cows that pay and the cows that do not, and it is the storekeeper who tells the story. I am afraid we will go back to those days again, and I would stress that there is need for some form of immediate amelioration for what might develop into indigent cases. One road district—I refer to the Margaret River Road Board—has estimated that the amount will be £53,000 less in that district than last year. That happening in a district of that nature must make a difference. It must affect not only the dairy farmer but everybody else in the district. The difficulties that will confront not only dairy farmers but business people, and in particular storekeepers, in that area alone are not to be under-estimated. I think that is one problem to which the Government should apply itself immediately.

The second and broader problem, and this is one which I think will require considerable thought and one in which the Federal Government will be interested, is the question of how to lift the efficiency of the industry. I would point out that this is essentially a State matter. The problems confronting the industry in various States differ very widely. In Western Australia it is to a great extent a developmental problem, because we regard the dairying industry as a developmental industry. The problem, however, is not to be underestimated. In Queensland—which incidentally has, in my opinion, a very much more favourable climate than we have—there is an even higher cost of production and a lower production per cow than we have.

But the problems are considerably different, and it is quite impossible to expect the Commonwealth to make any general gesture to the industry which will solve the problems in all States. The problem in Queensland is largely the quality of their cattle. Here, it is largely a matter of getting an adequate quantity of feed for a sufficient number of cattle to eat. The cost of the survey indicates that there is a certain stage reached where a considerable increase in output can take place with very little increase in labour costs. In this State labour costs are considerable, and quite obviously farms below production level must be lifted to the stage where they will have a reasonable degree of efficiency. The problem here is very different from that in Queensland. I would not say it is more difficult than that in Queensland, because the problem of increasing the quality of a great number of cows is considerable, and of necessity it must take time.

In Western Australia, I think the agricultural problems are known and understood to a great extent, and it is merely a case of developing backward farms to a stage where they can operate on a more efficient basis. There are many farms here where the land is good enough and the farmer is good enough, but the economics of the industry are such that he is not an economical banking proposition in the generally accepted sense of the term. It is accepted that any assistance he is given must be more generous so far as security, interest considerations and repayments are concerned, than would meet normal banking requirements.

It would seem that the proposition the Minister has been talking about is, in effect, a normal banking proposition. There is an additional consideration; it is done through the Rural & Industries Bank, but if it can be done through any other bank, well and good. I have discussed this proposition with bankers in the areas where these farms exist and they assure me that there are a number of men who measure up to the requirements, but that the economics of the farms are such that they cannot be expected, under normal banking conditions, to provide any additional loan.

For that reason, they must be dealt with in much the same manner as we treated the man under the war service land settlement scheme, who was not a normal paying proposition until the stage was reached where one of the trading banks could take him over. Accordingly, I think the question of just how this problem is to be tackled is one which is essentially a State Government problem. It is one in which I think the Commonwealth Government might be sympathetic, provided a worth-while proposition was put to it. But merely to stand up and try to make political capital out of it, and say that the Commonwealth should do more is not

likely to get anything additional out of that Government, and it is not likely to help the dairy farmer, either.

The first thing the State Government should make sure of is whether it wants the dairying industry to continue. If it does not want the industry to continue, it should say so; if it does, it should state what steps it will take to help it to continue. Another point, as far as the dairying industry in Australia is concerned, is that this is the only State that is not producing its own requirements in butter, and, while we might be the one State that might possibly put forward some sort of argument for increased production, I suggest we should lift our production. We are the only State in the Commonwealth in that position. With the outlook as it is at the moment, and as it is likely to continue, we have to place great emphasis on increasing efficiency right through the industry rather than largely increased herd numbers.

There are no two ways about it; the problem today on an Australian basis is that there is too much butter exported at a loss. The answer is not to increase production of butter, and that is one reason why this criticism of the Commonwealth—that it ought to pay more and that it ought to see that the dairy farmer gets a bigger return—is hardly a realistic approach unless it can be shown that measures are being taken to increase the efficiency of the industry in the various States to a stage where those associated with it will be able to get a sound living from lower prices.

In a nutshell, we must find ways and means of producing butter more cheaply in Australia. In this State we have an argument that is different to any other State because we can consider a slight increase here. In any case an increase in butter production in Western Australia, which would mean a quite appreciable increase to the State, would have little effect on the Commonwealth production as a whole. The cost survey which is conducted annually is taken over 1,000 farms in Australia and they are spread amongst the State on a pro rata basis. There are 69 farms in Western Australia included in that survey, and 69 out of 1,000 is not a very big percentage. So it is possible to make an increase in this State which would not be sufficient to upset the Commonwealth set-up too seriously, but which could make an appreciable difference to the industry in this State.

Western Australia has a very definite and clear-cut responsibility in this matter. The Government has got to face up to two problems. The immediate one is dealing with the hardships that might result from the existing situation, and a definitely detailed programme as to what can be done towards putting the industry on a more efficient basis. Quite a lot can be done in that regard. It is not merely a

matter of bulldozing; it is not a matter of more pastures. There are other matters such as quality of cattle, herd numbers, subdivisional fencing, and an increase in water supplies.

Despite the fact that water presents no problem in the South-West, there are many herds receiving insufficient water for summer production. In the South-West that problem is in no way comparable with the position facing the people in the area represented by the member for Roe. It takes money none the less to provide these supplies. That is another aspect which can well be studied.

A further point which requires attention is the cost of superphosphate. In Western Australia this cost is a little higher than in the Eastern States, although the actual cost of the product might be comparable. We use about the same quantity of superphosphate per acre, but whereas in Victoria a cow can be milked on one to 1½ acres, it takes five acres to milk a cow in this State. Thus, the actual cost of superphosphate for one lb. of butterfat produced in Western Australia is very much higher than the cost for a lb. produced in some of the Eastern States.

Another matter disclosed in the survey is that there is not sufficient money in the hands of a great many farmers to effect some of the improvements they wish to carry out, even if they were prepared to do all the work themselves. One of the needs that require a lot of ready money is superphosphate which has to be paid for either in cash, or an order on the cream cheque. There is obviously room for assistance in this respect. Farmers with less than a certain acreage or less than a certain tonnage of superphosphate might get direct assistance from the State.

That sort of thing has to be worked out by the State. It cannot ask the Commonwealth to come up with all the answers. Quite a deal can be said about ways and means which the State can adopt to assist such backward farmers. Further, I would like to point out that this industry is of some value to this State. It is true that, in common with dairy farmers throughout Australia, the local farmers cannot produce butter at a price comparable to world prices, but let me say this: If the butterfat and dairying industry goes out of existence it will have an effect on this State and on many people in the metropolitan area, far wider than a lot of people might at first think.

For a start if a halt is called to the butterfat industry and if the supply of cows for wholemilk areas is cut off, then obviously if wholemilk production is to be maintained and increased—and the present trend is to increase consumption, which is all to the good—the wholemilk industry will have to breed its own replacements. This will affect the cost of wholemilk. A large proportion of the cattle slaughtered

for beef are produced and reared on dairy farms. In fact, the survey indicates that quite an appreciable proportion of the sideline income of dairy farms results from the production of cattle for sale and from the rearing of pigs.

If these two classes of meat are to be taken away from the local market, obviously the price of other meat must increase because there are periods of the year when good meat is not easily procurable and is certainly not cheap to purchase when available. I think this industry is worth maintaining apart from the fact that very large sums of Government money have been invested in various farms under different schemes in the South-West. In any case if we cannot keep the existing developmental industries in the South-West functioning, then we have to admit some measure of defeat in relation to the development of the South-West. Any community—I do not say any Government—which has to admit an inability to develop the South-West makes a complete admission of failure. Any Government that is prepared to accept that view and not put up an alternative scheme for the development of the South-West is indeed open to censure from the public.

The Government must formulate some scheme forthwith and I am prepared to give any assistance within my power on this matter. First of all, it has to formulate a realistic policy. If it is prepared to sell the industry up and not keep it going, it should say so and suggest an alternative for developing the South-West. I hope that the Government will get down on all fours in respect to this matter. It is about two years too late in doing anything, but it is better to do it now than never. It should formulate some worth-while and practicable scheme and then carry it through with resolution.

Finally, any obligation which the Government might feel towards the basic wage earner so as to provide him with extra money, should be applied with even greater force to these farmers who receive below the basic wage and who have now been placed in an extremely difficult position. They have invested all the money they have in their farms; they have been encouraged by successive Governments to do so; they have had very small returns. Whatever responsibility the Government feels towards the basic wage earner should certainly be applied with greater force to these people. Any money expended in giving assistance is going to increase production and will not have the inflationary effect which will follow an increase in the basic wage.

MR. HILL (Albany) [8.10]: I should like to support the Leader of the Opposition and the previous speaker in their remarks on the dairying industry. It is of

no use our thinking that Western Australia is in a prosperous position. Actually the position is very serious, especially as we have the disproportionate growth of population in the metropolitan area as compared with the country districts. The prosperity of the State does not depend upon what exists in the region of the Swan River; it depends on what is produced in the country areas, and one of the important primary industries is dairying.

