

**Legislative Assembly,***Tuesday, 5th November, 1940.*

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

**QUESTION—FRUIT TREES.***Census, Hail Insurance, etc.*

Mr. SAMPSON asked the Minister for Agriculture: 1, In view of the economic loss sustained by the production of non-commercial varieties of fruit, will he take steps to proceed with the taking of a census of orchard plantings, including particulars of varieties and acreage? 2, Is he prepared to make available advice regarding selection of orchard sites and the reworking of obsolete varieties of fruit trees? 3, Owing to the danger of hailstorms, will he advise what action is to be taken regarding compulsory hail insurance and when?

The MINISTER FOR AGRICULTURE replied: 1, A census of apple and pear trees has already been taken, but as far as other varieties are concerned it is not considered necessary, as the officers of the Horticultural Branch are continually visiting orchards and advise orchardists if uncommercial varieties of fruit are being grown. 2, This help is always readily available. 3, The matter is receiving attention.

**QUESTION—RAILWAYS.***Welding of Rails.*

Mr. NORTH asked the Minister for Railways: 1, How many years' test of rail welding (such as was carried out in 1936) would be necessary before the Department could proceed to extend it over the railway system? 2, Was the original welding on short sections in 1936 undertaken with a view to use later over the system generally? 3, If not, which sections of the railways were contemplated?

The MINISTER FOR RAILWAYS replied: 1, The necessary tests have been made and are satisfactory. 2, Yes, on main lines where relaying was projected, provided the necessary funds could be made available. 3, Answered by No. 2.

**BILL—HARBOURS AND JETTIES ACT AMENDMENT.**Read a third time and *passed*.**BILL—MARGARINE.***Second Reading.*

THE MINISTER FOR LANDS (Hon. F. J. S. Wise—Gascoyne) [4.36] in moving the second reading said: For many years leaders of the dairy industry have claimed that some protection is necessary and should be afforded the industry against the unrestricted manufacture and sale of margarine. It is asserted that to some extent margarine has been a competitor with the dairy industry on unequal terms, that the products from which margarine from other countries and some States of Australia is manufactured are cheaper than those used in the production of butter, and the consequence is that margarine can be offered for sale on a basis that is not fairly competitive with that on which butter is manufactured and offered for sale. Moreover, they claim that the materials of which margarine is manufactured largely consist of products from countries which have a coloured population and in which labour is therefore cheap. Hundreds of millions of pounds have been invested in the dairy industry in Australia. In this State the amount invested approaches £15,000,000. The annual return from the dairy industry in Australia is approximately £40,000,000, and about 165,000 people are directly associated with the industry. In more than one district dairying has been the pioneering industry. Dairying has made settlement possible in parts of tropical Australia. The first scrub lands of the Atherton Tableland before the railways were taken into such districts as Herbertown and Ravenshoe were developed as a result of the establishment of the dairy industry. As far back as 1887 the necessity to protect butter from the competition of margarine was recognised and in that year the Butterine Act was passed. The Bill contains a provision for the repeal

of certain legislation including the Act to which I have referred. From time to time amendments have been made to the Dairy Industry Act all designed to control the sale of margarine and, in more recent years, amendments have been introduced stipulating the colourations that must be added in the manufacture of that product. Objection to the competition of margarine has usually been levelled by the dairying industries against that type of margarine which can masquerade as butter. I do not know whether members understand the processes which render liquid fats inactive as liquids, and turn them into solids. The process is called hydrogenation. It has been known for a long time, that liquid fats, no matter whether they be viscous or even thin fats, can readily be solidified by this process of hydrogenation. I intend later to show how long margarine, or the solidification of fats, has been known in a commercial sense. The importance in world trade of its being possible to manufacture solid fatty substances from liquid fats is also well known.

The Agricultural Council, representative of all the States, being attended by Ministers from all the States, and the Department of Commerce, has long since been concerned in the endeavour to protect in a legitimate way the dairying interests of Australia. Many proposals have been put forward. The margarine industry is well established in Australia. In some of the other States large quantities of the commodity are being made for consumption throughout the Commonwealth. All sorts of avenues have been explored to ascertain what can be done legitimately between those States on a scale which would not violate, particularly, Section 92 of the Constitution. That has been one of the difficulties. Colouration was tried in all States. One State in later years objected to passing legislation that would insist upon certain colouration being given to margarine. Some interested in the dairying industry of other States suggested that colours should be added which would make the commodity not only unattractive, but obnoxious. I have always opposed that view. I have questioned many eminent authorities in Australia on this point, and the questions have been recorded in the proceedings of the Agricultural Council. The authorities admit that the food value of margarine is such as to make it a palatable and attractive commodity. Because of the activities of scientific

investigation, I think we now have submitted for consumption in any part of the world an article which is admitted to be a food, and which could include even whale oil and under certain processes even fish oil, can be made attractive and rendered suitable for the use of people in all walks of life. But it is obtained so cheaply that it has become a very serious competitor of an industry which is costly of development and establishment. The Bill which I now present to the House, is almost on all fours with the measures that have passed the Parliaments of the other States. The differences in this Bill compared with those of the other States are mostly in the arrangement of the measure itself, and also in the provisions to repeal certain Acts which will conflict if this measure becomes law. All the other States have passed their measures. I think New South Wales was the last to do so. The States are now awaiting the passage of this measure to proclaim their own and immediately to put them into effect.

I mentioned that for many years this matter was the subject of attention by the Agricultural Council. We tried to find some legal way of surmounting the difficulties which attach to prescribing quotas for the regulation of inter-State trade. Any member who has studied that subject will admit that, as has been exhibited in the James case, there are many pitfalls associated with any endeavour to control trade between the States. To render any quota fixation workable, it is necessary that all the States pass and put into effect legislation of a similar character, and that has been done in this instance. South Australia was the first to put forward a Bill as a model for all the States. This Bill follows very closely that of South Australia except for alterations in the definitions, which are found to have weaknesses in the South Australian Act, but which conform entirely with the Victorian definitions. This Bill is similar in its proposals to the Bill of New South Wales. The dairying industry of this State has a very definite interest in this legislation. Our dairying industry has grown to a tremendous extent, and our production is approaching 8,000 tons per annum, whilst we export 1,840,000 lbs. of butter annually.

It is necessary not merely to enable this class of legislation to be implemented in all the other States, but it is necessary in the interests of our industry that we should fall into line. Unless all the States pass legislation similar in character it renders inoperative all the negotiations that have taken place, and have been agreed to by the dairying and margarine interests, to back the production in Australia for Australian consumption. I have collected many documents during the years when this State has expressed its views on the subject at inter-State conferences. If any member is interested in the proceedings of those conferences, which apply directly to the subject, I shall be pleased to make the documents available to them if they desire to know the whole historical background upon which an agreement was arrived at on this vexed question on an inter-State basis, and presented in a manner satisfactory to both sections engaged in these industries.

I have an important letter which was written by the late Mr. Angus McKenzie, President of the Victorian Dairymen's Association. This letter shows the viewpoint of the Australian dairy industry, and I will quote some passages from it. The letter was written in March of this year. Mr. McKenzie wrote—

The question of margarine competition is the most vital matter facing our industry at the present time. It is in fact so vital that your executive consider it necessary to place the whole facts of the position before you by direct contact without delay . . . Our official attitude over the years that have passed has been that providing margarine did not masquerade as butter, we did not fear its competition. This attitude has been reflected in legislation which we have secured for our protection during recent years; notably the amending Dairy Produce Act which prohibits the inclusion of butter in margarine, and later an amending Health (Margarine) Act which requires margarine to be of a prescribed colour and prohibits the sale of margarine not of that colour.

In view of the limitation of protection in this regard, owing to Section 92 of the Federal Constitution, no action by any one State can fully safeguard the position as is disclosed by the fact that in spite of our colour restriction in Victoria, margarine manufactured in New South Wales, not conforming to Victorian legislative requirements, is finding its way into Victorian households in large quantities.

With this aspect in view, many attempts have been made to secure uniform State legis-

lation that would prevent margarine being manufactured or sold excepting in conformity with legislation prescribing a colour that would protect butter from unfair competition. Uniformity in this regard has proved to be impossible of accomplishment, it being definitely stated that one State at least will not introduce colour legislation for margarine.

I remind hon. members that this letter was written many months after war broke out and after Great Britain had made certain arrangements regarding the production and consumption of margarine as a food for the people of England. The letter continued—

The United Kingdom position is the cause of the gravest concern at the moment. It is now generally known that the British Government, owing to the shortage of fats available for consumption at the outbreak of war, which are so greatly needed in cold climates, restricted the consumption of butter to 4 ozs. per person per week, restricting also the consumption of margarine at that period.

The fixing of an allowance for butter reduced consumption in Great Britain from approximately 9,000 tons per week to 5,000 tons, which was alarming enough in itself, but the position became much worse later when the Government, being assured that sufficient raw materials were available for the manufacture of margarine for a lengthy period, decided, in order to increase the volume of fat available, to remove the restriction on the consumption of margarine, but in so doing stipulated that such margarine should be improved by the inclusion of vitamins "A" and "D" in margarine for table use. Margarine, including vitamins said to be equal in nutrition value to butter, is now being retailed at from 5d. to 8d. per lb.; every opportunity being taken to advertise its food value by asserting its equality with butter, even the House of Commons being used in this way by being asked questions in this regard, which are invariably answered in the affirmative.

The result of this combination of circumstances is that margarine sales have increased to the detriment of sales of butter, which do not equal the 4 ozs. per person allowance fixed by the Ministry of Food, the gross sales of butter having fallen to below 3,750 tons per week, at least 25 per cent. of the population not taking their allowance at all, others taking less than the maximum fixed, resulting in a drop of more than 5,000 tons per week in butter consumption.

Even a very cursory review of the position discloses the fact, which is almost appalling from the butter producers' point of view, that, at the conclusion of the war, the United Kingdom market for butter will have almost vanished and nothing short of ruinously low values could contribute to an increase in butter consumption to anything within reasonable limits of pre-war levels. . . .

With the foregoing facts before us as a stern reality in our best markets, we, today, must review our home position and look to the

future. It is the definite responsibility of the leaders of the dairying industry to do all that is possible to safeguard and maintain our Australian market in the interests of our producers and by so doing protect one of Australia's greatest primary industries.

Protection in the form of legislative enactments is our only safeguard, and in spite of our previous objectives in this regard, legislation that can be secured must be our sole objective today, which means a departure from our previous policy, based on a "distinctive colour" for margarine and an excise on production.

Mr. McKenzie continued—

I am definitely of the opinion that legislation fixing the maximum production of margarine in each State, and providing sufficiently heavy penalties to secure its enforcement can be secured. . . . We today are advising you—

He was referring to the members of his organisation—

—to decide in favour of restrictive legislation, accepting full responsibility for our advice.

Mr. McKenzie concluded his letter by saying—

There is, in my opinion, only one course to take to save our industry, and this is to disregard all our preconceived ideas and throw our whole weight as an organised industry behind the movement to secure restrictive legislation that will at least prevent increased production of margarine in Australia.

That letter, Mr. Speaker, must give those members who represent dairying districts—I would mention the member for Bunbury (Mr. Withers), the member for Murray-Wellington (Mr. McLarty), the member for Sussex (Mr. Willmott), as well as others, who are interested in the matter—cause for very grave concern. This phase has given the interests associated with the dairying industry throughout Australia the background for that grave reflection. It is satisfactory to note that the margarine manufacturers have agreed not to oppose the restrictions that are being placed upon them but to support the idea of pegging production on the basis arrived at last year. I regret that I overheard an interjection a moment ago, and I can assure the House that it was not in any spirit of disregard of members of the Country Party that I did not, in mentioning the names of some members interested in the dairying industry, include them. I could have mentioned the member for Williams-Narrogin (Mr. Doney), the member for Katanning (Mr. Watts) and others.

Mr. Rodoreda: And the member for Roesbourn.

The MINISTER FOR LANDS: That is so. The interjection I overheard was that I had deliberately omitted to mention certain representatives of the interests concerned, but I specified those hon. members who represent, in a majority sense, the interests associated with the dairying industry. A year ago the farmers of Western Australia, as well as those in other States, were most reluctant to accept any basis for the pegging of production or restrictive quotas for margarine. In Western Australia the dairy farmers in different districts held meetings at which protests were voiced at the suggestion that even by agreement the margarine manufacturers should consent not to flood this State and Victoria with margarine, which interstate trade conditions permitted them to do and at times have encouraged. Thus, in addition to the protests of the dairying industry and the later acceptance of the position, those associated with competitive interests also agreed that this class of legislation is best for Australia. Hon. members may look through the Bill and wonder how it could affect, and control, interstate trade in this particular commodity. I have with me references to the opinions of eminent King's Counsel of five States as to how the Bill will operate and control the manufacture of margarine, and, therefore, the trade between the States for that particular purpose. A perusal of the Bill will disclose that it contains no restriction at all on the manufacture of margarine for export.

Mr. Patrick: Did you refer to five States?

The MINISTER FOR LANDS: I have the references from five States.

Mr. Patrick: If one State should stand out, that would affect the position.

The MINISTER FOR LANDS: My reference was merely to the opinions of eminent legal gentlemen in those five States. The other State may have secured some similar opinion, but I have not a copy of it in my possession. I have those references from authorities associated with the Commonwealth and different States, but these do not refer to any point of disagreement. The opinions relate to the question of how rigidly the Bill can tie up the manufacture of and trade in margarine. It is not desired to control the manufacture for export.

Mr. McLarty: Not with regard to table margarine?

The MINISTER FOR LANDS: Not with regard to any margarine. As a matter of fact, countries close to Australia which are not potential markets for butter are in reality markets for margarine, and trade with them will increase. Those who have followed the many aspects of the dairying industry in recent years know of the arrangement made by the Commonwealth Government with Sydney firms to manufacture margarine for export. That has happened during the present year; and it is not proposed by this Bill to prevent manufacture in any State for sale outside Australia. That provision will be found in the Bill. The average consumption of butter in Western Australia is approximately 500 tons per month, approaching 130 tons per week. When the idea of a quota basis was first put forward, it was decided to try to keep manufacturers of margarine at that point of their production. That has been agreed upon between the States. Those who are manufacturing margarine shall have the opportunity to keep their production for Australia at the present level and will receive licenses and quotas accordingly. I mentioned that dairy farmers in this State were reluctant a year ago to allow a quota at all, but now they are pressing for it. As a matter of fact, I think the Premier has had several letters addressed to him even from Chambers of Commerce in various country towns, in addition to others from representatives of dairying interests, because they understand that unless this legislation is passed while the competitive interest is agreeable, they might lose the opportunity to protect their own industry.

I have some interesting figures with regard to the world supply of fats and oils. It might interest the House to know just what has happened with regard to this world supply over many years past. The development of this world market began about 100 years ago, when the industrial centres of Europe—in spite of the increase in butter production—found there was a ready market for other and cheaper types of fat, whether vegetable or animal. At a very early period, a sort of hydrogenation process was known to those people. They were able to solidify fats which previously had offered little chance for com-

mercial use or for transportation in a solid form, or in a way which would make them spread easily and so enable people to use them as butter is used. Margarine, in the form in which we know it to-day, made its appearance about 80 years ago, and varying kinds of fats were used in its manufacture. Blending of oils and fat has been common in the industry ever since. There are numerous types of vegetable oils, for example, which can be treated, processed and made edible. As a matter of fact, among these are castor oil, tung oil, carron oil, and a few other oils of that nature.

Mr. Stubbs: They are a poor substitute for butter.

The MINISTER FOR LANDS: There are few oils of that kind which cannot be treated and made a palatable food. The principal vegetable oil now being used for margarine is cotton seed oil. Peanut oil, coconut oil and palm oil are among the principal vegetable oils used. During the last 20 years the quantity of oil and fat imports to various countries has been considerable. For example, 30 years ago the United Kingdom imported about 770,000 tons of raw materials for the production of margarine. Last year it imported about 2,000,000 tons. In Germany, in 1909, the importation was 600,000 tons; in 1913—four years afterwards—it had grown to 1,700,000 tons, that is, oils of vegetable origin. In the period of the last war a tremendous stimulus was given to all sorts of foods which had fats as their foundation in countries unable to continue the purchase of butter from the butter-producing countries of the world. The growth of margarine can be gauged from this fact: In 1929 the production of margarine in Europe was approximately 1,000,000 tons, compared with the production of butter, namely, 1.3 million tons. During more recent years, particularly since the various kinds of processing have been tested and proved satisfactory, whale oil has played an important part in the manufacture of Continental margarine.

Mr. Mann: That may be limited somewhat.

The MINISTER FOR LANDS: It is being limited to-day because of its definite uses for war purposes and purposes other than the production of foods. The world production of butter is not at the moment—speaking of the immediately pre-war period—showing a decline, despite competition of other fat foods.

Hon. C. G. Latham: Have you the figures available?

The MINISTER FOR LANDS: I have figures for two years only and can quote them. They show that the tendency is not for margarine to displace butter so long as the price of butter is within the reach of consumers who need a fat food, or a food which has as its basis fat that has some nutritional value. One interesting point in the survey of the fat and oil markets of the world and their position in various countries is the production of lard, or pig fat. Some years ago America was the leading country in the production of lard; as a matter of fact, it popularised the use of lard for all kinds of domestic purposes. In 1924 America produced  $1\frac{1}{4}$  million tons of lard; 10 years ago the quantity produced was only about half a million tons. In the cattle countries of the world, beef fat also plays an important part. All forms of dripping are very popular with housewives and those who desire fats for cooking purposes.

Hon. C. G. Latham: Did you ever have a piece of bread and dripping?

The MINISTER FOR LANDS: Much of it for many weeks.

Hon. C. G. Latham: I know I had.

Mr. Withers: I preferred it sometimes.

The MINISTER FOR LANDS: I relished it. I would rather have a piece of toast and dripping than I would have toast and butter.

Mr. Sampson: Margarine.

The MINISTER FOR LANDS: Or toast and some margarine. Provisions dealing with cooking margarine are contained in the Bill. The kinds of fats and proportions thereof that can be blended and used for cooking purposes are set out. With regard to the world trade in this commodity, history and figures available to us show definitely that in times of crises, or when certain foods are not available to the masses, a stimulus is always given to foods of the type of margarine and other foods listed by the Director of Food Supplies in England as essential foods. Any fat-forming food which can substitute for types of food which are more bulky has a definite place in the dietetic scale of the nation, especially when the better class of fats—the more palatable types—are outside the reach of the nation. It is a peculiar thing that only in countries which have a fairly high consumption of butter is there very much room for an in-

crease in the consumption of margarine. Numerous manufacturers of margarine in the United States and other countries have endeavoured to exploit markets in countries which are not normal butter-consuming countries. It is a remarkable thing, however, that the greatest potential markets for margarine are those countries which have a solid trade in butter and dairy products generally.

Mr. Sampson: As a substitute for butter.

The MINISTER FOR LANDS: I think it is because the climatic conditions encourage the use of fats. When such conditions encourage the use of fats, people look for fats which can replace those sold at higher prices, or which can replace those not available. I repeat that in the review of the world trade in these commodities I have collected much data and any documents in my possession are available to members should they desire to make use of them.

Members will notice that the Bill is divided into five parts. It is—although arranged differently—founded on the South Australian legislation, which was the specimen submitted to the Commonwealth for approval of all the States. Other States have varied it to some extent. Victoria has altered the definitions clause to make it clear just what may be described as margarine and what are the different types of that substance. The Bill provides on a uniform basis for the licensing of premises for the manufacture of margarine where such margarine is used for cooking or table purposes. "Cooking margarine" is defined as margarine containing not less than 90 per cent. of fats and not directly competing with butter for table purposes as are the other types that are used in many homes for domestic purposes. Certain types of margarine may be sold only under conditions and in quantities to suit the trade, for example, the biscuit manufacturer. Our biscuit manufacturers use margarine in large quantities because it is of consistent and continuous blend. Its component parts do not vary; the flavour does not vary, and it is claimed to be much better than second or third-grade butter more commonly known as pastry butter. The Bill provides for cooking margarine of that type being sold in quantities of not less than 14 lbs., so long as such margarine has component parts as specified in the measure.

Except in one particular type of cooking margarine used in the manufacture of certain pastry, the percentage of animal fats varies, and some of these, when added or mixed and blended, resemble butter in appearance. One proposal that members will recall in regard to colouration was found to be very difficult of adoption. We found it difficult to insist that each State should prescribe a colour, because if one State stood out it would be quite impossible to prevent, for example, the importation of colourless margarine into Western Australia if manufactured in another State. The relevant part of the Bill will show that provision is made for licensing and controlling and regulating the sale of both types. One portion of the Bill deals solely with administration. We are endeavouring to avoid any overlapping and to ensure that the officers and machinery under the present Dairy Industry Act, and all inspectors gazetted under that Act will, in their ambit and services, control the activities under this measure. The portion of the Bill dealing with licenses prohibits the manufacture of margarine unless the premises are suitable and approved. In general, the conditions under which margarine may be manufactured are set out. Provision is made that licenses may be transferred by sale, or if a holder dies, the license may be transferred to another person. There is also provision for the cancellation of a license if the law is infringed or if a person is found guilty of improper practices under the measure. The portion of the Bill relating to the regulation of manufacture is very important; perhaps it is the most important part of the Bill. It gives the Minister power to issue licenses and to declare the maximum quantity that may be manufactured in Western Australia as a total, and to issue licenses accordingly. The total quantity agreed upon for Australia is equal to 73 tons a week.

Mr. McLarty: A good many cows would be needed to produce that quantity of butter.

The MINISTER FOR LANDS: Yes, but the quantity of margarine being manufactured in Australia greatly exceeded that total when this quota was decided upon. Western Australia's proportion of the total is seven tons a week. This has been agreed to by all State Ministers for Agriculture and the Commonwealth Minister for Commerce.

Mr. McLarty: That would be equal to the production of 600 or 700 cows.

The MINISTER FOR LANDS: Yes. The margarine interests are satisfied with that allocation, and we should not lose the opportunity to satisfy both sides at this stage.

Mr. McLarty: Why is the quota for Western Australia so high? We have not one-tenth of the population of the Commonwealth.

The MINISTER FOR LANDS: The quota was based on the quantities manufactured and imported and used in each State at the time.

Hon. W. D. Johnson: Is the raw material available within the State for that quantity to be manufactured?

The MINISTER FOR LANDS: No, but it is available within Australia.

Hon. W. D. Johnson: I meant within the State.

The MINISTER FOR LANDS: No, it is not available within the State.

Hon. W. D. Johnson: Was that point taken into consideration?

The MINISTER FOR LANDS: Yes. Queensland, for instance, found it very difficult to reconcile its views with those of some of the other States. Queensland has a fairly large production of cotton seed and peanut oils, and is selling large quantities of those commodities to margarine interests in New South Wales and Victoria. I believe that 95 per cent. of the coconut oil used is imported in the raw state as copra—

Mr. Marshall: Queensland produces that.

The MINISTER FOR LANDS: —and the oil is expressed at the different centres of manufacture.

Mr. Stubbs: Would this Bill prevent Queensland or New South Wales from flooding this market with margarine?

The MINISTER FOR LANDS: Yes. All manufacturing interests have agreed with the Commonwealth Department of Commerce to abide by the quantities allocated to them to be manufactured in each State. The licenses issued by each State department will be for the quantities agreed upon, and it will be unlawful to manufacture in Western Australia or in any other State a quantity in excess of that shown in the license.

Mr. Patrick: Is not more being manufactured here now?

Hon. W. D. Johnson: Rubbish of all kinds.

The MINISTER FOR LANDS: I would not say that, but the people who for generations have been studying the blending of oils for human consumption have presented to the public an article of such quality that I doubt whether three of the 50 members of this Chamber could tell it from butter. I think that one could safely challenge 90 per cent. of members to detect which was butter and which was margarine, especially some of the margarine being manufactured.

Mr. Sampson: It is well camouflaged.

Mr. North: Does the Sydney firm manufacture margarine here now?

The MINISTER FOR LANDS: Yes. When the quota was arrived at no State could ride the high horse and say, "We are not going to allow this or that. We are going to peg the production of manufacture of margarine and keep it at that point and you must not exceed that quantity."

Mr. Doney: This means that seven tons is the figure finally fixed.

The MINISTER FOR LANDS: That quantity has been agreed upon by the Commonwealth and the States.

Mr. Doney: It is quite disproportionate to our population.

The MINISTER FOR LANDS: Yes, but so near as could be gauged, it is proportionate to the consumption in this State. I advanced the view that the manufacture of margarine should be fixed on the basis of production in the dairying industry.

Hon. W. D. Johnson: That would be sounder.

The MINISTER FOR LANDS: But we could not get agreement upon that point. Members will appreciate that when the representatives of the six States and the Commonwealth are in conference, we can only get what is best for all in the light of all the cases submitted. On that basis Western Australia was given this quota of the Australian total.

Mr. McLarty: For all time?

The MINISTER FOR LANDS: Well, until this legislation is repealed or amended.

Mr. Stubbs: Who could police the restriction if Queensland exceeded its quota?

The MINISTER FOR LANDS: The Bill contains very rigid conditions that must be observed. I cannot judge from the hon.

member's interjection which side he is supporting.

Mr. Stubbs: I am absolutely in favour of the Bill.

The MINISTER FOR LANDS: The Bill contains very rigid provisions which must be lived up to—right of entry, power of inspectors, component parts of margarine—

Mr. Marshall: And the power to make regulations

The MINISTER FOR LANDS: Yes, all sorts of safeguards have been provided.

Mr. Patrick: If Queensland so desired, it could ship its oil to other States.

The MINISTER FOR LANDS: Queensland will be tied up by the restrictions, just as the other States will be. When we consider the varying interests involved, we might well feel fortunate at having reached an agreement. To do so was not an easy matter. The member for Guildford-Midland knows, from a certain association of his, that there has been a desperate struggle on the legal side between the States to arrive at something acceptable to all the States.

Mr. Marshall: He cannot support this Bill. He is a strong exponent of the worker.

The MINISTER FOR LANDS: No matter what views members might hold, the dairying industry has a very strong claim to the support of workers in any branch of employment.

Hon. W. D. Johnson: The Labour movement does not stand for anything shoddy.

Mr. SPEAKER: Order!

The MINISTER FOR LANDS: If members read the Bill and compare it with legislation passed in other States, they will find that it will meet the case. The Bill is self-explanatory. Apart from the provisions to which I have referred, there are others dealing with labelling, and notices which must be exhibited to show that margarine is sold and used in different premises. Even receptacles must be labelled to show that the margarine is intended for consumption. I wonder whether members noticed about a year ago a report of a court case in Sydney. A person was supposed to be manufacturing a type of margarine which was considered to be not table margarine. He had a restaurant or a ham and beef shop attached to his rooms, and used a brush to spread for hamburgers margarine which was being manufactured by him and which was not



even table margarine. So that in many ways and in all sorts of trades there is a possibility, unless the matter is protected, unless all chances of improper use are provided against, that difficulties will be encountered. I do not think that at this stage there is any other point to which I need draw attention. The Bill appears to me perfectly clear; and it may be compared, as I have said, with legislation agreed to and passed in other States. The other States are waiting for us to pass and proclaim this legislation in order to implement it, and to have everything done, gazetted and agreed to, so that it may come into operation on the 1st January next. I move—

That the Bill be now read a second time.

On motion by Mr. Willmott, debate adjourned.

## BILL—LEGITIMATION ACT AMENDMENT.

*Second Reading.*

**THE MINISTER FOR JUSTICE** (Hon. E. Nulsen—Kanowna) [5.32] in moving the second reading said: I have here a small Bill designed to make a most desirable amendment in the Legitimation Act, even though occasion to take advantage of such amendment might arise but seldom. Section 6 of the principal Act provides that any man claiming to be the father of an illegitimate child whose mother he has married since the birth of such child, may have the child duly registered as his lawful issue upon producing to the registrar a statutory declaration setting out that he is the father and has married the mother. He must also produce a copy of the certificate of the marriage. In 1926 the section was amended to provide that the application to the registrar for legitimation of the child could be made by the mother if the father had died without taking such action. In such a case it is necessary to prove, to the satisfaction of a Judge in Chambers, that the father has married the mother and that he had in his lifetime acknowledged himself as the father of the child. The Judge would then give an order, which must be produced to the registrar, and the registrar would take the proper action to register the child as the lawful issue of the man and his wife.

This Bill takes the matter a little further. At present, action can only be taken by the man while he is living, and by the mother where the man has died. But in some cases it may be impossible for the man to take the necessary steps, by reason of his having become insane. As he is still alive, though incompetent, the mother cannot make the application. The Bill proposes to enable the mother in such a case to apply to a Judge in Chambers for an order just as if the husband were dead. She will still have to prove to the satisfaction of the Judge that the father had acknowledged his responsibility, and will still have to produce the Judge's order to the registrar. In the interests of such a child, no undue difficulties should be placed in the way of legitimation; and I feel sure hon. members will agree that the amendment is desirable and advantageous. Commending the measure to the favourable consideration of the House, I move—

That the Bill be now read a second time.

On motion by Mr. Watts, debate adjourned.

## ANNUAL ESTIMATES, 1940-41.

*In Committee of Supply.*

Resumed from the 31st October; Mr. Marshall in the Chair.