Yesterday morning there was a wireless broadcast in which the commentator tried to make out that the dairying industry is in a good position. He quoted figures to the effect that many dairy farmers had refrigerators, that 20 per cent. of them had hot water services and that 70 per cent. had telephones. Well, refrigerators, hot water services and telephones are not luxuries to the men on the land or to the women, either. They are absolutely essential.

On Saturday evening I attended a meeting of dairymen at Denmark with a view to seeing what could be done because this month they will be faced with a drop in their income of 10 per cent. This is a very serious matter for those people. The dairying industry is the most unattractive one in this State, and it is essential that we should do something to assist it. At Saturday's meeting all of those present desired that the price of butter be kept to the lowest possible level for the people in the metropolitan area. They realise the importance of that fact, and several made suggestions whereby the price might be kept in check by a decrease in the cost of production. A meeting is to be held at Bunbury tomorrow of those interested in dairying with a view to considering whether concrete proposals can be put up to the Federal and State Governments.

An experience I had five years ago last April was one that should have fallen to the lot of city members.

Mr. Lawrence: What was that?

Mr. HILL: The Minister for Agriculture was in Albany helping a young and vigorous Labour candidate. One morning I rang the road board secretary and told him, "You had better stand by today. We are in for trouble." On that day there was not one part of my electorate from the Frankland River to Twofold Bay that was not threatened by fire. I shall never forget the 10 days before the election in 1950. The following Saturday I went to Denmark. The chairman of the meeting on the Saturday night was Mr. Geoff. Pate. I went to his farm and found that everything but his house had been destroyed by fire. All around the country was burnt, and hundreds of pounds worth of machinery in his shed was ruined. I also visited several other dairy farms where everything but the houses had been burnt.

The men and women engaged in dairying are the very best to be found in Australia. Not only do we want to look after the industry, but we also want to look after these men and women. I appeal to the Minister and to all present to give the matter of improving the industry earnest consideration because the industry and the men engaged in it are deserving of it. They do not work 40 hours a week. If they received the same rate of pay per hour as is paid to workers in the city, they would be riding around in flash motor cars. They work long hours and they work hard, and, in spite of that, they are now faced with a 10 per cent. reduction in their income. I urge the Government to do its very best for the welfare of the industry in the South-West portion of the State.

HON. A. F. WATTS (Stirling) [8.15]: Although I have considerable interest in the dairying industry and that interest will be of a much more concrete nature in the very near future as a result of the redistribution of seats, nevertheless I think I should endeavour to inform the House on one or two other matters so that members might be able to reflect on what has been said by previous speakers on the industry in question.

It may be appropriate at this stage to say a word or two to the Minister for Education. This afternoon I asked a question having reference to the number of schools or substantial additions to existing schools where official openings have taken place since the present Ministry has been in office, and the hon. gentleman indicated to the House that the official openings of new schools were arranged by local citizens and that no departmental records are kept of those openings.

If the Minister cannot tell me, I shall have to tell him, because if he has not kept any official record of the openings, I have some idea of the number of places in question. Before I go any further, I shall question his statement that the functions are arranged by the local citizens. I am aware that that is the position in some instances, but not in all instances because the department is fully informed and consulted at every turn before any arrangements are made. Therefore I do not doubt that the Minister's answer was deliberately so framed that he did not desire to give the information he could have obtained to answer the question but desired to cloud the issue. Consequently I shall tell him the facts.

Before I do so I wish to make reference to a few observations by a former Minister for Education, the member for Melville, when he was a member of the Opposition in 1948. Prior to that time, three school

buildings authorised by the preceding Government had been opened by me as Minister for Education. One was at Cunderdin, the second was at South Bunbury and the third was what is known as Forrest High School at Mt. Lawley. At page 255 of "Hansard," 1948, the hon. member, who is well versed in the procedure in these matters, had this to say in reference to me as the then Minister for Education—

I am very grateful to him for having so arranged the programme as to give me the opportunity of speaking at the function.

At page 256, he said—

To the credit of those responsible for arranging the ceremony, I say that they did not overlook the fact that the Labour Government, and I as its instrument, were responsible for that school.

On the 11th November, 1948, at page 2393, he said—

The Minister went to South Bunbury to declare open some buildings which had been erected there. The Minister kindly invited me to accompany him, but it was not possible for me to do so.

Referring at another stage, during the same session of Parliament, to the Forrest High School at Mt. Lawley, the hon. gentleman, the member for Melville, pointed out that he had also been an honoured guest at the function, and had been afforded the opportunity of expressing his views to the assembled company. He paid me, although I do not particularly want to refer to this, the compliment of saying that in these three instances I had been extremely courteous to him by ensuring that he was given the opportunity to participate in them.

This afternoon I asked the Minister what schools had been authorised or commenced during the term of office of the preceding Government, and the answer he gave was, as I said, that "as the official openings of schools or extensions are arranged by local citizens, the department has no record, and therefore my request for the particulars of the schools is answered by No. 1." I do not profess to have an encyclopaedic memory, but I certainly have some correct information about a few of these premises.

On the 14th December, 1951, for example, I announced that a contract had been let in regard to the Narrogin High School, which was completed during this year. I knew nothing about the opening until after it had taken place, so I can distinguish very considerably between the conduct of the present Minister for Education and that which was referred to by his predecessor in 1948; and I take a pretty dim view of it. Also, without labouring the subject, similar functions took place, to my knowledge, at Bridgetown, Donnybrook, Margaret River, Nyabing, Toodyay and the Harvey Agricultural High School.

All of these were substantial additions to the educational structures in this State and they occupied, in relation to the Government of which I was a member, the same position as did the Forrest High School, the South Bunbury and the Cunderdin schools, to the Ministry of which the member for Melville was the Minister for Education in 1946. So I feel I am justified at this stage in bringing before the notice of the House, and the community, too, for that matter, what I regard as the complete discourtesy of the Minister for Education in regard to these functions.

Not only was there no opportunity of my being there, which could have been overlooked, but I was not even apprised of the fact that the openings were taking place. So I had no chance of being present at any of them, whether I wished to or not. I trust that this will be the last time that any ex-Minister of the Crown in this State has to draw attention to discourtesy of this nature, because I think it is something which ought to be avoided at all costs.

As a matter of fact—and I think quite rightly—the member for Melville drew the attention of the House to another matter when he was seated on the Opposition benches some six or seven years ago. One can understand an omission in an odd case. In one or two instances it is possible for an error to be made and forgiven, but I do not think it can be overlooked when it apparently becomes a considered practice and covers a considerable number of important school buildings such as I have mentioned; and those I have spoken of are only, I should say, 50 per cent. of the ones in respect to which opening functions have taken place.

The Leader of the Opposition, in opening his remarks on the Supply Bill, expressed the opinion that he was going to debunk some of the propaganda which has been going abroad in regard to the alleged improper treatment by the present Commonwealth Government of the Government of this State so far as finance is concerned. Looking back over the history of the last six years and comparing it with the conditions which prevailed in other years since the war, one is forced to the conclusion that in an effort to make available to the various States substantial sums of money for loan funds—far over and above those which the public were prepared to subscribe, which has been the normal method of finance for loan funds—the Commonwealth Government in the last six years has spread itself more than any of its predecessors.

We know for a positive fact that on more than one occasion it has declined to use the loan funds to any degree for its own expenditure but has expended from revenue what normally might have come from loan funds. Not only that, but on more than one occasion it has provided funds from revenue and from sources other than loan

funds or loan subscriptions by the public, to make up the amounts which the Loan Council has decided should be available for the service of the six States. That amount has not been paltry. Unfortunately I have not got the exact figures, but it is well known that it runs into many millions of pounds. Perhaps—I think no doubt because of the increasing commitments and the increasing costs—the amounts available have not been sufficient to satisfy the demands of the State Governments. Nevertheless, they have in many instances been far more than the public have been prepared to make available in loan funds, and far more than the State Premiers would have been able to get had it not been for the intervention of the Commonwealth resources to which I have referred.

History is a very interesting subject. Some people do not think its study is of any great value, but to a large extent I disagree with them. If we look back over it, sometimes it gives us a line on the events which are likely to take place in our own day and generation. I do not propose to go back in history any further than the period during which the late Rt. Hon. J. B. Chifley was the Prime Minister of Australia. Let me say straight away that although I disagreed, naturally, with some of his political views, I had the greatest respect and some degree of admiration for the late right hon. gentleman.

As a result of the very few occasions on which I met him, I realised that he was a character almost unique in the political sphere of that time, when he was Prime Minister of this country. I do not think any member of this House has heard me offer a word of personal criticism of him, but there is no question that he was extremely hard on the State Governments when it came to the question of finance, and we did not hear the complaints from the gentlemen now sitting opposite me in this House, in those days, nor did we, curiously enough, hear the propaganda and critical outbursts which might have been possible, from the then Premier, the present Leader of the Opposition, because for the Loan Council meetings in 1947, 1948 and 1949, at which the Rt. Hon. Mr. Chifley presided, the present Leader of the Opposition was the leader of this State and might therefore be expected to know all that was taking place in this regard. I have looked at the loan allocation which he was able to obtain in 1947 from the Loan Council and I find that it was something in the vicinity of £3,600,000.