*Vote—Labour, £1,525:*

**MR. LAMBERT** (Yilgarn-Coolgardie) [5.38]: I was indeed pleased when the Government saw fit to create this new Department of Industrial Development. Perhaps it is the first real step that has been taken to make up leeway for the backwardness of secondary industries in Western Australia. The Minister for Labour has with characteristic foresight—and shall I say characteristic enthusiasm?—thrown himself into this work in a most unselfish manner. His interesting speech delivered at the last sitting has given some little indication of his activities since he has been head of the department. I was interested in the appointment of Mr. Fernie as Industries and Works Promotion Engineer. While that gentleman undoubtedly possesses high qualifications, I would have preferred to see a chemical engineer appointed to the position, or at least a chemical engineer appointed to a co-ordinate position. In all the

problems confronting Australia to-day, problems of a kind which it is not unlikely will always confront Australia, the chemical engineer must play a conspicuous part as regards their solution.

The Minister for Labour: The Government hopes to appoint such an engineer soon.

Mr. LAMBERT: I am glad to hear the Minister's interjection. In my opinion we should never lose sight of the value of the work carried out in our Government laboratory by that distinguished chemist the late Dr. Simpson, and by the present holder of the position, Mr. Bowley, and his staff. Those two gentlemen could hardly be recompensed for the work that in a quiet, unostentatious manner they have carried out in the laboratory, giving markedly good practical and theoretical advice to people who have been attempting, under difficult conditions, to establish industries here. If Western Australia's obligation to those two gentlemen cannot be assessed in money, I hold that by some other means recognition should be accorded for the valuable work they have done in this direction.

In introducing these Estimates the Minister for Labour outlined the difficult position which Western Australia holds in the Commonwealth, and the great difficulties to be surmounted, if they are not insurmountable, in establishing secondary industries. I suggest that as a first step, before much can be done to level up the great inequality of Western Australia in the Commonwealth, we should seek an amendment of the Federal Tariff Board Act, so that the board, instead of sitting in the Eastern States and there duplicating indefinitely industries already established, should aim at decentralising Australian industries. Naturally it is the policy of eastern Australian members of the Federal Parliament to centralise all secondary industries in eastern Australia. With the suggested amendment of the Tariff Board Act, however, it would be competent for the board, when protection was sought for a particular industry, to specify in what State, or in what State most urgently requiring the particular industry, it should be established. It is only by bringing about this first step towards relieving Western Australia's disadvantages that we can hope even in the slightest degree to seize opportunities to benefit from the national policy

of protection, from which the Eastern States have derived such immense advantages since the advent of Federation. To my mind it is necessary that when a new industry is established, or proposed to be established, in Western Australia, the State should guarantee the industry freedom from taxation for at least 10 years. Let us call to mind that during the last war all sorts of people posed as ardent patriots in subscribing to war loans of which the larger proportion was tax free. But if Western Australia desires to encourage the establishment of industries, I consider this would be a definite inducement to investors to come to this State. We have heard people talking lightly about the resources of Western Australia. It is impossible for us, however, on account of our geographical position, to compete at world parity with other suppliers of commodities that we may be able to produce. I can give an instance in which our railways play an important part in connection with the transport of the known minerals of the State. Take manganese ore: the railage from Meekatharra to Fremantle is a little over 27s. per ton. India is responsible for one-fourth of the manganese output of the world, and the railage is about 6s. a ton, a disparity of over £1 per ton on a type of ore that will not stand a high railage freight. Thus, unless in Western Australia there is an altered attitude in connection with the transport of this or similar low-grade ores, those ores will ever remain unworked. That is the position of Western Australia to-day. Our hope that we can ever establish industries in Western Australia must definitely fail. Primarily I should say to the Minister, and likewise to members, that we should urge our Federal representatives to see whether it is possible to get some assistance from the Commonwealth Government, particularly in the direction of an amendment of the tariff laws, so that the Tariff Board may have authority to investigate the position of industrial development in Western Australia and make recommendations for placing it on a firmer and more equitable basis. The Minister has my sympathy in his efforts to assist industry in Western Australia to make greater headway. The great trouble is that ever since the gold rush, when a good deal of commercial activity took place, the merchants have been importers or indent agents, selling imported products on a commission and selling them at the best price it was possible to obtain. That

section of the community began the development of big business as far back as fifty years ago, and it was then not interested in the establishment of industries. Those people found it far easier to sit in their office chairs and send to the Eastern States or elsewhere for a few tons of this or a few tons of that, knowing full well that they were taking no risks. This leads me to make some comment upon the position in which we now find ourselves, and the attitude of the Commonwealth Government towards us. I should like to quote some figures to show the House how the Commonwealth Government has placed its orders for military requirements. This is a published extract—

The Minister for Supply has recently given details of orders and deliveries to the Army Department of uniforms, clothing and personal equipment. They exceed in many cases 1,000,000 articles. The deliveries have been made from manufacturing sources in all States—

In all States! With a book!

—on orders placed since the outbreak of war and represent 11 months deliveries into army ordinance stores. Deliveries in some cases exceeded orders. Some of the chief items were:—

Item.	Orders.	Cost.	Delivered.
	yards.	£	yards.
Woolen piece goods ....	5,532,204	2,203,947	1,820,970
Flannel ....	1,421,948	251,173	1,101,207
	No.	No.	No.
Blankets ....	1,298,961	1,034,185	972,196
Leather boots and shoes	969,099	678,881	1,068,350
Fur felt hats ....	580,480	259,103	467,619
Khaki drill hats ....	214,000	26,697	144,573
Service dress jackets ....	678,480	834,988	723,252
Service dress trousers ....	688,054	398,817	685,258
Singlets ....	1,681,665	371,403	1,495,221
Shirts ....	937,935	256,848	725,954
Socks and Stockings	2,315,053	194,241	1,757,137

Regarding provisions for the army, the next four months' purchasing programme for groceries includes the following large-scale orders, all but preserved fruit and jam being stated in lbs. weight. Here are the figures—

	lbs.		lbs.
Tea ....	1,034,000	Salt ....	83,000
Coffee ....	697,000	Pepper ....	8,750
Preserved milk ....	3,769,000	Rice ....	80,000
Dried fruits ....	1,821,000	Mustard ....	3,750
Preserved meat ....	1,968,000	Oatmeal ....	80,000
Tinned fish ....	1,271,000	Curry powder	46,000
Biscuits ....	600,000	*Preserved fruits...	2,124,000
Peas and lentils....	191,000	†Jam ....	2,900,000
* 30-oz. tins.		† 24-oz. tins.	

The extract I have continues—

Arrangements had also been made for the purchase of butter, tinned tomatoes and vegetables, bacon, pork and beans, cheese, sugar, and other goods, which would bring the total bill over the £1,000,000 mark.

The Minister stated the other night that we were getting paltry orders from the Military Department. I contend that we are not getting anything like the orders that should come our way, orders that we would be able to fill if we had some encouragement. This is not all about which I have to complain. The other day the Commonwealth decided to build a couple of aerodromes, one at Cunderdin and the other at Southern Cross, a district with which I am very familiar.

The Minister for Labour: Both great towns!

Mr. LAMBERT: We can make them much greater as time goes on. We find that in Germany the biggest aerodrome in that country was built with timber. Yet in Western Australia where we have an unlimited quantity of the finest timber produced in the world, the Commonwealth prefers to send from the Eastern States to Western Australia huge quantities of fabricated steel for use at the new aerodromes. This is a nice sort of deal that the Commonwealth is handing out to one of our principal industries! Surely, in the name of Heaven, our timber could well be used at the State's aerodromes, especially bearing in mind that Germany found timber perfectly suitable in the construction of its largest aerodrome. As the Minister said the other night, there is no doubt that the big interests in the Eastern States have a definite grip on the industries of Australia. While I am not depreciating the commercial activities of some of the bigger concerns in the Eastern States, we cannot gainsay the fact that those industries must have a big pull when the Commonwealth Government can overlook our timbers and send fabricated steel from Newcastle to Western Australia. If instances of this kind were merely occasional happenings, one could overlook them; but it seems to me the general policy of the Commonwealth to neglect every available opportunity to render help to Western Australia by assisting it to utilise the products of the State's own industries. This is due to the Commonwealth's selfish policy and total disregard for the welfare of Western Australia. Some day perhaps it will realise that it did not do enough for a State which has a practically undefended coastline of 4,000 miles.

The figures I have quoted disclosing the enormous orders given in the other States by the Commonwealth for woollen goods give us food for thought, particularly when we remember that Western Australia last year produced £3,000,000 worth of wool. We in this State have one paltry woollen mill—I use the word “paltry” not in the sense that the mill is unimportant, but in the sense of numbers only; we have one mill in spite of the fact that we are producing as much wool as some of the other States. During the last war the Commonwealth did not help us to establish mills here as it did in other parts of Australia. Assistance was given to Victoria to establish mills when that State already had 28 or 30. Had the Commonwealth assisted Western Australia to establish two or three mills, this State would have been able to render valuable help to-day in the supply of the Commonwealth’s requirements. The figures I have quoted show how mean, miserable, petty and selfish is the attitude adopted all along by the Commonwealth towards Western Australia. After the last war I was one of those who spoke from many platforms in an endeavour to induce people to subscribe capital for the establishment of woollen mills. It was thought, however, that there would not be a legitimate return for the amount invested, but what was done was for patriotic reasons, and the initial steps were taken to start woollen mills in the State. When war broke out, the Commonwealth Government must have known that a State producing £3,000,000 worth of wool could well support two or three mills which would have been able to supply the State with many of the woollen articles that were required. South Australia, where the Minister has played a not inconspicuous part in the past, has, with the assistance of the Broken Hill Proprietary Coy. Ltd., and associated concerns, established three big industries. Lacking many of the resources requisite to the establishment of industry, that State has nevertheless been able, as a result of continuous agitation with the Commonwealth Government and through being in close proximity to the seat of the Federal Government, to inaugurate big industries during the last two or three years. At Whyalla the steel industry has been established, shipbuilding has been undertaken and another very essential industry—that dealing with the production

of synthetic ammonia—has also been started. About 15 or 16 years ago I dealt at considerable length with the production of synthetic ammonia from the atmosphere. I pointed out that in 1918, after the war had ceased, Germany was producing 200,000 tons more nitrogen than when the war began. Germany’s production of synthetic ammonia was stimulated by the blockade against Germany which resulted in that country being unable to secure nitrates from Chile. Germany built a plant for the production of synthetic ammonia and that example has now been followed by all countries and by South Australia. The industry embraces the production of ammonia, which is ultimately converted to nitro glycerine and all the explosives requisite for carrying on the war.

Marked progress has also been made in the production of caustic soda. That is another key industry. I was pleased to hear what the Minister had to say regarding the establishment of smaller subordinate industries in Western Australia; but the industries to which I am referring are big key industries; they are the measuring stick of a country’s progress and prosperity. Caustic soda is made from ordinary common salt. Everybody familiar with Western Australia knows that we have an abundance of common salt in this State. At Lake Clifton, 30 miles from Bunbury, there is an inland salt lake five or six times denser than the sea. At that centre or, better still, at Bunbury could be established works for the electrolytic production of caustic soda, salt from Lake Clifton being utilised. For the production of soap, the economic production of caustic soda is necessary. I was unable to obtain figures relating to caustic soda imported but I can supply to the House figures regarding the soap imported into Western Australia and the tallow exported. We send raw materials from this State and buy the finished product from the Eastern States, and sometimes from overseas. I hope that consideration will be given to the possibility of producing caustic soda in Western Australia. There are many by-products such as hydrogen and chlorine gas. The latter could be used to a marked degree as a solvent for gold in the mining industry in place of cyanide. Chlorine gas was used as a solvent before cyanide was known, and for certain ores I consider it to be much better than cyanide, particularly where purely silicious and slightly refractory ores are concerned.

I have been consulting figures relating to the timber industry, and it cannot be denied that 30 per cent. or 40 per cent. of the timber cut is wasted in the saw-milling industry. That constitutes a tonnage of hundreds of thousands and surely an investigation should be made into the feasibility of establishing the sponge iron industry in Western Australia. That industry exists in Sweden and Norway, but our hardwoods are far more suitable for the production of sponge iron than is the timber of those countries. Sponge iron commands a bigger price than ordinary iron because it is used for special purposes. The waste timber should be offered to some company. We should say to such a company, "If you bring a certain amount of capital to Western Australia, we will subsidise you; we will give you this waste timber." Within 10 or 20 years a flourishing industry could be established in a suitable geographical situation.

I was interested in the Minister's remarks concerning the new process for the production of pig iron: I think it is called the Duffield process. The practicability and economic worth of that system is now recognised and there is no reason why we should not produce all the pig iron requirements of Western Australia, and establish a useful export trade in that commodity. I can tell the Minister for Mines when speaking to him privately of a place where there are rich deposits of iron ore, fairly close to the railways. I hope he will send one of his geologists to report on the matter. I was able to inspect the place for only a short time because it was dark and I had no facilities for remaining, but I am convinced from what I saw that the deposits are both enormous and valuable. The locality is accessible to the metropolitan area and the deposits would provide all the iron we require for the production of pig iron on a very large scale. I hope the Minister will see fit to spend a few pounds to send a responsible officer to the spot to decide if my observations were accurate or not.

Mr. Patrick: Where are the deposits?

Mr. LAMBERT: If my belief is correct, there is no reason why one of the most important industries in Western Australia should not be established. Let me turn now to ferro-manganese. Hon. members may be astonished to learn that while the Broken Hill Proprietary Co. produces an enormous amount of steel, in every ton of which

ferro-manganese is used, not one ton of ferro-manganese is produced in Western Australia. It is all being imported from abroad, and if its importation were blocked, the production of steel would have to cease. There are big deposits in Western Australia, apart from some of those concerning which the member for East Perth (Mr. Hughes) was very loquacious in days gone by. At the Fitzgerald River there are what I consider to be the most important manganese deposits in Australia. The lodes are within 40 miles of Doubtful Island Bay, a deep sea port which is practically as good as Albany harbour. I have a report on Doubtful Island Bay and beyond question it is one of the finest harbours in Australia. It is a deep sea port sheltered for nine or ten months in the year, and has a deep anchorage. If the Minister wishes to see the report I will be pleased to show it to him and I think he will be convinced that what I say is correct. Ferro-manganese imported into Australia last year was valued at £37,000.

Reverting to the production of synthetic ammonia, which has been commenced in South Australia, I suggest we should urge the Commonwealth Government to establish the industry here. If any State in Australia has a legitimate claim to the establishment of this industry within its borders, it is Western Australia. Apart from the fact that an enormous amount of nitro-glycerine is used for war purposes, the mines in Western Australia absorb nearly half a million pounds worth of explosives per annum. The Federal Government could very well establish the synthetic ammonia industry in Western Australia and allow us to manufacture our own explosives. Instead of paying 25 per cent. exchange on profits, mining companies should be encouraged—in view of the profit made in goldmining—to interest themselves in the establishment in this State of some of the industries to which I have made reference.