The Minister for Housing: And you could not even spend it all.

Hon. A. F. WATTS: Yes, we spent it most successfully and had a mighty big deficit as well. I was about to observe that the basic wage at that time was approximately £5 0s. 1d. and, adding to the present basic wage the amounts which have

not yet been allowed by the Arbitration Court—I propose to add those figures because had there not been a wage-pegging period, they would have been tacked on to the basic wage—it would be approximately £13 15s. at the present time, or less than three times as much as it was then.

And yet, as we must regard the basic wage as some datum point from which we can start our calculations as to cost, although the basic wage has increased less than three times, even allowing for the cost of living margin which it has not yet had incorporated in it because of the decision of the Arbitration Court, we find that the Government of this State has for some years past been receiving between five-and-a-half and six-and-a-half times the amount of loan funds that were available in 1947 when the present Leader of the Opposition, then Premier of this State, went to Canberra for the first time to attend a Loan Council meeting.

Then we come—if I may be permitted to do so—to the Loan Council meeting in 1949. By this time the Premiers were getting into a far more agitated state than they were even at the last Loan Council, and with considerably more justification, because they simply were not getting the money nor were they getting much sympathy from the right hon. gentleman. It was reported in "The West Australian" of the 22nd August, 1949, in these words—

Antagonism between Federal and State Labour was revealed this week over the Commonwealth Government's general financial policy and State Premiers have bitterly criticised the Prime Minister, Mr. Chifley, on his dogmatic attitude towards their problems. State exasperation came into the open tonight when Mr. McGirr, New South Wales, openly challenged Mr. Chifley, who was the main butt of the attacks, to ask the people by referendum whether they wanted complete unification or not. Both Mr. Cain, Victoria, and Mr. McGirr declared that the States were being slowly strangled. Mr. Chifley did not comment on Mr. McGirr's challenge but he was obviously surprised at the vehemence of the remarks by his party colleagues. This rift between the Commonwealth and the States has been growing since the Premiers' Conference last year, particularly as the States have been affected by growing administrative and other costs, over which they claim they have no control and which they claim has been largely due to Commonwealth policy. Throughout the present conference State Premiers have been hostile towards the grab-all policy of the Commonwealth, particularly on finance. In this direction they declare that Mr. Chifley is not doing them common justice and to implement Federal policy he is

leaving them financially high and dry while they still have to maintain essential services which the Commonwealth escaped.

If that is not a repetition by the Labour Premiers of New South Wales and Victoria of what we hear every now and then on the hustings and in the Press in Western Australia from the present Commonwealth Government, I do not know what is, and so I say history is sometimes worth going into.

The most cheerful part of this report reads—

Mr. McLarty has not joined in any of the brushes, but has persistently advanced Western Australia's claims.

That seems to be the very antithesis of what is happening at present because there we had the Labour Premiers attacking a Labour Prime Minister while the non-Labour Premier of Western Australia at that time refused to do anything of the sort. I would commend that attitude in reverse to the hon. gentleman who heads the present Government.

The Treasurer: Thank you.

Hon. A. F. WATTS: When the then Premier of Western Australia, Mr. McLarty, sought to have a committee set up to discuss the question of Commonwealth and State financial relationships—which all the Premiers then present agreed to—it is reported here that Mr. Chifley said, "We are simply not interested." So I think it ill becomes any Government or body in Western Australia at the present time to be everlastingly criticising the present Administration when it has been the Commonwealth practice, apparently for a long period of years and under all sorts of Administrations, to husband—to use the word best suited to this point—their resources and to require the State Government to limit themselves—as was the case in the instance I have just been reading about—to the funds available from the loan market by public subscription.

I hope that, in view of the fact that the Commonwealth Government in more recent times has stretched itself far more than its predecessors ever did to make very considerable funds available in the face of frequently falling subscriptions by the public, we shall all be prepared to take a more rational attitude towards the situation than we have adopted to the present time.

Next, I would like to turn back to the dairying industry and I was interested in answers by the Minister for Agriculture to questions asked by the member for Blackwood this afternoon. The questions were—

What eligibility requirements do applicants for this assistance have to meet?

What money did the Government make available for this purpose and how much is left unexpended?

First of all, the Minister did not answer that last question, but I am not going to pick holes in him for that because I realise that although he had notice of the question, the notice was comparatively short, and so I will let that go. The Minister's reply was—

The funds advanced by the bank came from its agency department capital and were supplied by the Government to the Agricultural Bank and taken over by the Rural & Industries Bank on its formation in 1945, and represent repayments of loans made by the former institution.

Any settler of good personal equation whose farm is in the opinion of the commissioners under-standard is eligible to participate if able to support the loan with approved security or if banking with a private bank is able to arrange for his bank to finance the work.

There, I think, is the major weakness of this scheme, which has been in operation for some time in a comparatively small way. If it is to be expanded in order to enable the substantial development of backward properties and the building up of suitable dairy herds, I suggest that it has to be done on a different and more generous basis than that which is set out in the answer to this question, because it implies that the applicant must be able to support the loan with approved security.

I suggest that the circumstances of these people will be such that they will not be able to support any loan with approved security and it will be a question of developing their properties and their opportunities to make them worth while as a security. Therefore, whatever is done will have to be away from the question of what is a good banking security and done on the basis of what is requisite to improve the properties to a level where these settlers are likely to get out of their troubles and be enabled to make a good living and so become a good personal security as well as good property security.

Secondly, I would suggest that the same argument applies to the private banks. Without going into the argument of whether the private banks should have the money or not, I am inclined to the opinion that they would have it, and the security offered, as presumably their trading methods would require, would have to be effectively covered by the State. Of course, there might be some instances where the property, or the personal equation, or both, might be good enough to warrant the bank making the necessary advance without a Government guarantee. But, from the look of the data in the report that has been furnished, and which has been quoted freely this evening, I do not think there would be many settlers in that position.

I was impressed by the point of view expressed by the Leader of the Opposition, and I feel that if what he suggests was put into operation, we would be going a considerable way towards solving the problem. Aside from that, I think that whatever we do will have to be done not on the basis of what was done in the past, or what is a good security, but to find ways and means of supplying settlers who can be shown to need it, with the necessary funds to enable their properties to be developed.

The Minister for Agriculture: Would you say that we should guarantee the private banks?

Hon. A. F. WATTS: I think so, where necessary.

The Minister for Agriculture: Wait a minute. In the event of the policy of free-of-interest loans for two years, or three years, as the case may be, being adopted, would you guarantee the private banks with Government money?

Hon. A. F. WATTS: I am afraid we would have to do that.

The Minister for Railways: Rank socialism!

Hon. A. F. WATTS: I do not think it is rank socialism to offer assistance to a depressed industry, an industry which, unfortunately, has had a great deal of money spent on it in past times, and which has made many great losses. However, let us not lose sight of the fact that, had it not been for this money, large portions of the South-West would today be only partly inhabited. The result of that spending, so far as the State is concerned, has been worth while because of the development of our south-western areas.

To me, it does not seem any use trying to fiddle with this business. If ways and means can be worked out, and if those plans show that finance for developmental purposes is an essential part of the business, I think we will have to stretch every nerve to find it and put the people who are there now on a sound and reasonable basis, and then perhaps we might have to consider delaying further development of the industry. If the problem of increased production and increased exports is to face us with the problem of reduced prices all the time, we might have to consider, after we have rehabilitated those who are there now, the question of saying, "No more." But that is a question that must be determined in the light of what happens in the future.

I say, without fear of contradiction, that we cannot allow any of those who are there now, and who are willing to work and improve their properties and become efficient within the best meaning of that term, to leave the land, because it would be extremely detrimental to those areas of the State which are vitally important to

us and upon which the State has spent large sums of money for developmental purposes and has endeavoured to provide the various requirements of the people. Those things are there now and must be used. So I subscribe to any proposal that is likely to get results, because I want to see this matter solved, and I am prepared to support anybody, be it the Government, the Leader of the Opposition or anybody else, who is prepared to take a risk financially in order to get it straightened out, if that is possible.

In conclusion in this particular instance, I would like to say a word, or two to the Premier regarding a question I asked this afternoon. I asked the Premier for the approximate additional cost to the Treasury in one year if all the cost of living increases shown by the statistician since the basic wage was pegged had been added to the basic wage. The Premier, after telling me in short that he did not have the information at hand as he had been attending a public function, proceeded to some extent to give me a lecture on the point that whatever be the figure, it would be the total amount of which the workers and their families in this State have been deprived as a result of the cost of living increases which took place in that period. Then he went on to talk about the Industrial Arbitration Court.

I do not know whether the hon. gentleman was engaged in a bit of propaganda or misunderstood my question; I will assume that it was the last-mentioned. Let me tell him, in the politest manner possible, that my question was not directed at the Arbitration Court or to whether or not it should grant basic wage increases.

The Treasurer: I am sure it was.

Hon. A. F. WATTS: I wanted to know what the cost to the Treasury would be if all the cost of living rises since the wage has been pegged were added to it; and I was seeking that information for statistical purposes.