*Sitting suspended from 6.15 to 7.50 p.m.*

Mr. LAMBERT: I was dealing with the production of synthetic ammonia. That should be a very important industry for Western Australia. I spoke upon this some years ago, and need not stress the value of such an enterprise. I hope the Minister and the Government will urge the Com-

monwealth Government to explore the possibilities of establishing the industry in Western Australia. I have already made references to a mineral that is now the subject of investigation, namely, the deposits of alunite at Lake Campion. I did a considerable amount of work in connection with those deposits, which I and two others held for many years. We spent a lot of money there, not only in our investigations, but in trying to interest people in the production of alunite and its allied minerals. About three years ago an option was taken over the deposits for the Western Mining Corporation. That organisation asked Mr. Charlton Dodd, lecturer in chemistry at the Kalgoorlie School of Mines, to investigate the deposits, and that gentleman furnished a thorough report covering his work. Because of the unsettled European situation the Western Mining Corporation did not go on with the business, and the lease reverted to us. Owing to the cost of holding these deposits we eventually had to let them go. When two or three young fellows showed an interest in them and came to me, I made Mr. Dodd's report available to them. They have used that report extensively, although they should not have revealed either to the public or the department such a confidential document without my authority. The report was given to me by the Western Mining Corporation on the distinct understanding that it would remain a private document paid for by people apart from myself. It has, however, been of material assistance to the parties concerned, and I hope something may yet be done with the deposits. The other day I visited the University, and had a chat with Professor Bayliss. I also looked at the experimental furnace erected there. I regret, as I told the Minister, that both in design and dimensions the experimental furnace is hardly suitable for this class of work. I hope, however it will serve as a pointer to what is possible in the treatment of that ore. This ore is of a somewhat complex nature. It contains a fair percentage of potash and aluminium oxide which when calcined is used for the production of aluminium. The high silicious content can only be removed by an exacting process of flotation. Probably at the School of Mines the officers will be able to indicate in a practical way how to separate the silica content so as to produce commercial aluminium oxide. Whether any mechanical furnace

will produce this mineral on a commercial basis, is hard to say. Possibly it will be necessary to revert to retorts on account of the fine physical condition of the mineral, which hardly lends itself to mechanical calcination. People must get away from the idea that this is the only source of potash in Western Australia. Some years ago with the late Mr. F. W. Teesdale I investigated the salt lakes at Three Springs. I was astounded to find that the saline contents there indicated a potash content of about 3 per cent. The saline content only requires treatment by evaporation to recover the sodium chloride and potash, and it looks a better proposition for the recovery of potash than do the alunite deposits. I hope the Minister will send someone to the lakes during the summer when they are empty, and have samples taken with a view to confirming my preliminary work. If any commercial people can be interested in the project I shall be pleased to make available to them all the information at my disposal. It is peculiar that although in Western Australia we have lakes containing millions of tons of salts, north, south, east and west, we have never established salt works. At Rottne Island enormous bodies of salt deposits exist. We have to import salt from the other States for table use.

The Premier: Do not forget the Geraldton salt works.

Hon. N. Keenan: Or those at Esperance.

Mr. LAMBERT: Someone should be encouraged to embark upon this industry. I know that a few hundred tons of salt are garnered in a crude, dirty and unhygienic manner from local sources, but it is salt that is not fit for human consumption, although it is used for pickling. Salt can be obtained at Lake Preston, Three Springs, and at many other places. Such an industry is too important to be lost sight of. There are also other sources of potash in Western Australia. Extensive deposits of jarosite occur, for instance, outside Ravensthorpe, and contain seven or eight per cent. of potash. When the mineral is calcined, apart from the recovery of potash by leaching and evaporation, there is left a residue comprising a beautiful red oxide, probably equal to any found in other parts of the world. I did a certain amount of experimental work on that mineral and was surprised at its great purity, and the beautiful colour of the jarosite

which was obtained by the simple process of roasting. It is much more simple to deal with that ore than it is to deal with alunite. It gives a good potash content and the residue is readily saleable in the Eastern States, and would be saleable here if paint works were established. I was speaking to Mr. Jim Smith of Roy Hill Station recently. He is sending a considerable quantity of red oxide ore to the Eastern States. It has to be carted from the station, railed 600 miles, and can still be sold at a profit. The Soap Distributors Company has a complete monopoly of soap manufacture in this State. The member for Nedlands (Hon. N. Keenan) may remember the soap works that were established in Kalgoorlie, a company that was returning a profit of about 20 per cent. Soap Distributors Company then bought out the Kalgoorlie concern, and squeaked competition. Another party approached me in connection with the manufacture of soap, and the establishment of works at Subiaco. Not long afterwards that concern was also bought out by the Soap Distributors Company. At that time I was not a member of the House. So that competition might again be squeaked, the people concerned had an amendment made to the Fresh Foods Act. That laid down exacting standards as to the free alkali and other contents of washing soap, and rendered it almost impossible for anyone else to manufacture that commodity in this State, unless persons desirous of doing so possessed a trained staff of technicians, who are not required in ordinary soap manufacture.

The manufacture of soap is really a backyard industry if people understand the process of manufacture. Those who embarked upon the industry were, however, bought out by Soap Distributors Company, which comprises Levers, Burfords and Kitchens, the combine interested in that company. I hope the Minister will focus his attention upon that particular monopoly. He could smash it if the manufacture of caustic soda was embarked upon so that it would be available to all who were prepared to manufacture soap. I could tell members what has happened in connection with the tallow that emanates from the abattoirs. Some time ago the late manager of the abattoirs told me that he had about 200 tons of slightly stained tallow for which a company had offered £4 a ton. It had a green stain in it. For pure tallow the price was, I under-

stand, between £12 and £14 a ton. He asked my advice, and also consulted the Government chemist. It was then found that saponified clay would remove the green stain, as it did in this case, with the result that the tallow was disposed of at market rates. If the Minister will take a firm hand in this matter the monopoly will see how long it will remain in control and be in a position to buy the tallow from our abattoirs. The price they would pay for it is not the price that it would fetch if put upon the open market. Strange to say we export tallow to the extent of £25,000 per annum, and we import soap at about the value of £120,000 per annum. No doubt nine-tenths of that imported soap is manufactured by Levers and others interested in the monopoly here. As these people have no competition they apparently bring in certain soaps in order to cater for a particular Western Australian trade.

There is another feature about it which I regard as most regrettable. Years ago we had a very fair export trade in second and third-grade soaps, which proved very suitable in the islands to the north of Australia, to Java and Singapore. The soap was low-grade and did not contain the same alkali content as the superior lines used here, but the article was quite suitable for the purposes of the natives. After the combine secured control of the trade, not one pound of those supplies was exported from Western Australia. The requirements of the population of the islands, representing upwards of 60,000,000 people, was apparently supplied by the Eastern States manufacturers. I hope the Minister will look into that phase and see whether something can be done to make those concerned in the Eastern States realise their responsibility to Western Australia.

I have already mentioned to the Committee the purchases of boots and shoes by the Military Department. Apart from that, we import annually over £400,000 worth of boots and shoes from the Eastern States. A perusal of the statistics shows that for the year 1938-39 we exported £367,000 worth of hides and skins. Thus while we export skins, we import boots and shoes. Then again when we consider that we export upwards of £25,000 worth of tanning bark annually and that for over

a quarter of a century we have exported tanning bark to Germany and other foreign countries, it must strike us as monstrous that we should export the raw materials and import the finished articles much to the detriment of Western Australia's industrial progress. In such circumstances, there can be no hope of absorbing our young folk in industry, particularly if that policy is to continue. Some years ago I took a great interest in experiments carried out at the University in connection with the production of tanning extracts. Those experiments clearly indicated that it was a feasible and commercial proposition. The State sent Mr. Boas—I notice that in this morning's "West Australian" there appeared an interview with that gentleman on our forest products and so forth—to America to investigate the tanning extract industry there. One result of his inquiries was that Plaimar's Ltd., a very progressive firm, put in a plant at its factory here and also established another plant at Boddington. The firm had a very clever chemist in Mr. Marr who carried out a number of experiments as a result of which he put in two or three large plants, including one for the distillation of oil from our sandalwood. The plants also dealt with many other allied distillations, which have been carried out more recently. It would be far more preferable if we could make use of our locally-produced tanning extract for the treatment of our local skins and hides instead of spending £367,000 per annum in buying boots and shoes from the Eastern States.

Much has been said regarding the utilisation of our waste timber. Experiments and investigations indicate that no reason exists why we should not produce paper pulp from the waste timber that is available locally. Geographically, Western Australia possesses a favourable position for undertaking such production. At the same time I fully recognise that paper pulping could not be effectively carried on—it must be recognised that many of these industries are interlocked and interdependent—unless we can produce caustic soda and the necessary supplies of chlorine gas for the purpose of production. Paper and stationery to a value of £352,000 per annum is imported annually by this State. To that extent we

have assisted the industry in the Eastern States, which has been still further aided by the imposition of a tariff that has enabled paper mills to be opened up in Tasmania and elsewhere. While that assistance has been forthcoming in the East, no such help has been afforded Western Australia for the establishment of paper mills here for the utilisation of our waste timber.

Another matter on which the Minister for Industrial Development could focus his attention relates to the production of cyanide. Annually about £145,000 is expended on cyanide for use in the mines. I believe that if the mining companies were approached in the proper manner, either singly or as a group, no difficulty would be found in establishing that industry if favourable conditions were offered, such as exemption from taxation until the undertaking was fully established, together with other possible direct or indirect assistance. That should be of importance to Western Australia, particularly in view of the fact that possibly 80 per cent. of the cyanide used in the Commonwealth is for the requirements of Western Australia mines. To my mind there is no insuperable bar to the establishment of that important industry in this State.

Some years ago cement works were established in this State. If members care to look back through "Hansard," they will find that 15 or 16 years ago I made several speeches on this subject. For instance, I dealt with the proposal to construct a line to Lake Clifton at a cost of upwards of £70,000. I pointed out that there was no need for any such railway because all the lime that was required for the manufacture of cement could be obtained by dredging the oyster shells from the bed of the Swan River. That shell consists of pure calcium carbonate eminently suitable for the production of ordinary Portland cement. I took no small part in assisting the management of the cement works to secure permission to dredge the river bed. From that time onwards the operations have been carried on with great success. Considering that the State Government acquires nine-tenths of the output of the cement works, members will recognise how important the undertaking is to Western Australia. The company's shares were £1 at par, but are now quoted at from 35s. to 40s. and the



company is capable of paying 20 per cent. dividends. That indicates the attitude of the State Government towards this particular industry. There is one other phase that could be developed and the Minister made brief mention of it the other evening. I refer to the production of white cement, for which a higher price is paid than for ordinary Portland cement. That cement is largely made out of felspar and other substances. Felspar deposits occur at Coolgardie and I opened them up many years ago and supplied considerable quantities. At that time there was no great sale for felspar because it could be delivered on ships bottoms at Fremantle as ballast. In the circumstances I abandoned the project, which was taken up later on by another man who has since made many thousands of pounds out of it. For the specific appreciation of the Chairman of Committees I may say that I had an amusing experience with the Calyx Porcelain Works arising out of the supply of felspar. I supplied about £50 worth to the company and went down to collect my money. The undertaking was a failure and the manager said to me, "I cannot draw a cheque, because there is not a bob in the bank. I have eight or ten barrels of cups and saucers, and you can have them if you like as part payment." That was a form of fiduciary issue that the Chairman of Committees will appreciate, though at the time it was not a matter of much amusement for me.

Mr. Hughes: They were more profitable than some cups.

Mr. LAMBERT: I am pleased to note that attention is again being given to the recovery of sulphur and sulphuric acid by the Kalgoorlie mines. Commonwealth legislation has been passed under which a bonus is to be paid by the Federal Government on the production of this commodity in Australia. Western Australia, in common with the Zinc Corporation, should take advantage of that opportunity with a view to seeing whether we can make the State self-sufficient regarding the sulphur requirements of our industries and the production of sulphuric acid. Quite a lot could be accomplished, and there is no reason why we should not take advantage of the position and stop the importation annually of £194,000 worth of sulphur for our industrial purposes.

During the course of his speech, the Minister touched briefly on the utilisation of producer gas plants. I have taken an interest in that subject for the past 12 or 14 years. When Sir James Mitchell and the late Mr. Humphries, then manager of the State Saw Mills, were in London, Mr. Humphries persuaded Sir James to purchase a 4-ton Thornycroft suction gas lorry. When it was landed in Western Australia, Sir James asked me if I would take it over, supervise the trials with it, and to report to him on the results obtained. Of course, I agreed to do this. It involved me in some expense but the results were not all that could have been desired. The man who was in charge of the lorry got as far as Karrakatta. He went to stoke it up but the producer exploded and blew him nearly into the cemetery. The man promptly gave me notice that he would not continue the experiment, and I handed the lorry back to Sir James Mitchell with my thanks. Since then great strides have been made with the producer gas plants, both from the standpoint of design and safety devices. What is required now is to standardise them so that the plants will be in accordance with properly set-out specifications necessary to meet the varying requirements throughout the State. When the investigations are completed, it is to be hoped that expectations will be realised and that operating costs in transport will be reduced by over 50 per cent.

Dealing next with the question of dehydration, in a State like Western Australia, where we have gluts of fruit and vegetables and where our products can be disposed of to advantage in the islands lying to the north of Australia, immediate attention should be given to the establishment of this form of industry. Dehydration plants should be established to deal with our surplus supplies. I have not the slightest doubt that all we could produce could be disposed of to advantage. Before America entered the 1914-18 war, exhaustive inquiries were made in that country regarding the dehydration of fruit and vegetable supplies for the troops. So successful was the effort that the American troops were supplied with first-class dehydrated fruits and vegetables, the equal of which was not enjoyed by any other troops at that time. I have no doubt that if the Minister for Industrial Development were to apply to the

American Department for Agriculture, which has a highly trained staff of experts, he would be able to secure full information regarding dehydration merely for the expense of a 2d. stamp. We have many mineral and other resources in Western Australia, but for the time being, I think I have said enough to supplement what the Minister has told the Committee, and to assist in a matter of prime importance—the establishment of industries that will absorb our growing boys and girls and help to solve the post-war problems with which we will be faced.

Living as we are to-day amongst the warring nations of the world, our minds go back to epics in heroism that we read in our youth, from "Casabianca" to "The Charge of the Light Brigade," but truly there is nothing in past human bravery and sacrifice comparable to the daily exploits of our fighting forces. These services are doing their human best for the Empire in their efforts to keep the flag of freedom flying and to wipe out every scar that the enemy has inflicted on our noble Empire. When we emerge from the haze and horrors of this war, we must unite with the same determination and courage to build a new order that alone will allow us to meet enormous post-war problems in again absorbing the returning soldiers into the civil and industrial life of our country.