The Treasurer: That is the way I understood it.

Hon. A. F. WATTS: Then the Premier did not answer me in that way.

The Treasurer: Yes, I did.

Hon. A. F. WATTS: I say, without equivocation, that I am not averse to the Arbitration Court coming to a conclusion to allow cost of living rises to be passed on to the worker. Where the Premier and I disagree is that the Premier says we should legislate to make the court do it, and I say we should leave it to the court's discretion. That is the only difference between us. I have no complaint with the Arbitration Court when it makes a decision, but I have the strongest objection against legislating to tell it what to do.

MR. JOHNSON (Leederville) [7.51]: Out of deference to the member for Claremont, I might say that I would not have risen to speak in this debate had it not been for the remarks of the previous speaker. However, I have listened to a number of statements and in particular to the statement made regarding my own industry of banking, and I think it would be of value to the House if I at least gave a little information on the subject. The suggestion made by the leaders of the two parties opposite, namely, that the Government should provide interest-free loans to farmers in the dairying industry is, of course, one that would more properly come from someone on this side of the House because it is at least a step towards that much discussed subject—socialism. However, that is not the point I wish to illustrate.

The question at issue is that of financing these people by Government guarantee through private banks. It is my considered opinion that loans to those engaged in dairying, even if guaranteed by the State Government, would not be business that would be welcomed by private banks. There are several reasons for that. At the moment, the principal one is that they are suffering from financial indigestion. In other words, they have not the money to lend, no matter what security is offered. In many industries very substantial security is available for loans which could be advanced by those banks that have the money to lend.

Hon. A. V. R. Abbott: It all depends whether the Commonwealth is prepared to make it available.

MR. JOHNSON: I am speaking of private banks.

Hon. A. V. R. Abbott: I am, too.

MR. JOHNSON: The control that the Commonwealth Bank has over the private banks is only in relation to policy, but not in any detail. It is only an influence; perhaps one might call it leadership. The control that is exercised by the Commonwealth Bank is very mild. At the moment the private banks have no funds available to offer on loan except on those which have an extremely selective security.

For instance, I believe that housing loans, although perhaps not quite as urgent as some others, are very nearly a thing of the past. If one wishes to borrow from a private bank to obtain funds to erect a house, one must put forward a proposition showing that the whole of the amount can be repaid in a period from, say, five to 10 years, whereas the type of loan required by most people who are anxious to build a home is that which will allow repayment over a period of from 20 to 40 years. As a result, the loans for housing provided by private banks are very small in number and are made available

principally in those instances which offer collateral advantages.

The practice of lending money by banks is based—which I think the Leader of the Country Party made quite clear—primarily on the security of the individual and not on the security of the property. The primary consideration in lending money is that the individual concerned should be in the very nearly certain position of being able to repay the money. The collateral security, the mortgage on property or the lien on goods, is not the principal consideration. The very last thing the bank wishes to do in advancing loans is to realise on the security.

The whole object of lending money is to rely principally on the security of the person; that is, that he is not only willing but is able to repay the loan. Any other principle that is adopted is bad banking. I wanted to make that point clear because the dairying industry, even if loans are guaranteed to it by the State or the Commonwealth Government, is not one which shows signs of being able to repay capital loans over a reasonable period. As I have already indicated, when dealing with housing loans, private banks consider that a period of repayment from eight to 10 years is reasonable.

For that reason and not necessarily for the reason that the security is not a good one, but because of the slow turnover of funds, I should imagine that the private banks would not be anxious to do that which the two party leaders on the opposite side of the House have suggested. Possibly, it may be a little technical, but I think that unless the Leader of the Opposition is aware of those facts, it is possible he may come forward with that suggestion again, which, although on the surface has a great deal of merit, is actually impracticable, in my opinion. Probably the only way that those loans can be made is from Government funds made available either by the State or the Commonwealth Government. That is a question of policy that must lie with the Treasurer of the State or the Commonwealth in regard to the manner in which the funds which are made available to him are allocated.

That, of course, would be partly a political decision. Concerned in such political decisions is one phase which I felt the Leader of the Country Party was criticising not quite correctly. He was trying to praise the Commonwealth Treasurer for allowing the States to spend loan money whilst the Commonwealth Treasurer himself is normally spending money out of revenue. In my opinion, it would have been better finance had it been the other way round.

It must be remembered that loan expenditure has a fixed rate of interest, but revenue expenditure carries no interest and, in effect, what the Commonwealth Treasurer was doing was financing him-

self free of interest whilst the States have to pay interest on their loan funds. Such interest is growing all the time and this is becoming a larger item of expenditure each year. If, at any stage, there should be a reduction in our revenue expenditure, then loan interest, which is a primary call on our revenue, will rise out of all proportion and we, as a State, will be in real financial difficulty.

If that happens, Commonwealth finance will have to support us. I feel that we can blame that extreme financial difficulty on Commonwealth policy which has been to allow the States to spend loan money while the Commonwealth authorities did not. One of the things which could have been done with the £70,000,000 surplus which the Commonwealth Treasurer has salted away, would have been to buy up Commonwealth loans and take them off the market.

Although that would have been an inflationary move, it would have freed considerable sums in the open loan market and would have made the expansion of bank credit much more free and then, quite conceivably, would have made the private banks willing to make the loans available which have been suggested and also, would have made possible a reduction of the interest rate on the public market. But that is something that has not been done. It is one method that could be used. As everyone who has studied Government finance is aware—although the Leader of the Opposition has said that the £70,000,000 surplus had been earmarked—the Commonwealth Constitution lays down that a surplus shall be returned to the States.

That has never been done since there was a surplus in Federal funds because successive Treasurers find ways and means of earmarking the surpluses for different funds and finishing their financial year with figures showing a nominal amount, well knowing that there was a considerable amount hidden around the books. It is the type of thing that is done in all Government finance but which, if done in private finance in any of the public companies in which people are entitled to buy shares, would result in the accountant and the auditors being put behind bars for doing things which were improper. Still, it has always been done and probably always will be done; it is part of the game and is well understood.

The matter of returns to the dairying industry and to the dairy farmer is not entirely unconnected with the return on the basic wage. It is of interest that the increase in the basic wage, which we have heard has been granted today, is approximately 11b. of butter per basic wage earner per week, and I fancy that the retail sales of butter can be expected to increase as a result of this lift in the basic wage. That is no joke; it is a fact. It will help prevent the butter sales reducing further.

Another point to which I wish to refer is that the basic wage earner, the man on the small margin who is receiving this 5s. 11d. a week, is not in a position to save money. The amount which this weekly increase in wages will buy is infinitesimal. The whole of the amount will go into commerce and will be spent in the shops. One of the things I have found in my electorate is that the owner of the corner shop—the little suburban shop—has been complaining bitterly of the fact that in the last six months or so although he is serving the same number of customers, his trade is going down; he is selling fewer articles.

The point I wish to make is that this small increased amount in wages will all go through the shops, and I think that the retail trade will find a very real increase in its trading as the result of this upward move in wages. We may also see a lessening in the number of advertisements for sales with which the newspapers have been overburdened recently. The whole of the retail trade is feeling this trend, and I am surprised that it has not joined forces with the trade union movement which has been pressing for this increase in wages. It is one of the changes that the retail trade has needed. It has been needing it badly and I feel—although this matter needs a great deal of examination to see whether one is arriving at the right conclusion—that had wages not been pegged at any stage, we would not have had the slowing down of the retail trade that has been apparent of late. It reflects in many avenues, of which the butter industry is one.

I think it is a very good thing for our State, but I do hope that in the use of this extra money the people who spend money in this State will make a point of spending it on State-produced goods, because State-produced goods are made available by the people who draw their wages in this State, which means that the money circulates internally. If we buy goods from overseas or from other States then to some extent we would be exporting our own internal prosperity, which would be a pity. It would be a good thing if members of Parliament on both sides of the House could join in a drive to support local industry, whether it be a pickle factory or the dairying industry to which there has been so much reference.

The only other aspect to which I wish to refer is one that has had a great deal of publicity; it is the very large profit which was shown by General Motors Holden and which I think is a credit to their engineering capacity. There has been a lot of comment on it. Some people say the profit is too much and others that it is only a just due to their capacity. The point I wish to make is—and it is one that has not had any publicity—that this industry has grown up behind the shelter of a tariff

wall, and everybody who uses a vehicle that contains any imported parts subscribes to that profit.

Anybody who drives a British or American car has subscribed to the profit of General Motors Holden. The correct method of dealing with this situation is by a reduction in tariff because that particular group has shown that it did not need all the tariff protection it is getting. If we believe in freeing trade, overseas and international trade, and if we wish to reduce tariff barriers against our goods, and to reduce the American tariff against our wool, then one of the steps we should take is to reduce the tariff on motorcar parts, and motorcars as a whole, in such a manner as to leave our home industry in a position to compete but not in a position to make excessive profits, which in effect are subsidised by those who prefer to use a different type of motor-vehicle, or who are compelled to use a type of vehicle different from that which this company produces. I think that is the answer not only to this problem but to a number of problems. If we could reduce our tariffs it would be good for trade not only in that industry but in connection with all exports and imports.