**MR. THORN** (Toodyay) [8.1]: I listened last week with great interest to the Minister when he introduced his Estimates. I have also listened with keen interest to the speech just delivered by the member for Yilgarn-Coolgardie (Mr. Lambert); he has an intimate knowledge of minerals and, when he gets down to tin tacks, is always interesting. I am glad the Minister is again restored to health and was able to put so much energy and vigour into his speech. He administers a most important department, one that is playing a leading part in the progress of the State. His officers are most courteous to anyone desiring to interview them or to submit any project that might prove of value to the State. Recently I was asked to bring certain minerals under the notice of the department with a view to their being analysed and reported upon. The reports have since been made available.

In dealing with this vote, I intend to touch on the point raised by the Minister the other

evening with regard to the use of karri cases for the export of dried fruits. We had some difficulty in persuading the Department of Commerce to permit the use of karri for that purpose. When we submitted a sample to the department in Melbourne, we were told that it would be quite satisfactory. Later, however, the department raised some doubt and objected to the use of karri. I do not know whether members will recall that a few years ago an American firm entered the box trade in Australia, and was exerting influence in Canberra to secure a heavy tariff on softwood, but a favourable tariff on other timbers that the company was using for box-making. The company got the preference it sought and in consequence a good grip on the box trade of Australia. It is operating in this State also. I am not of a suspicious mind, but I feel that this company was doing its best to prevent the use of karri for dried fruit cases. I proceeded to Melbourne and after negotiations which lasted four days, the Department of Commerce agreed that if the company of which I am a director was prepared to export 100 karri cases containing dried fruits to London as an experimental shipment, and no complaints were received about the cases, the department would certainly permit us to use karri. I pointed out that rabbits and cheese were being exported in karri cases, that no complaints had been made about them and that I had no fear of complaints about karri cases for dried fruits. I supervised the packing, stencilling and shipment of those 100 cases, and felt quite satisfied that there had never been a neater and better packed consignment of fruit exported from Western Australia. We asked our agents in London to furnish us with a report on the shipment as soon as possible. The company has kept in touch with the Minister for Industrial Development over the matter, while the Government got into touch with the Agent General in London (Hon. M. F. Troy), who took a keen interest in the shipment, inspected it and was quite satisfied. Little points were raised which really amounted to nothing.

The Premier: Some of the nails dropped out.

Mr. THORN: That is so. I received the following cable from our agents in London—

Karri cases, all reports very good, cases superior to usual, suggest lighter oil paper, more attractive, recommend 1½ inch nails.

We used 1-inch nails. We did so because we have machinery for nailing cases; as the wood is harder than softwood, we were quite sure from our experience that 1-inch nails would be long enough and strong enough to keep the package intact. In addition, we double-wired the cases, which arrived in excellent condition. With regard to the heavy oil paper, this was used as a precautionary measure, in order to ensure that no complaints would be made of contamination of the fruit by the wood. When we receive final reports from London a chemist will be engaged to investigate that matter. We may be able to fall in with the suggestion received from London and use a lighter and more attractive paper, because our ambition—our policy—is to put the fruit on the market in the way that London desires. It should be the policy of any company not to dictate to a market, or to say to it, "Take this or nothing." If London desires an improvement in our packing, we shall be only too pleased to comply with its requirements. I have all the correspondence dealing with the matter, including a letter from the Agent General to the Premier, another from a Liverpool port officer stating that the shipment was in order and expressing approval of the karri cases; and another from the chairman of the London agency of the Commonwealth Dried Fruits Board; this also expresses approval. Our desire is to support local industry and we are most anxious to continue the use of these karri cases, if possible. The Minister said that this season probably 20,000 karri cases would be required. Already my company has ordered 50,000 cases, which are now being delivered.

The Minister for Labour: I said 200,000 cases.

Mr. THORN: "Hansard" reports 20,000, but 200,000 is nearer the mark. On the tonnage available this year we shall require at least 150,000 cases. I hope the State will be in a position to supply these. If we are able to get all the persons in this State interested in the packing of dried fruits to use karri cases, we shall be placing an order up to £10,000 with the State Sawmills annually. The boxes I have inspected are most satisfactory. They are well cut and dressed. I have already mentioned to the Minister—and I shall repeat it—that I hope there will be no variation in the standard of the cases.

When large orders are being supplied, a company is liable to slip a little and get careless. Remarkably enough, when I arrived in Melbourne the first thing with which I was confronted was a big jinker travelling along Spencer-street with a load of logs that had just come from the country. At present, an attempt is being made to force us to use what we term a piebald box, with ends of mountain ash and sides, tops and bottoms of hemlock. It was that piebald box which at once forced us to look around quickly and ascertain if our own State Sawmills could make a uniform box. We did not want a box with one class of timber for the ends and another class for the bottoms and sides. That is how we came to get into touch with the State Sawmills. I am pleased to say that we are quite open to do business with the State Sawmills so long as we are supplied with a satisfactory article. The cases that I inspected in Melbourne were of a much inferior type. The timber was not well cut. Besides, a box with four boards for the bottom and four for the top, instead of two, which the Swedish case had and which the karri case has, tends to weaken the box considerably. Four narrow boards are much weaker than two wider boards. I was not at all impressed by the case brought under my notice in Melbourne. I am extremely pleased with the reports that we have received from London regarding the trial shipment. After hearing the Minister's speech the other night and learning what the Government is doing to foster local industries, I say it is the duty of everyone engaged in industry in Western Australia to support local products wherever possible.

MRS. CARDELL-OLIVER (Subiaco) [8.12]: I would like to know, Mr. Chairman, if I shall debar any other member from continuing to speak on the question of industry if I deal with another portion of this vote.

The CHAIRMAN: The hon. member may discuss any matter relating to the vote.

Mrs. CARDELL-OLIVER: But I wish to discuss another part of the vote.

The CHAIRMAN: We are dealing with the general estimates and these include all the departments under the control of the Minister. The hon. member will be in order in speaking to any portion of the vote.

Mrs. CARDELL-OLIVER: Thank you, Mr. Chairman. That is very clear. I did not wish to prevent any other member from having an opportunity to continue the debate on the question of industry. I was especially interested in the Minister's speech the other night. I can assure members that when his eagle eye roamed round the Chamber, I began to wonder whether I was wearing clothes not made in Western Australia and whether I had fallen down on my duty by not asking everyone to buy Western Australian-made goods. I wish to bring under the notice of the Minister child welfare cases in which the recipients of relief loans are incurring such colossal debts that they can never hope to repay them. These debts are causing great anxiety to the people concerned. I quite agree that if the recipients came into fortunes, won lotteries, or backed the winner of the Melbourne Cup, they would be expected to pay. But these people have no hope of paying, and to continue the large debt seems to be very unjust. I should like to give two specific cases so that the Minister will know exactly what I have in mind. One is that of a widower with eight children. He is a relief worker, and when in employment he pays no less than 56s. a week to the Child Welfare Department. That, of course, leaves little enough for himself. When he is on a stand-down period, he receives 7s. a week, the rate for a single man, and he is still debited by the department with 56s. a week. Thus the debt becomes colossal. I believe that at present this man owes in the neighbourhood of £200 and he has no earthly chance of paying it. This causes a great deal of distress to that man.

Mr. Cross: He is entitled to full-time work.

Mrs. CARDELL-OLIVER: He does not get it. Another case is that of a woman who has three children. She had a maintenance order for £2 a week, and the Child Welfare Department took the matter up and paid her 24s. a week. The department kept the £2 because at various periods the husband could not or did not pay—when he was sick or unemployed. However, the man joined the army and made an allotment to the wife, who then withdrew the maintenance order so that she was no longer under the care of the Child Welfare Department. However, she received a bill from the department for £139, and she has

no earthly hope of paying that sum. She is a dying woman. Her medicine alone every fortnight costs 36s. This might seem a lot, but she must have injections. She is suffering from pernicious anaemia. I am wondering whether arrangements could not be made to write off those debts where there is no earthly chance of their being paid. There is no chance when a man is receiving only the basic wage or very little more. I should like to know, Mr. Chairman, whether I may discuss milk under these Estimates.

The CHAIRMAN: Yes.

Mrs. CARDELL-OLIVER: Last session this House passed a motion recommending that a ration of milk be given to all undernourished or needy children attending State schools. The motion did not ask for any specific amount to defray the cost—a motion to do that could not be moved by a private member—but the Government approved of the motion and then repudiated responsibility for it. The Premier rightly warned the House against passing motions which there was no intention of honouring. I think it is unjust to pass a motion unless the intention is to honour it. The Premier, however, went so far as to ask what the cost would be, and it was explained that the cost in the metropolitan area would be about £5,000. The House passed the motion, but the Government did not give even £50 towards the fund when asked for it. The Government's action caused a good deal of embarrassment to the Free Milk Council because people who had given generously concluded that the Government had taken over the scheme. But for the Lord Mayor and the "Sunday Times" giving great help, many children would have suffered from this double action. Fortunately, a committee formed by the Lord Mayor made it possible not only to continue milk to those who were on the lists of the Free Milk Council, but also to provide for an increased number. Needy children in 49 schools in the metropolitan area now receive free milk. I believe that free milk is also provided in all the schools in Fremantle and in the school at Albany, while a movement has been started to provide free milk in the school at Bunbury. Approximately £1,000 will be spent on free milk this year in the metropolitan area alone. Even with this expenditure, there are still thousands

of needy children who are unable to learn their lessons because of their under-nourished bodies.

I wish members to picture a woman under the Child Welfare Department, who might have three children and be receiving £2 2s. a week, which is a much more liberal allowance than she used to get, but it is impossible for her to pay rent and provide 1s. 6d. a week for milk. Then if we consider the man with eight children, he has no chance of providing money for milk. There are families in my district consisting of eight children and no provision is made in sustenance payments for more than five. The allowance would be 49s. a week for such a family and it is absolutely impossible for those children to have 6d. a week for milk. I believe the Minister for Health has a report on the heights and weights test made by the department in all our schools to ascertain the actual standard of the children in the State schools. I shall be surprised if the standard is good, because on investigation we have found that there is no equality in height, weight or health of children in State schools as compared with those in secondary schools and in institutions. The standards of children in the secondary schools and institutions are much higher than those of children in the State schools. If Ministers would read the reports of health officers in England, New Zealand, and other countries, which I believe are available here, they would appreciate that since the Health Departments in those countries have taken an intelligent interest in the physical well-being of the children, there has been a considerable improvement. In New Zealand 80 per cent of the school children receive from one to two pints of milk per day; 214,165 children receive bottles of pasteurised milk, 6,000 receive malted milk and 4,000 receive cocoa and milk. The children may choose which they will have or the choice is made for them by the medical officer. The medical officers in those countries have stated that the children have improved as a result, and a change is often noticeable even in country children. The change in town children, however, is said to be inestimable. Also there is a larger attendance of children at the schools and doctors and teachers report that the children have greater ability to learn. In England, even since the outbreak of war, the Government has extended

the London County Council's scheme of providing free milk for all children who cannot afford to pay for it. Even single people receiving 27s. 6d. a week may apply for free milk in England to-day. For all children under five, for nursing mothers and expectant mothers, cheap milk has been arranged for those who cannot afford to pay. I should like to quote a report to show the difference in the health, height and weight of children in England now as compared with 20 years ago. A Birmingham doctor says—

The five-year old boy of 1940 is 2 ins. taller and 3 lbs. heavier than the five-year-old boy of 1920. The five-year-old girl is 1½ ins. taller and 1 lb. heavier. The twelve-year-old boys have done better still. The boys have gone up by 2 ins. in height and 9 lbs. in weight, and the girls by 3 ins. in height and 12 lbs. in weight on their predecessors of the same age 20 years ago. In short, the whole generation of school children is gaining in height and weight and this all seems to have been done on milk.

Lord Woolton, Minister for Food, when speaking on the rationing of margarine, said quite recently—

I think everyone will agree as to the importance of milk for children and nursing mothers. Nothing has given us so much pleasure as the Ministry for Food as to be able to introduce a cheap milk plan whereby nursing mothers and children under five can get milk at 2d. a pint or, if need be, free. This is a scheme we have devised so that those who cannot afford to pay the commercial price for milk, and whose need is most vital, shall be certain to get it if they apply. We have done all we can to ensure that the small children of this country shall not suffer from malnutrition as a result of this war, and that has been worth while.

I should like to point out that New South Wales has adopted a scheme, and that in Melbourne 20,000 children are receiving milk under a subsidised fund. We must realise that many children here have come down to a starvation diet. Some people might say that that is the fault of the mothers. Whether it is, I do not know. All I know is that hundreds of children in this country are under-nourished. We ought to be facing the facts and not leaving charitable institutions to do this work. Since the outbreak of war the number of children paying for milk at school has decreased. The children of soldiers who used to get milk no longer get it, and many a working man cannot give

his children 6d. a week for milk, especially where there are two or three in the family. Last year I asked the Government whether the Free Milk Council would be allowed to buy milk at the butterfat price, but the Government refused. Although dairymen have assured me that they can sell their surplus milk to wholesale depots at less than the butterfat price, it seems impossible to ascertain the exact price at which that milk is re-sold to the public. Again, when one firm had an alleged shortage of milk the children in schools were the first to be denied milk. The same firm that had the shortage sent canvassers from house to house telling people that there was a shortage of milk but that this firm would supply the extra quantity if the people cared to change their vendor. The stupidity of this alleged shortage lay in the fact that on one side of the street a man would sell as much as one desired—in fact I was offered a thousand bottles of milk during the alleged shortage, but the vendor who offered me those thousand bottles of milk could not deliver them to the school quite near, because he had not a license to deliver on that particular side. I had to take the bottles in my own car and deliver the milk. Of course this was against the law, but I was quite willing to be charged, so that I could ventilate the matter. However, nobody prosecuted. But it seems that if a man has a license for one particular part, although there may be a shortage just on the other side of the road he is not permitted to take his surplus milk to the place where there is a shortage. Therefore I maintain that zoning has taken place in Perth without the people knowing that it has been done. Further, a firm has almost a monopoly of certain districts, and this was the firm that created the shortage. I would like to tell the Minister that we did get an offer of a herd of cows if the Government would grant some pasturage and facilities for having the cows milked. There are many farms vacant, and the cows could have been looked after by delinquent youths. The working together of such places would help to give the delinquent children an outdoor life and also help to provide town children with milk. I am quite sure that such a scheme could be worked economically—in fact, without even-

tually costing the Government anything worth mentioning—and that it would be helpful to both the delinquent children and also the undernourished children in the towns. The free-milk scheme is in working order, and the Government should, in the interests of the State, either take it over or subsidise it. This would save the Government a considerable amount of money which is now spent in large sums in helping to mend physical derelicts, many of whom are made so by under-nourishment. I trust that the Minister will endeavour this year to be helpful and see if he cannot arrange for some farm to be given over to delinquent youths so that they can work in conjunction with the Milk Council and thus enable the children of the metropolitan area to receive further supplies of milk.