In relation to the rising cost structure which is felt internally in Australia, and not only Western Australia, I feel it is necessary for the Commonwealth as has been done by two other countries recently, to consider a change in the exchange rate. It is out of balance. If we can combine an intelligent reduction in tariffs with an intelligent upward change in the exchange rate and adopt means, which could be applied to the Commonwealth surplus, to free credit and reduce interest rates, then we can look forward to a sound financial future. If we do not carry out something like that, we will be heading straight for financial trouble. There is a good deal of financial trouble on the horizon abroad. We in Australia can avoid a lot of that, but not unless we deal with these things in an intelligently reasonable manner, free from party bitterness and for the benefit of Australia as a whole.

MR. PERKINS (Roe) [9.12]: Traditionally, Government Treasurers have had to justify expenditure when they went before Parliament asking for supply, and although in this interim Supply Bill which the Treasurer has put before us he has not made a financial statement, we do look forward to the full statement when he introduces the Estimates. In the meanwhile it is entirely proper that members should make some observations on financial problems facing the State as they see them, so that at least the Treasurer can consider the points raised when he submits the Estimates to Parliament at a later stage.

I think that probably in the next year or two both the Commonwealth and State Treasurers will face a rather more difficult period than those we have known since the war. When we read the various financial reviews, and when we couple those with the observations of people who are associated with different industries, we must come to the conclusion that more difficult times are facing both Australia as a whole and this State in particular than those we have experienced for some considerable period. Over the years the prosperity or otherwise of the primary industries has very largely determined the prosperity of the country as a whole, because only the primary industries have been able to provide the goods necessary to earn the required foreign exchange in any great quantity.

Since the war our primary products have been selling at comparatively high prices on world markets in comparison with the prices of fabricated goods. The result was that Australia was placed in a very fortunate position, and people in every walk of life in Australia shared in that prosperity; but we have now reached the stage where, as far as our primary industries are concerned, some of them are in actual difficulties. Even the more prosperous of these industries—wool in particular, and, to a lesser extent, meat and wheat production—have not too bright a prospect. The price received by the producer for his products in each case seems to be at least static and in some cases likely to fall, while, on the other hand, costs continue to rise.

Of course the increase in the basic wage announced today is going to be a further factor when it is eventually reflected in the cost structure of all industries, including the primary industries. I can see that we are reaching a more difficult point in our economic development. At the present time it is very noticeable in our country towns that traders complain of falling turnovers. That air of prosperity to which we have been accustomed since the war is not so evident today. While the member for Leederville has referred to some small drop in turnover at the corner shop in the suburbs, the drop in turnover in country towns, about which I have been told by some retailers, has not been of a minor nature. This is rather borne out by what we read in the financial reviews. Sooner or later, if we can go on what happened in the past, a lack of prosperity in the country districts is eventually reflected in a dampening of prosperity in the rest of the community.

In framing his Budget for this financial year and possibly to a greater extent in the following year, I foresee the Treasurer having more headaches than he has had in recent times, because when the economy reaches a point where it ceases to expand, then Government revenue also ceases to expand, but usually costs have a habit of continuing an upward trend long after the

economy generally has reached a static point. To some extent the position is similar to what we experienced immediately before the severe depression of the 1930's. I do not suggest for a moment that anything like that will happen again, but a couple of years ago we did see some easing of the rising level of prosperity to which we had been accustomed.

It does appear that the flattening out we are experiencing at present is likely to become a bit more severe than anything we encountered two or three years ago, because at that time the prospects for the marketing of our primary products were much healthier than today. So all I can suggest to the Treasurer is that he bases his judgment of the financial requirements of the State on a somewhat conservative basis. I think that Governments will have to do the same as many primary industries have done. When harder times are encountered, they will have to be a little bit more efficient and will have to scrutinise expenditure more carefully than perhaps they have been accustomed to when money was coming in rather more freely.

I know that as far as the farming community is concerned that is definitely happening at present, and in many cases producers are not finding it very pleasant to examine closely the financial prospects facing them in the immediate future. I think that our economy in Western Australia generally is in very much better shape to face a more difficult period than it was in 1930. At that time, a very big proportion of our country was just in the process of development. Now, the greater part of our agricultural lands is well developed. A great many producers are on a very sound basis, and one could reasonably expect them to be in a better position to face difficult times than they were during the period when their properties were just being developed.

But there are complications. In the primary and secondary industries, changes are always taking place, and producers who recently bought in are in no better position to face difficult times than producers who are just in the process of developing a new industry or new land. In our agricultural districts, with the prosperity we have experienced since the war, there has been a good deal of new land opened up. Some of it has been opened up by producers extending existing holdings and developing new land in conjunction with other areas already well developed; and, of course, those producers are in a reasonably happy position.

On the other hand, there are other new settlers who have taken up land from the Crown in recent times, who have saved up some money, who have been assisted by friends with plant and equipment, but who have not become established to the point where they are in full production. The

Treasurer will remember that I recently introduced to him a very representative deputation—to which I am very pleased he gave a sympathetic hearing—which put forward the need for some assistance through the agency section of the Rural & Industries Bank to enable such men to further develop their holdings.

The Press reported that statements had been made that in the wheat belt areas there were great numbers of settlers in danger of walking off their properties. Obviously that was a gross over-statement and no one who was at that deputation to the Premier made such a statement. But the real point of the deputation was that those new settlers had gone on to Crown land, have had some capital available, and have been able to develop their properties to a certain point. In the period after the war, when prices were fairly high, they were able to do the same as General Motors Holdens Ltd. did, and set aside a sufficient amount of money from profits to put into capital development; and, of course, that is a very sound way of developing. If prices had remained buoyant and costs had remained at a reasonable level, that process would have continued; but there is plenty of evidence to indicate that there is not very much margin now for most primary producers between the prices received and the cost of production. Hence the need to look for outside finance.

Someone interjected from the other side to the effect that any suggestion of the Government making money available under these terms is rank socialism. If that is a fact, we have had socialism for a very long time; because anyone who knows anything about the development of the wheat belt generally will know that that is exactly the process which was developed very largely by the late Sir James Mitchell, and put into effect through the old Agricultural Bank. Members will also recall that when an ex-Premier, Mr. Frank Wise, moved in this House to alter the constitution of the old Agricultural Bank to change it to what is now the Rural & Industries Bank, it was expressly provided that the system developed through the old Agricultural Bank was transferred to what is now known as the agency section of the Rural & Industries Bank. That is not meant to be an ordinary commercial banking section at all.

Under the agency section, as I understand it, the advances are guaranteed by the Treasurer of the State; and I very well remember Mr. Wise speaking on the operations of the Rural Bank of New South Wales and stating forcibly to this House that it was very desirable that when we were setting up the Rural & Industries Bank to be a commercial bank as well as a developmental bank, we should have two separate sections so that the commissioners could justify the commercial section of it along ordinary commercial lines,

while the transactions in the agency section were to be clearly understood as not being meant to be ordinary commercial transactions.

I think that largely explains the background of those of us who are advocating that the State should make sufficient loan funds available to the agency section of the bank in order that it can do the job with which it was entrusted by this Parliament. And I would remind members opposite that it was a Labour Premier who introduced the Bill setting up the Rural & Industries Bank.

The Minister for Agriculture: A good bank too!

Mr. PERKINS: I hope the Minister will use his voice in Cabinet when the question of loan funds is being considered with a view to seeing that sufficient funds are allocated to the Rural & Industries Bank, for he well knows that at present there is comparatively little money in the agency section of the bank. I have no quarrel with the administration of the commissioners. I think their general basis of administration is sound enough, if they only had the funds to operate with; but it must be quite clear to members that when the commissioners have very few funds, comparatively, to do the job with, there is a tendency to skimp assistance offered to any individual settler.

I cannot claim to have had experience of the administration of the old Agricultural Bank, but I understand that in the days when the wheat belt was being developed, the maximum loan made available to a settler was £1,500. If £1,500 was the correct figure then, members will realise that, in view of the depreciation of the pound, the amount at present would be about £4,000. Probably at least £4,000 of assistance would be required to enable a settler to reach a basis where he had a reasonable chance of making a success of his holding.

The matter is particularly urgent at present because, while on the one hand we have a rather worrying surplus of wheat and the prospect for other grains is not particularly bright, the market for wool appears to be reasonably sound and the market for meat also is sound. Until those properties can be developed to the point of being provided with fencing, adequate water supplies and other improvements, and can carry stock, settlers are in the unfortunate position of having to concentrate on the production of grain which is already over-supplied, and cannot run stock for which the market at present is good. Therefore, I stress the urgency of the matter. I feel that the Treasurer appreciates the position, but I should like other members to know what the background is.