**MR. SAMPSON** (Swan) [8.34]: I listened with interest to the classic address of the Minister, highly interesting and instructive. I also followed the remarks of the member for Toodyay (Mr. Thorn) on the subject of case work; and I suggest that it would be worth the Minister's while to give consideration to the planting of white pine. Some development has been made in this direction, but there is both opportunity and need for great increase. The opportunity offered covers big areas of land which I believe is of comparatively little, if any, value for other purposes; and white pine is necessary owing to the demand for it in connection with the export of butter and other products. I realise that the Minister has a difficult task in developing factories in Western Australia. Our population is small; and there is a habit, long established, of depending on the Eastern States for most things. People have become used to purchasing their requirements from the Eastern States; in fact, if one goes into a grocer's shop or other shop in Perth or in other parts of the State, one is hard put to it to find any considerable quantity of Western Australian products. The number of factories in Western Australia, however, has increased. In 1933-34 there were 1,606; in 1937-38, 2,066; and last year, 2,775. Those are large increases.

**Mr. Patrick:** One wants to know how many men are employed in the factories.

Mr. SAMPSON: The average number employed during the year 1933-34 was 16,163; in 1937-38, 23,133; and last year, 26,004.

Mr. Doney: Have you the 1928-29 figures?

Mr. SAMPSON: I am not going back as far as 1928-29.

Mr. Doney: No. The figures for that year do not fit your argument.

Mr. SAMPSON: There has been a large increase during this last year. The figures are highly gratifying to anyone who has a passing interest in Western Australia. Those who want to see the country developed and its people employed will be glad that at long last there does appear to be a movement forward in regard to the establishment of factories. In comparison with the Eastern States, however, the outlook is poor, or certainly has been so in the past. Still I do hope for, and we must all work with the object of encouraging, the development of Western Australian products of such quality as to ensure for them a regular and increasing demand. Western Australia unfortunately produces everything but faith—faith in its own products. If we go about the city and elsewhere it will be noticed that Western Australian products are, unhappily, not in great demand; and as they are not in great demand, storekeepers will in many cases not carry them. Thus it becomes the duty of everyone, if a certain article is required, to ask for it, and if it is not forthcoming, to pass out and try another shop.

I was interested to hear what the Minister had to say about the development of the producer gas industry and the number of plants which also are being fitted to motor vehicles. Undoubtedly that is a step towards a great economy; and I am wondering whether those who produce the charcoal, the men who work all hours in the bush under most unpleasant conditions, receive any consideration in respect of payment. There should be in regard to charcoal, as in regard to everything else, a minimum price.

The Minister for Mines: A union is needed.

Mr. SAMPSON: The Minister for Mines and I might go out together and see whether we can do something, if not to form a union, then to secure for those who carry on most trying work involving long hours under un-

pleasant conditions, some share of the saving which is being effected. The Minister for Labour maybe is thinking along those lines. I hope he is. At present there is no protection for those who carry on that work, and there is opportunity not only for a reasonable wage but for great economy in respect of those who use charcoal. The Minister for Labour also mentioned that numerous factories were being started, and indeed that is proved by the return in the official Year Book of the Commonwealth. I wonder, however, whether in the assistance which is extended by his department—and the Minister has some highly energetic officers—anything is done to instruct the new proprietor of a factory with regard to costs. There is a large percentage of factories which start, but do not continue for any length of time. A factory starts on the difficult task of producing some article, but frequently without much knowledge of accountancy or of overhead costs. As a result it is not long before the factory finds that it cannot continue. The Minister might say that that is not a job for the Government, but anything that will help to retain in active work the factories which are inaugurated should be worth while. I am quite sure that every member present will agree, certainly every member who has taken any interest in the subject, that of the factories starting in Western Australia—many of them of course in a very small way—a number come to grief because of a lack of knowledge of what are costs.

There is in this State a great opportunity, particularly bearing in mind the growing sympathy for Western Australian products, for certain needs. In the trade in which I am particularly interested, printing, it is impossible to purchase locally-made printers' ink here, and yet in the Eastern States there are numerous manufacturers of printers' inks. I hope that at some time not too far distant that work will be done here. I realise that raw materials are not always available. In fact, the belief is growing that raw materials for Western Australia are available only when the Eastern States have been supplied. That makes the Minister's job a more difficult one. Unquestionably the statement is true. We have, for instance, a further need for copper wire. If copper wire were available, there would be many extensions of electric

current through the outer suburban areas. That would mean the establishment of additional factories. It is better that factories should be erected in the outer suburban districts, rather than in the closely congested centres, where there is not the same opportunity to obtain fresh air and recreation.

It is gratifying to note that exhibitions of local products are held from time to time. I believe the department will, upon request, make available a railway coach containing a range of Western Australian products for exhibition in outlying districts, so that the residents there may have an opportunity to examine them. Despite the prejudice which does sometimes exist against Western Australian products, greater sales of these will take place as they become more widely known. Perhaps the Minister in his reply will indicate whether the railway coach is still available upon request in approved cases. Members are anxious to assist the Minister. The matter is one not only for the Minister, but for every person in Western Australia. If we would but take up the work and indicate a burning desire to help the local manufacture of our products, it would be better for all concerned. The position in the past has indeed been regrettable; but, as I have already indicated, I feel that we are at long last on the threshold of a forward move. The Chamber of Manufactures does everything possible to assist in this work. Many people in business are anxious to assist in a practical way to develop our manufactures. I know that the Minister is in close touch with the Chamber, as of course he should be. The Minister's work will be more effective according to the degree of assistance he receives from the Chamber of Manufactures.

I am also grateful that up to the present time the Minister has not seen fit, or rather has not made clear any intention, to establish additional State trading concerns. However much he may desire to develop the consumption of local products, it would be utterly impossible for him to do any good with State trading concerns. So I am glad he has not fallen to any temptation he may have had in that way.

The Minister for Mines: Perhaps he would meet with the same fate as was meted out to his Bill.

Mr. SAMPSON: Which Bill?

The Minister for Mines: The Bill to establish local industries.

Mr. SAMPSON: Should the Minister bring down a Bill to assist in the development of State industries he would receive help from every member of this Chamber.

The Minister for Mines: There must have been a bit of a change on your side.

Mr. SAMPSON: He will receive help from many members so long as he does not throw more consolidated revenue of the State into the air in a hopeless attempt to make a State trading proposition pay.

The Minister for Mines: There must have been a change of heart on your side.

Mr. SAMPSON: No. I am anxious that the Minister for Mines should look at this matter in a broad, comprehensive way and co-operate with the Minister for Industrial Development, thereby helping to bring about that improved condition which every real Western Australian desires.

Leaving the matter of industrial development, I desire to say a few words with regard to child welfare and outdoor relief. I do not want to discuss relief generally; I feel that the department is administered sympathetically. I have made careful inquiries and believe the department does what is desired. I wish the matter of adoption of children to be pushed ahead even more than it is at present. The department should make it known generally that it does offer a home to infants whose reception in this world has not been perhaps as warm hearted as it would have been in other circumstances. We all realise that a home without a baby is usually an unhappy home. A home with a baby is worth visiting. The foster father and foster mother do not throw the furniture about with the same reckless abandon as sometimes happens when there are no children in the home. I am glad the Minister agrees. I do not know how many children are in his home; but there is a suggestion of conscious pride in his possession of children. As I said, the department has done a great deal with regard to the adoption of children and I hope it will push on with that work. I could tell two or three stories about homes where children were adopted, with the result that there was an altered outlook and an altered atmosphere in the home.

Mr. Cross interjected.



**MR. SAM'ISON:** The member for Can-ning is agreeing with me. He is turning his thoughts to righteousness for once in a while, a very creditable achievement. I would like to express my personal appreciation of the efforts the Minister has made to foster the production of local products. I hope he will not abate his enthusiasm. We have heard much talk from other Ministers on the matter, but it is one that calls for consistent and long-sustained effort. We on this side of the House will help the Minister in every way in our power. We hope he will continue in his good work, and if perchance the Minister for Mines will give him practical assistance, then that will be so much to the good.

**MR. NORTH** (Claremont) [8.56]: I listened with interest, as did other members, to the Minister's remarks and also to the speech of the member for Yilgarn-Coolgardie (Mr. Lambert). The member for Nedlands (Hon. N. Keenan) also raised some interesting matters not altogether connected with this vote. He discussed the question of free trade and protection and argued whether our future is soundly based on a protective tariff. That question cannot be debated under this vote, but I think with him and others that the end of the argument of free trade versus protection, or some third alternative, has not yet been reached. But perhaps that matter is not in order in this debate. It has been said by one or two speakers that we should adhere to business principles and leave business interests to be developed in the ordinary fashion as they have been hitherto developed in other countries. Surely the whole point of this economic renaissance, this research for new industries for Western Australia, is based on the fact that our previous industries have fallen by the way and are in bad grace at the moment. Surely we cannot contend that the urge for all this investigation into our minerals and into the establishment of new factories is merely because we want something to do. It must be because we feel we are menaced if we continue in the path we have taken in the past. Therefore I consider that whereas in the past we may have waited for business to come forward, we cannot do so to-day. We must use every method that scientists, engineers and other experts can devise in order to see what can be done. I

do not wish to traverse ground that has been covered by other members, but I desire to place two matters before the Minister which I think should claim his attention. He may dismiss them at once or may decide that they should be investigated. The first matter concerns uranium. We have large deposits of uranium lead, from which, according to my researches, radium can be extracted. Members also are aware that a few months ago in America, a Jew, exiled from Germany by Hitler, was successful in splitting the atom in uranium. It was a long time before that could be done, but the world now has an enormous new source of power. As we have in our State large deposits of uranium, and as Germany now has 200 of its best scientists attempting to commercialise this new process of splitting the atom, and as America itself has its business brains employed—so I am informed—in attempting to find a method of commercialising this new form of power, I would urge the Minister to get the Council of Scientific and Industrial Research to investigate the matter and ascertain whether it cannot devise some process by which the atom can be split in such a way as to make available to us this new source of power. Everybody knows the idea behind the suggestion. Having obtained a piece of this material as big as an egg, it would be possible to drive a liner across the Atlantic at high speed. The other matter to which I referred concerns sun power. In America and Egypt steam is being raised by means of the sun. We have a tremendous quantity of sun in this State now going to waste. It certainly might be worth our while, since we are stretching around the State for new sources of inspiration, to find out whether we cannot follow America and Egypt in raising steam in our State by means of the sun.

**MR. HILL** (Albany) [8.58]: It is not my intention to go over the ground traversed by other members and deal with the question of the desirability of establishing secondary industries in this State. We are all agreed on that point. There is, however, one matter I would like to point out to the Minister. It is that the Commonwealth Government and this State should adopt a policy of decentralisation. It is a rather extraordinary state of affairs that, notwithstanding the vast area of our State, a 6-inch gun in King's Park would have

one-half of our population within its range. I desire to draw the Minister's attention to a remark made by David Owen, formerly general manager of the Port of London Authority and Past-President of the Institute of Transport of Great Britain. He truly said—

The Empire's trade can be encouraged or vitiated by the degree of the efficiency of its ports.

Within the last few weeks I have had the privilege of seeing some of the leading ports and meeting some of the leading harbour authorities in Australia. Five weeks ago I spent some time at Newcastle. I had an interesting couple of hours with the harbour master, and we discussed that great tragedy port of Newcastle. As the weather was inclement, we could not go round the harbour, but Captain Roberts, the harbour master, arranged for me to inspect the steel works at Newcastle, and that proved an interesting experience. The great port tragedy to which I referred consists in the fact that the port was established at Newcastle on the Hunter River instead of at the natural harbour of Port Stevens. A few figures may be of interest. The trade of the port is as follows:—Inwards, 2,086,000 tons; outwards, 4,574,000 tons. Capital cost, £2,595,000; gross revenue, £181,000; expenditure, £143,000. That leaves a net revenue of £38,000 to pay interest on £2,595,000. If we allow 5 per cent. interest and sinking fund, we have a sum of £120,000. Subtracting the net revenue of £38,000 from that, we have a deficiency of £82,000 to be paid by taxpayers.

The Minister for Labour: The figures may be right, but what is the point?

Mr. HILL: The point is that, when selecting a site for the establishment of secondary industries, we need to be very careful to make use of any natural port that may be available. The loss in New South Wales to which I have referred would not have been incurred had the port of Newcastle been at Port Stevens. Not only that, but there would have been no need for the Broken Hill Proprietary Co. to send large quantities of their products from Newcastle to Sydney to be shipped because they could have been shipped from Port Stevens.

On the 5th October I received from the Geelong Harbour Trust the report I hold in my hand. On the cover is a picture of the Geelong harbour. The harbour trust is very proud of its port. In its office is a big-scale map displayed under electric light.

Mr. Needham: Where is that?

Mr. HILL: Geelong.

Mr. Needham: I thought it was Albany!

Mr. HILL: I would like to tell the hon. member what Geelong thinks about the people responsible for Albany's retarded progress! In Geelong the channel had to be dredged for six miles to get to deep water alongside the land. What has been the result in Geelong? Here is a picture I have received and it provides a lesson to our Government. The picture shows the bulk handling facilities and the Imperial Chemical Industries works. Geelong is a very important industrial town. I would like the Minister to have a look at this picture. A couple of days later I went to the Port Adelaide river in South Australia. South Australia is another State with a very big industrial future. I told the manager of the harbour board in South Australia that Geelong and Adelaide would be rivals, and they are rivals already. Reference has been made to the manufacture of caustic soda and alkali works. I saw the alkali works at Adelaide. They were established there because the company was able to secure a site on the waterfront for its factory. The land on the Port Adelaide river belongs to the Harbour Trust of South Australia. The I.C.I. wanted to buy some land, but the policy of the board is not to sell. The I.C.I., however, threatened to establish works at Geelong or elsewhere, and consequently the Harbour Board agreed to sell some of its land. The result is that South Australia to-day has an alkali works with a capital of over £2,000,000. I also saw the Osborne coal-handling plant. There was a special wharf for the handling of coal and 400,000 to 500,000 tons of coal are handled each year. There is a power station alongside the water, front, and the coal has a minimum of handling. The consequence is that very cheap power is provided in South Australia. While I was there I saw the beginning of a munitions works to cost £3,000,000. Seven thousand acres of land have been bought for the establishment of this enterprise. If we

desire secondary industries to be established here, we must provide transport and power facilities at the lowest possible cost.

I have here a report on the graving dock for capital ships by Sir Alexander Gibb and Partners. This report definitely turned down Fremantle as a site for a graving dock. Albany was mentioned, but was not further considered because there is no engineering works at that port and an engineering works is an essential requirement in the construction of a dock. There is only one place in Western Australia where the formation of the ground makes the construction of a dock feasible and that is Albany, but we cannot have a dock unless we have engineering workshops alongside. I hope the Minister will give consideration to the provision of those engineering works, and that in dealing with secondary industries he will realise that Western Australia has a good deal more than railway mileage to be considered.

**MR. DONEY** (Williams-Narrogin) [9.7]: I do not know that the Minister has received any criticism so far but if we intend to criticise him, it should be stated, in fairness to him, that the road he has to tread is one beset by a great many difficulties. When the member for Yilgarn-Coolgardie (Mr. Lambert) was speaking a while ago, it struck me that none of the members of the Cabinet would envy the Minister his portfolio. I imagine there is very little room indeed for any spectacular success in his department. The Minister outlined his activities over the past year. It was made to sound like a very fine record of achievement. But upon examination very little real progress is discernible, particularly when we make due allowance for the extra men put in employment as a result of work, especially factory contracts, created by the war. If I remember the figures aright, the Minister said that a record had been created last financial year in that 26,000 men were employed in our factories as against 23,300 in the previous year. That is a difference of 2,700 men. It is not going too far to decide that those 2,700 represent the men given employment as a result of the war activities to which I have referred. The improvement claimed by the Minister is thus nothing much to boast about.

The Minister for Labour: What about the number put out of employment by the war?

Mr. DONEY: I take it that part of the Minister's job is to make good any lack in that direction. In any event, the Minister has to take into account those who have gone from industry into the army. At one stage of his speech the Minister criticised the commercial interests in the Eastern States and the buyers in this State for having interfered with the success of the work of his committee and himself.

The Minister for Labour: Why leave that other point so quickly?

Mr. DONEY: If the Minister is so interested in that particular point there is no reason why he should not by and by make a little capital out of it. I do not agree that the reasons submitted by the Minister are the real reasons. At the very best they would be but contributory reasons. I think the Minister knows the real reasons, though certainly he has made no mention of them. I do not mind admitting that the Minister has worked extremely hard to achieve success, and he has been assisted by an able committee. I think the committee might be described quite fairly as a body of experts, and I question whether the Minister could have obtained the services of anyone better fitted for the task. In the circumstances, one is naturally interested in finding out what exactly is the trouble. One wonders why the continued persuasions of the Minister have fallen on deaf ears not only in this State but also in the Eastern States, and why the unremitting efforts of his committee have achieved so meagre a result. If the Minister had succeeded to the extent he considers he has, the result would be reflected in our employment figures. Absolutely no success whatever is reflected in those figures. I suggest—I do not know what the Minister may say—that there must be 14,000 fewer men in employment than there were 18 months ago when the committee first began operations.

The Minister for Labour: What?

Mr. DONEY: There must be 14,000 fewer men in employment.

The Minister for Labour: Ridiculous!

Mr. DONEY: The Minister should concede that 13,000 or 14,000 men—possibly more—have gone either from industry or from the ranks of the relief workers into one or other unit of the defence or overseas forces. On the same side of the ledger are those men who, as I said, have found employment as a result of work created here through our se-

curing certain army contracts. I admit that the latter men are probably offset by the number of men who have been forced to join the ranks of the unemployed on account of the gloominess of the outlook in the agricultural areas; but even so that still leaves approximately 14,000 fewer men employed in Western Australian industry. I do not think the Minister can sidestep that conclusion. They left say, 14,000 vacancies. One would have expected that at least some of the 6,000 unemployed would have been able to fill those vacancies, and yet we still have the 6,000 substantially with us.

The Minister for Labour: Are you talking about the Estimates dealing with industrial development or the Estimates dealing with the Employment Department?

Mr. DONEY: The Minister is responsible for the expansion of employment, is he not? That is the question I am dealing with.

The Minister for Labour: You are wandering all over the place.

The Minister for Mines: That is not unusual.

Mr. DONEY: That may be so, but the Minister in his reply will have the responsibility of showing that there are not 13,000 or 14,000 fewer men in employment than there were 18 months ago. He has given what he considers to be a reason for his non-success. I suggest to him that most Western Australians would blame the Workers' Compensation Act.

The Minister for Labour: No.

Mr. DONEY: The Minister will have the opportunity to explain that, as well as the arrangement with regard to apprenticeship and the regulations in respect to juvenile labour. He can also answer the statement that costs are too high for the task the Minister has set himself. The Committee will be much surprised if the Minister does not arrive at the same conclusions as those which I have enunciated.

The Minister for Labour: What do you mean?

Mr. DONEY: In the course of his speech the Minister occupied a great deal of time outlining the work of the committee with respect to the production of producer gas plants. He spoke of that as the major achievement of the committee and himself. I have no desire to be unfair, but on this side of the House we have always regarded the present satisfactory position with regard to producer gas plants as due to the

initiative and sustained effort of certain farmers who were anxious to escape from the high cost of running their tractors and trucks. It may be that after an impetus had been given to the industry by those farmers, the Minister by his efforts kept it running. One might concede that. When the Minister for Lands was speaking in the House some few months ago he said it was too early yet to set about planning post-war reconstruction for the reason that post-war conditions were an entirely unknown quantity. In part that is right, but not so in another part. I asked the Minister, what about the huge task of repatriating our men. Some 15,000 or 20,000 will need to be repatriated when the war is over. Essentially that is a responsibility we can foresee. We do not know whether the numbers will be 15,000 or 50,000, nor do we know when the occasion will arise. Probably this will be a long war, say, of five years duration.

Hon. C. G. Latham: The latest information is that it will last six months.

The Minister for Mines: That man was an optimist.

Mr. DONEY: If the war finished in six months, what a mess we would be in here. The Minister knows the responsibilities attached to his office. What has he to offer? If that responsibility fell upon us in six months, what would he do? He is the responsible Minister. On the occasion of the last war we were able to place a great number of returned soldiers on wheat and wool properties. We shall not be able to put them on wheat farms again. What other section of industry will absorb our returned men has yet to be ascertained. So far I can see no section that will be able to do so, but we should have something ready. We cannot afford to trust to luck in such a matter. Possibly a few local industries will respond to expansion and be rendered suitable for the employment of returned soldiers. I refer to dairying, orcharding, vine-growing, wool-growing and the raising of fat lambs. There might also be room for investigation into means of processing our primary products, into fishing, fish meal, leather and leather goods, the growth and processing of flax, in more intensive canning as applied to the meat industry, an extension of forestry work, mineralogy, metallurgy and so on. Prospecting for gold might absorb more men than it does at

present, and there might be greater activity in regard to the manufacture of cheese and tinned milk. The Minister may have already investigated these possibilities, but if not I suggest these are some of the directions in which expansion might be brought about. In those respects labour conditions and competition would not provide much, if any, deterrent. As the Minister may have noticed in the Press, a number of parliamentarians, mainly members from the Great Southern, visited the Albany district for two or three days during the week-end. They naturally had in mind finding land suitable for returned soldier settlement.

The Minister for Mines: What has the soldier done to deserve that?

Mr. DONEY: If the Minister had been with us he would have found that no part of the State is more worthy of investigation than that is, from the point of view of settling returned soldiers. I refer to the hinterland of Albany and the far South-West generally. When the Leader of the Opposition was Minister for Lands he settled 21 men upon the Napier settlement. It is pleasing to reflect that at least one of our closer settlement schemes resulted in complete success. Of the 21 settlers one left after six months, but his place was immediately taken by another man, and since then the 21 men have remained and prospered. During our tour we met with most astounding pasture and stock results. In the beginning certain difficulties were encountered in respect to diseases in cattle, but these have been overcome. The pastures have improved immensely by the application of copper, or cobalt or manganese, or by the combination of all three in some instances. I know of no part of the State that would more certainly repay the expenditure of Treasury money than would that part. As I regard this as one of the many responsibilities carried by the Minister I hope he will take my remarks into consideration.

MR. WATTS (Katanning) [9.25]: No doubt the Minister encounters many difficulties in the discharge of his duties, and it would not be fair if we did not all of us appreciate that fact.

Hon. C. G. Latham: He would not appreciate it so much if we changed over.

Mr. WATTS: Two wrongs do not make a right. It is my duty to indicate to the Minister while he sits where he does what

he should do if he comes over here. I was surprised, amongst other things, to read that the Minister had said a great deal about the advantages that had been derived from the Australian policy of protection. I also read with interest what was said by the member for Nedlands on that subject. I venture strongly to suggest that the net result, so far as the Australian policy of protection is concerned, has been to inflict loss on the major portion of our community, the most important portion. One cannot escape from the idea that that section is represented by those engaged in the primary industries, and those are the people who have suffered. I have made references before in the House to the position of our primary industries because of the effect upon them of the high tariff. Their costs have been very considerably increased and, in addition to that, they have had no option but to sell their goods in an unprotected market. It is considered that the economy of this country must be substantially dependent for a long period on the progress and solvency of the agricultural industries, and if the policy of high protection has had a detrimental effect upon those industries, it has had a detrimental effect upon one of the major portions of our country. That will readily be borne out, so far as dividends and profits achieved by a number of our manufacturing activities are concerned. Some of them are associated with industries which have been classed as exotic. They do not necessarily require to be in operation in this country. They have arisen primarily because they sought and obtained protection frequently before they went into business. It is apparent that if a concern is making very large profits and paying extraordinarily high dividends, that result is achieved by its ability to charge excess prices for the products it sells. If it were to reduce substantially the price of those products, it is obvious that the dividends from its trading would likewise be reduced. I take it it is only advisable to make statements of that kind when one has at least some evidence to support them. I, therefore, refer the Committee to some of the dividends which have been paid in recent years by Australian manufacturers, all of whom have directly or indirectly received very substantial protection from the Australian Customs tariff. I refer first to the dividends declared on an average over the

last three years by the following companies on ordinary shares:—The Adelaide Cement Co., 20.8 per cent.; Amalgamated Wireless, 11.6 per cent.; Australian Knitting Mills, 7.5 per cent.; Barnet Glass, 11.6 per cent.; Bean Monde (Aust.) Ltd., 18.3 per cent. There is also reference to the dividends paid by General Motors Holdens Ltd. That concern has received substantial protection particularly in regard to motor car bodies, as reported in the July issue of "The Wildcat Monthly," which is quite a reliable journal on this subject. The ordinary capital had been watered down, but there is reference to a declaration of a dividend at the rate of 55 per cent. We can go a step further and deal with one or two other matters. General Industries produced a dividend of 12.5 per cent.; Hole-proof Stockings showed a return of 10 per cent.; Johns and Waygood, the iron people, paid a dividend of 20 per cent. I notice that the Swan Brewery returned a dividend of 25 per cent., which also was the average for the last three years. I do not know whether it has obtained much benefit, but I certainly expect it has. Taubmans showed a return of 17.5 per cent. So I could go on by quoting a great number of firms that are in this category. It is apparent to me that dividends such as those I have quoted which were paid in years such as 1936, 1937, 1938 and 1939, which were not exceedingly good years for trading purposes, are evidence of the fact that the protection accorded those concerns has enabled them to charge excess prices which, because there has been no open competition against them, has undoubtedly had the effect of making the cost to the consumer considerably higher than it ought to have been. It would be possible to elaborate on that argument for a long time to establish what effect it has had, directly and indirectly, on primary industries, to establish the detrimental effect upon the wage earners of the State and to show, more or less conclusively, that although good service and some substantial benefit have been derived by one small section of the community, the loss to a more substantial section has probably been much greater.

I shall ask the Minister a question or two, and I feel sure he will be only too anxious to supply the Committee with information that I am certain must be in his

possession. If he does so, it will really amount to telling us what is in his mind, or why there is not something in his mind with regard to certain matters. Two years ago a most interesting and voluminous report was presented by the present Mr. Justice Wolff on Youth Employment.

Mr. Seward: The report was fairly costly.

Mr. WATTS: I should say so. It filled many pages. On occasions during the last two years, I have perused the greater part of that report. The Minister introduced a Bill two years ago for the establishment of a bureau of industrial research—I think that was to be the name of the body—but Parliament rejected the idea and enabled the Minister to do exactly what he wished without additional expense and other considerations raised against the Bill in question.

The Minister for Labour: Of course that was not so.

Mr. WATTS: I informed the Minister when I commenced my remarks that I was seeking information and this is one matter on which he may inform me. Will he tell the Committee what is the difference between the organisation to which the Minister referred when introducing his departmental Estimates, and the bureau suggested in the legislation I have mentioned? Moreover, will he say what loss of effort has been suffered by the organisation he mentioned as against that which the Minister sought in the rejected legislation? Will the Minister inform the Committee what gain there has been through the voluntary organisation that he has at the moment compared with what would have been likely under the legislation that was lost? However, these were not the only points that I had in mind. I was going to give credit to the Minister for having made an attempt on that earlier occasion, although Parliament did not see fit to agree with him, to carry out one of the many recommendations of Mr. Justice Wolff in his capacity as a Royal Commissioner.

What I want to know is why the Minister did not get to work and carry out some of the other recommendations, which might have been done in some instances without the necessity to approach Parliament at all. I take it there are still, and unfortunately are likely to be, young persons in this State who will find it extremely difficult to secure a place in avenues of employment suitable

to them. The other morning I was listening to a talk over the radio and I heard the announcer refer to a statement made, I think, by the Minister for Internal Affairs with reference to defence contracts in Australia. In quoting portion of the ministerial statement, the announcer read out that there was a considerable shortage of artisans required for the necessary carrying out of this work and that it appeared that a sufficient number of artisans was not available. As I understand the report of the Royal Commission on Youth Employment, it was largely directed towards enabling the youth of this State to gain some degree of efficiency in the trades with which artisans are concerned. It has always therefore appeared to me, and I think to a great number of other people both inside and outside Parliament, to be very necessary that consideration should be given by Parliament, where necessary, to other recommendations of the Royal Commissioner to ensure that employment shall be available at an early date.

The Minister for Labour: What are those recommendations?

Mr. WATTS: I have them marked in the report. Some of them have, I believe, been given attention, but the Minister, during the course of his speech, did not make any reference to them. Once again I remind him that if I make an error in my speech by saying that nothing has been done and he is able to correct me, I make such statements primarily that I may extract the information from him, because it seems to me that is the easiest way to obtain what I require. On page 36 of his report the Royal Commissioner points out that more should be done by way of providing vocational guidance and that a system of pre-vocational training should be expanded so that all intending applicants for apprenticeships should pass through that type of class. The Commissioner went on to recommend—

That unemployment insurance affords a valuable standby for the unemployed worker; it gives the worker an interest in a fund to which he has contributed; is free from the element of pauperism associated with the dole, and conduces to an increase of spending power in times of depression, with a resultant alleviation of unemployment.

That such a scheme is desirable for Western Australia. That a separate State scheme is desirable.

I shall be glad to know what, if any, consideration has been given to carrying out

the recommendation for a separate State scheme of unemployment insurance, which the Royal Commissioner regards as desirable, and also if there are reasons why that phase has not been proceeded with. If there are such reasons, the Committee is entitled to know what they are. If they are satisfactory, then I have no doubt we are quite as capable of grasping their meaning as is the hon. gentleman who is in charge of the department. As the Minister very well said, he has engaged in valiant efforts, which I do not question at all, for the encouragement of production of all sorts of goods in Western Australia for consumption by the people of this State. I remind the Minister that last year I told him he would never reach the goal of his desire unless he could assure himself that quality as well as quantity was being attended to. I feel sure some effort has been made in that direction, but there are still on the market in this State goods which certainly do not compare with the products of industries elsewhere. It is extremely difficult in such circumstances, much as one may desire to do it, to induce one's friends and acquaintances, as I know should be our duty when possible, to purchase locally-made goods on all occasions.