I listened carefully to the remarks of the member for Leederville. Usually, I disagree rather violently with him, but tonight I

consider that he made the best speech I have heard from him in this House. Of course, there are some things making for the welfare of the State upon which members generally can agree. He touched upon one point to which other members might perhaps pay some attention, and that is the tariff system. Those of us engaged in primary industry, or representing country areas become rather hot under the collar when we find industries running to the Tariff Board seeking protection when it is fairly clear that they should first of all examine their production methods much more carefully before asking the rest of the people of Australia to pay something extra in order to help them out.

It is to the credit of the agriculturists that they have been able to produce considerable commodities for export when at present there is hardly another section of industry, possibly with the exception of B.H.P. and one or two others, which has been able to compete successfully with manufacturers outside Australia. It may be that General Motors Holdens Ltd. has been in a fortunate position in that it has been able to draw on the experience of General Motors and the know-how developed over many years in the United States of America, and it appears that that industry in Australia has been placed on a very sound footing.

Now that the economic affairs of Australia seem to be settling down to a more stable state—I do not know whether that is the right word to express it—and we have got over the period of easy prosperity, most of those industries, I believe, will need to make a closer investigation of their efficiency in order to compete successfully with outside competition. I consider that the approach of the member for Leederville was very sound, and that those who have some voice in industrial spheres should endeavour to persuade those engaged in industry to have a more careful look at their efficiency. If they did so, they would be doing themselves and the rest of Australia a very great service.

The only other point I wish to mention is one I referred to when speaking on the question of assistance through the banking system. The assistance required by new settlers in primary industry must be other than the ordinary short-term commercial bank overdraft type, and I think the Treasurer appreciated that point when I introduced the deputation to him recently. Even if the private banks were able to give some assistance, it is undesirable that an undue amount of short-term money should be used by settlers when it must be perfectly clear to anyone who examines the position that it will not be possible to repay the loan for quite a number of years.

If one may judge from experience of primary industries in the past, one must appreciate that there is a tendency for them to go up and down, and if a settler is

unfortunate enough to strike a lengthy period of lack of prosperity, loans may remain outstanding for a considerable time. Possibly some of the difficulties we experienced in the 1930 period were due to the way in which the banking system had developed up to that time. While there may exist among members a genuine difference of opinion as to how the banking system should be organised, I think we can agree that it is now much sounder than it was in the period immediately before the depression.

Whether that be so or not, I still think that the State Treasurer is going to be confronted by many more problems than other Treasurers have had in recent times, and I wish him luck in dealing with them, but in public finance, just as in our own private affairs, it is necessary that when more difficult times arise we should consider the spending of each shilling much more carefully to ensure that we get value for it.

MR. OLDFIELD (Maylands) [9.40]: In discussing the Supply Bill, I think the time has come when something should be done about the public buildings, in general, in the State of Western Australia, and Parliament House in particular. Throughout the years there has been a tendency on the part of all Governments, no matter what their political colour, to side-step the erection of public buildings of which we could be proud; and furthermore not even to consider the completion of the building in which we are assembled this evening.

During my short term in Parliament I have seen a number of temporary public buildings erected; and for many years prior to my entering this House all the public buildings erected in this State appear to have been of a temporary nature. Within 100 yards of this building, a considerable amount of money is tied up in temporary public buildings, one of which is even constructed of brick. That building was put up in the early 1930's in St. George's Place.

It may be argued that today is the wrong time to talk about the completion of Parliament House, but I suggest that if during the last 50 years we have not had a time which could be regarded as the right time to complete what I say is one of the most important public buildings in the State, then it is logical to assume that there will not be an opportune time in the next 50 years, because when we look back through history we find there are always times of crises and distress, and also times of prosperity, but something always seems to stand in the way of doing what we wish in the construction of public buildings.

During the postwar period of prosperity, the excuse has been that the materials and labour are required for the building

of houses, an argument with which very few people could find solid fact for disagreeing. Then during the depression times there was always the shortage of money. When men are out of work in the building trade, it is far better to engage them in the enterprise of erecting permanent public buildings than to have them walking the streets looking for work, and queuing up for the dole. Members have noticed from time to time that visitors to this State drive up in buses to look at Parliament House. Occasionally some of them take photographs of it. Most members have been through the Parliament Houses of the other States, and I suggest there is only one in Australia worse than that in which we are assembled tonight, and that is the one in New South Wales.

Hon. D. Brand: They are going to have a new one, though.

Mr. OLDFIELD: That is so. If we are honest with ourselves and we look around at the public buildings in this State, can we truly say that we have any buildings of which we can be proud? Those buildings which are of a permanent nature and which are being used as Government offices or public buildings are not being used for the purpose for which they were originally intended. We find that the building in which the police courts and the C.I.B. are located in Beaufort-st., is an old building belonging to the Crown Law Department. I understand it was originally the Crown Law courts.

We have the old Barracks at the foot of the hill, with temporary buildings on either side, one stretching into St. George's Place and the other into Malcolm-st., and I ask: Are they buildings of which we can be justly proud? Also, while our Government departments are spread into the four corners of the city, Ministers are separated from each other in their various offices throughout the metropolis.

Most Ministers hold several portfolios, and the different departments are to be found in various sections of the city. The Chief Secretary is also Minister for Town Planning and Local Government. He has his Town Planning Department in the Treasury Buildings and the Local Government Department in Hay-st. opposite Foys. The Minister for Health is quartered at the Crown Law offices in the Supreme Court, but his Health Department is where the Chief Secretary's office is situated. This sort of thing goes on right throughout the administrative staff. The staffs are separated from the Ministers and the Ministers are separated from each other. Efficiency cannot possibly be introduced whilst these conditions prevail.

To revert to Parliament House, most members agree that there is very little convenience here for them to do their work. We have one overcrowded common

room opposite the entrance to this Chamber. In addition, there are a few telephones scattered throughout the building and a few tables with writing material available, but in cheerless rooms. I think the most disgraceful aspect of the present Parliament House is the lack of provision for members to interview constituents. If a constituent comes to the House to interview his member, he is generally ushered in to the strangers' room.

During a parliamentary session when most members are here during the afternoon and evening, the strangers' room is kept pretty busy. On occasions I have seen as many as four members interviewing individual constituents at the one time in the room. At other times there has been no space in the strangers' room, so that constituents have had to be interviewed in the corridor at the actual entrance to the building, where people are passing by.

While the House is in session, there is nowhere in the building where a member can take a constituent for a private interview to discuss matters of a confidential nature. It may be argued that nobody is listening, but if people are passing in and out of the strangers' room, or up and down the corridor, it is rather disturbing to a constituent—not the member—who may wish to discuss something of a confidential nature with his member of Parliament.

Mr. Lawrence: You could take them down to the House of Review.

Mr. OLDFIELD: The point is that if provision were made for the completion of this building, rooms could possibly be set aside—as in other States—so that constituents could be interviewed in a business-like manner and in decent surroundings.

It may be asked where the money is to come from and I do not for one moment suggest that the Government should proceed with the original plan, of which we can see a panoramic sketch hanging outside this Chamber. I would be the last to suggest that the original plan be proceeded with, but I feel that an economic alternative plan could be drawn up, which would not cost a great deal of money to put into effect and which could be implemented in stages over a three or four-year period. Even if such a scheme did away with the original idea of having the front of Parliament House facing St. George's Terrace and allowed the front of the building to continue facing Harvest Terrace, I feel it should be proceeded with.

As regards finance, I suggest that the Government has recently tapped a most lucrative source of income which will accrue from the operations of the starting-price bookmakers. I understand that the revenue from this source is assessed at something between £250,000 and £500,000 per annum. I believe it will be at least £250,000 after the cost of administration

and the share which is to go to the Trotting Association and the turf clubs have been deducted.

When a lucrative source of revenue such as this is tapped and an amount of money of such magnitude begins to flow into the coffers of the Treasury, I think it would be a pity to see it all swallowed up in Consolidated Revenue and frittered away as seems to be the habit in the matter of Consolidated Revenue. If the money were set aside for specific purposes, one year's revenue from this source would be more than sufficient to complete Parliament House and the next year's revenue would go a long way towards providing us with the decent public buildings which have so long been looked forward to and in which the various departments could be housed.

Mr. Lawrence: Are you suggesting that the bookmakers should build Parliament House?

Mr. OLDFIELD: I am suggesting that from this sudden source of revenue, which is of no inconsiderable amount and which has not yet been tapped, the works I have suggested could be carried out. I believe that something of a concrete nature should be done with the money and it should not just be paid into Consolidated Revenue and no more heard of it except, at the end of the year, a statement that so much has been spent on this or that.

Mr. Lawrence: I asked whether you thought that the bookmakers should contribute the money to complete the building of Parliament House?

Mr. OLDFIELD: I suggest that the money be put to specific purposes and not just paid into Consolidated Revenue. The money must come from somewhere at some time to complete Parliament House if the Government is not to evade the issue for ever. Surely we must have a Government at some time with sufficient courage to face up to its responsibilities and carry out the duties with which it is charged.

It would appear that any talk of completing Parliament House is something which should not be allowed to reach the ears of the electors. This question is one that has always been shelved and placed in the same category as the matter of members' salaries—something which Governments are frightened to touch or discuss. I will say that in recent years Governments have been a little more generous and fearless in their approach to the remuneration of members, and I hope the same spirit will prevail in future in regard to public buildings, as they are essential.

We cannot conduct properly the business of the country under the present system of offices and buildings scattered all over the city. We find that any large private

enterprise has its administrative staff housed in as compact an area as possible with communications between the various executives made as convenient as possible, and so I feel that consideration should in the near future be given to the carrying out of these plans. I might even suggest that the Premier and the Leader of the Opposition should agree that whoever is returned after the next election—there is no fear that the Leader of the Opposition will not be the next Premier—should complete Parliament House and ensure that the erection of other necessary public buildings is proceeded with on a progressive plan.

THE TREASURER (Hon. A. R. G. Hawke—Northam—in reply) [9.56]: I listened carefully to what each speaker had to say in connection with the Supply Bill. The Leader of the Opposition said he thought some information should be made available to members as to the purposes for which the money set out in the Supply Bill—if granted—would be used. I think members are well aware that the money to be provided from the Consolidated Revenue fund will be used mainly to pay the salaries and wages of those people employed by the Government to carry out the ordinary administrative services of Government. I have in mind people such as schoolteachers, railway employees and so on.

In respect of the amount set out in the Supply Bill for loan works, that money will be used, of course, for expenditure in connection with water supplies, sewerage, hospitals, schools, and for many other public works that are undertaken continuously by the Government. The Leader of the Opposition had a fair amount to say about the financial relationship between the State and the Commonwealth, and certain other speakers, including the member for Stirling, also discussed this matter.

The plain fact is that the Commonwealth today is the very rich partner in the Australian set-up. There is not a shadow of doubt but that that situation has existed for many years; it has not come to pass overnight or since the present Prime Minister became Prime Minister. I believe the situation has been intensified since the uniform taxation system came into existence. The Commonwealth Government today receives tremendous revenues.

The Leader of the Opposition pointed out that during the last financial year the State had a total income, under Consolidated Revenue and Loan Funds, of approximately £60,000,000. He could also have pointed out that last financial year the Commonwealth Government had a total income from taxation sources of over £1,000,000,000. If a moment's thought is given to that comparison, it will be readily seen that the Commonwealth is a rich

member of the family—a very wealthy member of it—and the States, or some of them at any rate, are the poor relations.

That briefly sums up the existing financial relationship as between at least Western Australia and the Commonwealth. It is my frank view—and in saying this I am not concerned with party politics—that the Commonwealth could have treated Western Australia more reasonably in recent years than it has done. During this debate we have heard requests to the State Government for an expenditure of £500,000 to help the dairying industry in its present state of emergency; we have heard a request from the member for Roe for the making available of additional money, through the Rural & Industries Bank, to assist partly developed wheat and sheep farms so that the men who occupy them might be able further to develop their holdings to an extent sufficient to enable those farms to become self-supporting within a reasonable period of time.

Already this session the member for Stirling has asked questions in this House which indicate that he wants a considerably larger sum of money expended upon the provision of more school accommodation. I have no doubt that during the Address-in-reply debate we will have requests for more expenditure upon hospital accommodation—

Hon. Dame Florence Cardell-Oliver: And upon s.p. shops.

The TREASURER: —and much more expenditure upon water supplies, including the comprehensive water supply scheme, and for the dozen and one other important activities in which the State participates, and has to make money available to the community in order that the people may obtain and have the benefit of those services which are so essential in a modern and civilised country.

Obviously, if all these requests were worked out in pounds, shillings and pence they would total a sum far above the total funds which are available to the Government. Take, for instance, the loan position for this year in this State. The programmes as submitted to the Treasury by the various Governmental departments would require an expenditure of £28,500,000 fully to finance them. This year the State will have only half that sum to expend in that way, and so the departmental programmes will have to be cut by 50 per cent., which is a very severe cut, and that will create a considerable amount of dissatisfaction and complaint, particularly in a period when the State is expanding, when the population is increasing and when the real need is for a speeding up of the provision of school accommodation, hospitals, water supplies and all the other services which Governments have to provide.

Hon. A. V. R. Abbott: Would you have the work force if you had more money?

The TREASURER: Yes. We were able to assure the Prime Minister and the other Premiers at the recent Loan Council meeting that the labour problem in these days in Western Australia was not of a worthwhile nature. We were able to show—

Hon. A. V. R. Abbott: Is there not full employment now?

The TREASURER:—that if the requests for additional loan funds were granted we could carry out the programme. As a matter of fact, our officers convinced the Commonwealth Co-Ordinator of Works that we could carry out a programme well above that which was finally approved at the Loan Council meeting.

Hon. A. V. R. Abbott: Then private industry would be robbed or set aside.

The TREASURER: No, it would not be robbed.

Hon. A. V. R. Abbott: I said that it would be set aside, not robbed.

The TREASURER: Private industry would not be set aside. As a matter of fact, in the ordinary course of events, during the current financial year we will not be able to carry out a loan works programme as substantial as the one which was carried out last year. So our present prospect in connection with this matter is not that we will have to recruit additional men but that we might have to do with fewer men. We might have to do with fewer contractors and so, as I was saying earlier, the position of Western Australia at a time when there should be a speeding up of public works and development, is that there might easily be the opposite, with consequences to the community which it will not completely appreciate.

Hon. Sir Ross McLarty: All the States make that claim. It was made at the Premiers' Conference.

The TREASURER: I am not concerned whether all the States make the same claim. I doubt whether the labour position in those States is as good as it is in Western Australia, and I doubt whether they could take on a great volume of additional public works. But in this State we could do so.

Hon. Sir Ross McLarty: Are not you short of steel and other basic commodities?

The TREASURER: We do not need steel for every class of public work which has to be carried out. There are many classes of public works which do not require steel, or, if they do require it, need only small quantities.

Hon. Sir Ross McLarty: You have got rid of your commitments at Kwinana and with the railways. You have not those responsibilities this year.

The TREASURER: What is the point there?

Hon. Sir Ross McLarty: It gives you more money to use in other directions.

The TREASURER: I am talking about total loan programmes and I am saying to the Leader of the Opposition once more that the departmental programmes, as submitted this year, would have required an expenditure of £28,500,000 fully to finance, whereas the State will have only half that sum with which to carry out its loan works. Obviously the programme submitted will have to be cut severely.

Hon. D. Brand: Is the labour force available to the State now fully employed?

The TREASURER: At present the labour force is reasonably fully employed.

Mr. May: Private industry is putting men off.

The TREASURER: If we are not able to carry on our public works in the same volume as they were carried on last year, obviously there will have to be a slowing down. Some contractors who have been working for the Government will no longer be able to work for us. Many of those men who have worked for the Government through these contractors will not be able to be employed on works in this State. I think it is a bad thing, in a period of expansion such as the one we are now in; in a period when the State's population is increasing and when the demand for schools, hospitals and so on is genuine, that we are not able to meet those needs. I am not able to appreciate the point of view of the Leader of the Opposition when he sides with the Commonwealth and justifies its financial attitude towards Western Australia in connection with these matters.

Hon. Sir Ross McLarty: I say that the Commonwealth has got to make good that amount of money which the loan market will not provide, and, in that respect, it is doing a pretty good job.

The TREASURER: I say that the Commonwealth is in a financial position to do that and to do it very easily.

Hon. Sir Ross McLarty: That is where the Commonwealth Treasurer and you disagree.

The TREASURER: I do not know whether we do disagree. As a matter of fact, the surplus of Commonwealth revenue last year was £70,000,000 which is a huge amount of money.

Hon. A. V. R. Abbott: A great deal of that was repayments and I think that about £30,000,000 was the actual surplus.

The TREASURER: I will accommodate the member for Mt. Lawley and say that it was only £30,000,000, but that is still a large amount of money. It might not be a great sum to the Commonwealth, which has a total yearly income from taxation of £1,000,000,000 but it is a tremendous amount of money to a State like Western

Australia which is battling like the devil to provide school accommodation, hospital accommodation, water supplies and other needs which are so essential to a community such as ours.

Hon. Sir Ross McLarty: Has not the Commonwealth underwritten your loan programme?

The TREASURER: Theoretically, it has underwritten it.

Hon. Sir Ross McLarty: Practically, I think.

The TREASURER: But what does that mean even if it has to meet some of the total amount in practice?

Hon. Sir Ross McLarty: Its surplus will disappear.

The TREASURER: It seems to me that this angle ought to be investigated a little more closely. As I understand it, if the Commonwealth has to make up any shortage in loan raising out of the subscriptions by the public, the Commonwealth advances to the State, say, £2,000,000, £3,000,000 or whatever it might be, and presumably charges the States interest upon the money advanced, and yet this is money which the Commonwealth gets from the taxpayers of Western Australia without the payment of any interest whatsoever!

If that be the situation, the Commonwealth seems to be profiteering at the expense of the States. We know that the Commonwealth finances its own capital works out of revenue and therefore the Commonwealth does not involve itself in any burden of interest payment or any burden of loan repayments in the future. If, on top of that the Commonwealth, when it has to meet any shortage of loan money subscribed by the public, advances so much to the States and charges those States interest, it seems to me that that is a pretty tough proposition.

Hon. Sir Ross McLarty: I cannot follow you there. You say it charges the States interest on loan raising. How do you make that out?

The TREASURER: I am saying this: If a public loan is undersubscribed by £5,000,000 and the Commonwealth provides £5,000,000 to the States as loan money, it presumably charges the States interest upon the £5,000,000 that it makes available to cover the undersubscription by the public. If that be the procedure, it appears to me to be a pretty sharp financial practice because the Commonwealth gets this money by over-taxing the public and does not pay the public any interest on the taxation which it raises from them. So the Commonwealth would not be entitled—morally, at any rate—to charge the

States interest on this surplus taxation which the Commonwealth has taken from the public and which at a later date it makes available to the States to give them necessary loans. However, we will probably investigate that angle a little more closely.

Hon. Sir Ross McLarty: Yes, I think that wants more investigation.

The TREASURER: I have no doubt that the Commonwealth, during the current financial year, will finish up with a very large surplus, so it is not enough to say that the surplus last year will be used for some purpose or other because during the current financial year there will probably be another substantial surplus coming up. It is a bad thing that one partner in the Commonwealth should be rolling in wealth and the other partners should be battling for every shilling they can get, and even then cannot obtain anywhere near the amount of money that is legitimately and urgently required to meet the reasonable demands of a population of a State such as Western Australia.

Hon. A. V. R. Abbott: Would you take the responsibility of raising your own money as has been offered by the Commonwealth?

Hon. Sir Ross McLarty: No, he would have to tax the people much more heavily.

The TREASURER: I think the people of Western Australia would be quite prepared to accept the responsibility of raising their own finance if the Commonwealth would allow this State a sufficiently wide field in which to operate. That is the heart of the controversy. That is the very centre of the whole argument.

Hon. Sir Ross McLarty: That is where it always breaks down.

The TREASURER: As the Leader of the Opposition suggests, that is where it always breaks down. Obviously, it would be fatal for a State like Western Australia to say it would raise its own taxation, if, at the same time, the Commonwealth was to have first grab at the taxation resources of Western Australia. In that situation, after the Commonwealth had the first grab at our taxable resources, there would not be very much left, I am afraid, for the State.

There has been a considerable amount of discussion on this Bill regarding the condition of the dairying industry. I am inclined to think that this industry, for the next few weeks, and may be for the next few months, may easily become a political football which will be kicked around very vigorously. I do not profess to be an expert on the dairying industry. What I am intrigued about is the real reason why overseas prices appear to have been falling recently.

As I understand it, bulk buying by the United Kingdom from the Australian Government and perhaps the New Zealand Government came to an end only a short time ago. I am not quite sure whether the price of Australian butter on the overseas market has fallen since then. If it has, I would like to know the reason why. Is it because of the new marketing system which has now displaced the bulk buying system?

Hon. Sir Ross McLarty: I think it is. Britain is trying to buy on the cheapest market.

The TREASURER: If it is, might not there be something in the suggestion that the new marketing system is carrying expensive middlemen? Are some people now getting a cut out of the butter industry who were not getting a cut out of it when the United Kingdom Government was buying in bulk from the Australian Government?

Hon. A. R. V. Abbott: The retail prices are lower.

Hon. Sir Ross McLarty: I should not think that was so.

The TREASURER: It is something that should be checked very closely.

Hon. Sir Ross McLarty: I think it is a matter of the British Government buying on the cheapest possible market.

The TREASURER: I understand the British Government does not buy; I understand that Government buying has ceased and the marketing of butter is in private hands. So it could be that the middlemen are now taking a share out of the butter and that the producers are consequently getting less.

Mr. Hearman: That is your story.

The TREASURER: I am not saying it is the story, but raising it as a possibility. If it is a possibility, it is something that should be very closely investigated.

Mr. Court: I think the butter situation is identical with the situation in South-East Asia when they had an adequacy of rice.

The TREASURER: I remember when the dairying industry was reasonably prosperous the Commonwealth Government was then its father, and that Government used to take the credit for the prosperity and success of the industry. Now, however, that the industry has taken a downward sweep, as it were, it looks as if the Commonwealth Government is, more or less, trying to wash its hands of the industry, and it looks also as if the representatives of certain parties in this State are trying to place on the shoulders of the State Government a great deal of responsibility in relation to the problems which now arise and which, I think, are very acute problems with respect to many dairy farmers.

Hon. Sir Ross McLarty: Do you think it is fair to say that the Commonwealth Government is trying to wash its hands of the industry?

The TREASURER: I think it is fair to say that the Commonwealth Government, as a Government, is trying to push away in other directions some of the responsibility which might more readily belong to the wealthy member of the Commonwealth family of Australia. I think that the Commonwealth is the member of the family that has all the money.

However, the Minister for Agriculture in this State has already arranged to meet the official representatives of the industry, that is, the representatives of the dairy section of the Farmers' Union. A conference between the Minister and these representatives is to take place on Wednesday of next week. Doubtless, the representatives of the dairying industry will place proposals before the Minister which they think will be a fairly important contribution towards solving the difficulties with which the industry is faced. There is no doubt that the dairying industry in Western Australia is very important, more particularly in certain parts of the State. There are some towns that depend almost entirely on this industry just as there are other towns that depend on wheat and wool.

As a Government we have already discussed the division of our loan funds for the current financial year, and, as the member for Roe prophesied, there are plenty of headaches about this financial year for the Treasurer and for the other members of the Government in trying to divide the available loan funds in such a way as to be able to do a reasonably fair thing to all the urgent needs which are on hand. The plain fact is, and it could be a brutal fact that the total loan moneys available to the Government are far from sufficient fully to meet all the genuine and urgent needs of the various sections of the community. Nevertheless, we will give the most favourable consideration possible, in the financial situation which faces us to this particular industry. My view, put briefly in connection with primary industry, is that the State should do its utmost to keep on the land those men who are already there.

Hon. Sir Ross McLarty: That is very sound.

The TREASURER: I am a strong believer, and always have been, in the consolidation of land settlement which is already under way. I think it far better to consolidate that settlement and make it as safe as it can be made before any large-scale attempt is made to undertake completely new settlement. The State does not gain anything if it puts two new settlers on new land and if at the same time, through lack of consolidation of existing

settlement, it loses five settlers who may drift off the land which was developed five, six, seven or ten years ago.

Hon. A. V. R. Abbott: Might not you postpone the expansion of Wundowie to a more favourable time?

The TREASURER: We have not approved any expansion of Wundowie.

Hon. A. V. R. Abbott: I thought that was referred to in the Governor's Speech.

The TREASURER: The expansion of Wundowie is still under consideration and has to be decided.

I think the member for Albany adopted a very reasonable outlook with regard to the dairying industry. He said that the dairy farmers in his part of the State placed great value on the local market and were attacking the problem of the cost of production. That is a constructive outlook. I am not saying that the whole solution of the total problem lies in that angle of the situation, but at any rate it is a constructive approach and could lead to a substantial improvement in the general situation in the dairying industry in Western Australia. In that regard I should think that legal price control could help that industry considerably, and it could also help other primary industries in this State. I am convinced that all those who trade with the dairying industry make good profit out of it. I am positive that those who manufacture dairy machines and those who handle this machinery and sell it to farmers make substantial profits—much greater profits than they should be making—out of an industry that is struggling for its existence.

The member for Stirling charged the Minister for Education with discourtesy. I am convinced there was no real basis for the charge. The procedure that has been followed by the Minister for Education with regard to the official opening of schools has been to invite, without failure in any instance, the member for the district. In connection with the opening of the Narrogin High School, the Minister invited the member for Narrogin, who was a Minister in the McLarty-Watts Government. In doing that, the Minister for Education felt conscientiously that he was doing the right thing. If he had thought for a moment that the member for Stirling, an ex-Minister for Education, was entitled to an invitation he would, without hesitation, have issued one to him. I think it would have been quite reasonable for the member for Stirling to have been invited to that opening, and I am sure that if the Minister for Education had thought of the situation he would have invited that member to be present.

There have been occasions when not only ex-Ministers have been invited to opening ceremonies of various kinds, but when they have also been given the opportunity in their own districts of declaring the official opening of additions to schools and certain

other functions of that description. That has happened under the control of the present Minister for Education. I suggest that his actions in those directions showed there was no discourtesy intended by him on any occasion to any ex-Minister, or, for that matter, to any private member. Although there were several other matters dealt with by some members, I have tried to cover the major subjects briefly.

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.

Bill read a third time and transmitted to the Council.

House adjourned at 10.36 p.m.

Legislative Council

Wednesday, 10th August, 1955.

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

QUESTIONS.

STATE HOUSING COMMISSION.

Discontinuance of Land Resumptions.

Hon. A. F. GRIFFITH asked the Chief Secretary:

In connection with the report which appeared in the issue of "The West Australian," dated Thursday, the 4th August, which was headed—

"No more land to be seized by the S.H.C."

and which states that the State Cabinet has decided not to seek parliamentary approval for the continuance of Section 23 of the State Housing Act—

(1) Is this report correct?