I will turn again for a moment to the report submitted by Mr. Justice Wolff. I should be glad to know from the Minister—I have always been interested in this aspect of the question—if any attempt has been made to endeavour to arrive at a concrete agreement with the other States for the purpose of introducing legislation to raise the school-leaving age to 15 years. That was a recommendation made by Mr. Justice Wolff and I regard it as sound. If anyone has taken the trouble to read the reasons advanced by the Royal Commissioner as giving rise to that particular recommendation, they will appreciate that fact. The Committee is entitled to be told why no action has been taken regarding that point, or, if any action has been taken, what has been done. The Royal Commissioner also made recommendations regarding rural employment, with which the Minister is well acquainted. There may be, of course, scope for argument as to the advantage to be derived from the recommendations of the Royal Commissioner in that regard. I shall quite frankly assert that there is a great deal to be gained in ensuring, as far as possible,

that reasonably efficient farm workers are offered. If we can guarantee efficiency, even in limited numbers, that concession to the farming community should be given both willingly and freely. I think the farming community would be prepared to pay something better for the services of an efficient man who can be guaranteed as such. I think the Royal Commissioner had that in mind when he framed the recommendation to which I have referred.

Mr. Justice Wolff also recommended that an alteration in the law should be enacted regarding apprenticeship and urged that the control should be removed from the Arbitration Court. I refer the Minister to observations appearing on page 91 of the report dealing with that question. I am convinced that there is much sound commonsense in the report of the Royal Commissioner on the question of apprenticeships, and in the suggestion that the control of that phase should be removed from the Arbitration Court and placed in the hands of a committee of the type referred to in the report. I question very seriously whether at the present time the apprenticeship system we have to-day is entirely to the advantage either of the young people who wish to serve in trades, or is likely to provide the extra number of artisans to which I have referred as a question raised over the radio during the last few days. It seems to me that unless we are prepared actively to consider recommendations of this nature, we are greatly lacking in our duty. Heaven knows it is not always necessary to believe that the existing state of affairs is the right state of affairs. Once again, with regard to these recommendations, I do not know whether there are reasons that have actuated the Minister in doing nothing. If there are such reasons, I shall be glad to know what they are.

There are many recommendations, but I shall not occupy the time of the Committee by quoting them all. No doubt members have read them, and I feel certain that the Minister knows more about them than most of us do, but my purpose is to ensure, so far as I can, that there are some reasons why the major recommendations of the Royal Commissioner have not been proceeded with to a greater extent. Amongst other things the Royal Commissioner recommended was technical education by means of correspondence, and he

also referred to the need for junior technical education in the larger country towns. In regard to the former, it could be made as valuable as the correspondence classes of the Education Department, which classes, of course, apply to those children who are miles outback or beyond the compulsory distance from a State school. It would not be required for them in this particular case, but what would be required is that technical education should be extended to those beyond the reach of ordinary technical classes. When a recommendation of this nature is put forward, a recommendation that is going to be of definite assistance to persons well away in the country, and the Government apparently does nothing about it, the Government does lay itself open to the argument that the needs of that section, which has difficulties enough at present, are being ignored. There is a lady who had been a resident of Katanning for a number of years and her boy had grown to the age of 15 or 16 years, and when she saw in the Press this recommendation regarding technical education by correspondence, she suggested that it would be just the thing for her boy. I agreed. But nothing has happened. As she was a widow and he the only child, she was advised to sell her home in the country and come to Perth in order to get him the education he required to enter a semi-professional trade. I have no doubt that is the position in many other cases. I reiterate the necessity for careful consideration being given, and, if possible, early action being taken regarding that recommendation. The Royal Commissioner spent a good deal of time on his inquiry and I have no doubt that the compilation of his report entailed considerable expense to the country, but so far as the major recommendations are concerned, the only one on which there has been any definite action in Parliament has been the one regarding the bureau of industrial research. I am hopeful that the Minister will expound to us at the earliest opportunity why the other recommendations have not been dealt with or, if he has them in mind, when they are going to be dealt with. I remind the Minister that the industrial situation in Western Australia, as has been pointed out by the member for Williams-Narrogin, does not appear to those of us who are detached



from it and who can only gather their opinions from what they read and from speeches by the Minister, to be as satisfactory as we are led to believe.

Mr. Cross: It is a long way better than the situation in New South Wales.

Mr. WATTS: I know nothing about New South Wales, and I do not propose to draw comparisons with New South Wales or any other place.

Mr. Cross: They would be too odious.

Mr. WATTS: I regard Western Australia as being self-contained and only the best is good enough for it. I am sure the Minister disagrees with the member for Canning and agrees with me. He would not suggest that anything but the best was good enough for Western Australia. If he did, I should be greatly surprised. While we are told that the present industrial position is a record, there are undercurrents, in my opinion, whereby more and more people are becoming unskilled workers and fewer and fewer are becoming tradesmen and artisans. I venture to suggest that this is the position, and if that is so, it is going to be a detriment to this country for many years.

The Minister for Labour: Modern industrial developments make that inevitable.

Mr. WATTS: I do not agree with the Minister. Even a man working at a machine has to be skilled, and many men going to work are not trying to acquire skill. However, I leave the Minister to answer that question. In conclusion I wish him a most successful year.

MR. SEWARD (Pingelly) [9.50]: My contribution to the debate will be very brief. At the outset I should like to express my pleasure at seeing the Minister in his place once more and voice the hope that he will enjoy the best of health in the years to come. The few remarks I have to make were prompted by the Minister's reference to the urgent necessity devolving upon the people of the State to patronise local industries. With that remark, I think everyone agrees. It would be useless to establish industries here if the people of the State were not prepared to afford them patronage. But I point out however, that while there is a responsibility and duty on the people of the State to patronise such industries when they are established, there is also a big re-

sponsibility on the promoters of industries to supply a proper standard of manufactured article. A few weeks ago I had an experience that lends point to my remark. I went to the farm to give a hand erecting wire netting. The first coil of wire opened was satisfactory and we erected it in a short space of time. When we opened the second coil, however, it was found that one selvage was yards longer than the other. When we stretched it, the bottom was as tight as it could be, while the top was wagging about quite slack. To do anything with it, one would have had to cut a couple of yards out of the top, and the job, when finished, would have been a rotten one. Out of a dozen coils three or four were sent back to the manufacturers on that account. To try to use that stuff in a fence was too much of a job.

Therefore I emphasise the point that the manufacturers, when they make these articles, have a duty to the public to ensure that articles of good quality are supplied for the money. The farmer is being exhorted to fumigate his harvester and bags in order to keep down weevil. He has to use the best of bags, and yet when he comes to buy second-hand bags, some of them inside are fairly covered with wild turnip seed. There is no responsibility on the supplier in the city to ensure that goods are delivered up to standard. I went to the bar tonight to get a box of matches. The first two I tried to strike had no heads; the next one I tried had half a head, and the third one I took out was only half a match. We had a similar experience when match manufacturing was commenced in this State some years ago. The first matches turned out were excellent; they could not be bettered anywhere. Then for six months the factory turned out the worst stuff ever made. I brought the matter under the notice of the management, who did not even acknowledge my letter. Later the matches did improve. That is the unfortunate part with other of our secondary industries; they give a good article at the outset and as soon as they get the market established, the standard of the article declines. The Minister should watch this phase of the matter and ensure that local manufacturers deliver goods up to standard. Provided that is done, there is no reason why the people should not give their patronage to local industries. I hope the Minister will give this matter some attention.

**MR. ABBOTT** (North Perth) [9.55]: I was rather disappointed at the Minister's speech, inasmuch as he has spent a considerable amount of time inquiring into the best methods of securing the establishment of secondary industries in the State. There was a great deal of publicity during his visit to the Eastern States. He had many interviews with manufacturers in the East, but there has been not one word in his speech as to what they told him or what hopes of success lie in that direction. What reason did they give him for not establishing branches here?

The Premier: Did you not read the statement?

**Mr. ABBOTT**: Yes.

The Minister for Labour: You had better read it again.

**Mr. ABBOTT**: I do not think any full or sufficient reason was given.

The Minister for Labour: A moment ago you said not a word had been given.

**Mr. ABBOTT**: Well, very little. Again we have a council consisting of a number of business men of this State. I should like to have furnished to the House the report of those business men as to what steps should be taken to get secondary industries established in this State. There is no suggestion that we are to be furnished with a report of that kind. Certain industries were mentioned by the Minister in the course of his speech. Some of them might become major industries, but I doubt it.

The Premier: You have heard that Rome was not built in a day.

**Mr. ABBOTT**: Yes, but I should like to see a start made at least. The Minister reported on the establishment of the cellophane industry. I have heard that the man who suggested the starting of that industry is away from this State and is not likely to return. That might or might not be true.

The Minister for Labour: Who told you that?

**Mr. ABBOTT**: I heard it. I am asking for information. I want the Minister's assurance that something is being done. It is all very well for him to infer that I am speaking in vague terms. I want to know particularly what steps are necessary and what must be accomplished to enable secondary industries in this State to compete.

The Minister for Labour: What are your suggestions?

**Mr. ABBOTT**: I want to know the result of the Minister's inquiries. I have not had the advantage of interviewing manufacturers in the Eastern States; I have not had the assistance of the council, and I have not the statistics that are available to the Minister. I want him to give me the information, and I suggest that he takes the House into his confidence.

The Minister for Labour: Have you any suggestion?

**Mr. ABBOTT**: Yes, I have. I think the Minister might establish what would be called protected industries. Such an industry would be one that could possibly be assisted to manufacture goods, not only for the Western Australian market, but also for the Australian market.

**Mr. Needham**: What particular goods?

**Mr. ABBOTT**: I do not know; maybe there are many. The aluminium industry offers one opportunity. Having made it a protected industry, I suggest that it should be removed from the scope of the Arbitration Court and that direct negotiations should proceed between the Government and any manufacturer prepared to establish an industry in Western Australia for conditions, say, for five years or ten years.

**Mr. Needham** interjected.

**Mr. ABBOTT**: I suggested that the Government should negotiate.

**Mr. Needham**: Away from the Arbitration Court?

**Mr. Cross**: What do you mean by taking it from the Arbitration Court? Cheaper wages?

**Mr. ABBOTT**: It is much better for a man to earn a reasonable wage permanently than to be delving on roads in the bush for two or three days a week. I want to see men with permanent jobs.

**Mr. W. Hegney**: Who would regulate the wages?

The CHAIRMAN: Order! All interjections are disorderly.

**Mr. ABBOTT**: Then, having negotiated and established the terms, the Minister should call for volunteers for that industry.

**Mr. Cross**: On low wages?

**Mr. ABBOTT**: The men working in that industry might be given material assistance—such as houses at very reasonable rents, electric light and power at low rates,

and other things which could enter into those negotiations. Under those conditions some large industry might be established here.

Several members interjected.

Mr. ABBOTT: The maximum profit to be made by the industry while it was a protected industry should be fixed, naturally. Thus in the long run major industries would be established in Western Australia and give a great deal of employment.

Mr. Fox: What do you mean by a protected industry?

Mr. ABBOTT: I mean an industry under the protection of the Government.

Several members interjected.

The CHAIRMAN: Order! Will the member for North Perth kindly resume his seat. I have called members to order on three or four occasions. I am not going to do that persistently. The member for North Perth is addressing the Chair in an orderly manner, and other members will have an opportunity of contributing to the debate if they so desire. Until then they will keep silent. I shall not call them to order any more. The member for North Perth may resume.

Mr. ABBOTT: It is much better to have men in permanent employment than to have them working in the bush on sustenance. That is one point. Another point is that it is much better to keep people in Western Australia than to drive them to the Eastern States, where they will have to work under conditions not nearly so good as those I now suggest. However, that is merely a suggestion which I offered because I was challenged to put forward suggestions. I want information, which I am sure the Minister has in his possession, as to what conditions must be established in Western Australia so that secondary industries here, or at least some of them, can be competitive with industries of a like nature in Eastern Australia.

MR. BERRY (Irwin-Moore) [10.5]: I happen to be one of those who wish to join in the congratulations extended to the Minister upon his speech of last Friday night and also upon his return to this Chamber. The position in which he finds himself here is particularly difficult. It is made doubly so by the fact that primary industry, upon which the whole of the State's buy-

ing power possibly depends, is so impoverished that it cannot come forward and make the purchases which would enable secondary industries to start here. I consider it to be a duty of this State Government and of the Commonwealth Government to evolve some agricultural plan whereby the people in the country will be allowed to get into a position where adequate money will be provided from their work to enable secondary industries to start here. In other words, I do not think it possible for secondary industries to start in any country of the world where the primary industries are as economically decadent as they are in Western Australia. Therefore I say again that the Minister has my sympathy in his difficulties and my respect for what he has been able to accomplish in spite of them. The member for Nedlands (Hon. N. Keenan) and the member for Katanning (Mr. Watts) both referred to the Minister's initial statement about protection. For many years I lived in a free-trade country. That country enjoyed enormous prosperity, wealth, advancement and happiness. But eventually even that country found it necessary to adopt some form of protection. As regards protection, my general feeling is that if we are going to protect the industries of a country in order to help the people of the country, then protection has a definitely humane advantage; but that if we are going to allow protection to run riot, as it has done in Australia and in other parts of the world, then the majority of the advantages of protection will go to an individual owning a business rather than to the workers employed in that business. That is wrong. I also agree with the member for Katanning that where protective duties are adopted, the primary producer, forced by circumstances to deal on a free-trade market when it comes to selling his products must foot the tariff bill. Consequently any protective system in Australasia or in any other part of the world must be framed in such a manner that some of the benefits of protection return to the primary producer in order that he may be able to take a part in buying the products of secondary industries established in the country to which he belongs.

I go off that point to charcoal gas. I again congratulate the Minister on his statement of the advance in that direction. Whether he was responsible for the abnormal change that came over traction by the

adoption of that gas I cannot say. I do know that many of us have for years been working in this State trying to get the people interested in the cheaper forms of production and traction which would come about as a consequence of producing charcoal. It is pleasing to see to-day that we have reached the stage where we have advanced in the saving of cost in this particular fuel. Whether the adoption of charcoal gas represents retrogression or not by reason of the fact that a man must work much harder when using that gas instead of petrol is a question on which I will not dilate. I hope that the Minister, when replying to the speeches made to-night, will state whether it is not possible to evolve some type of cylinder into which we could compress the charcoal gas, and perhaps strap that cylinder on some part of the car where it would not be such a disfigurement as is the present mechanism for producing gas. I think that could be done. Perhaps reinforced rubber would do it. I shall be told it is impossible to get a cylinder which will stand up to such pressure, but I believe that difficulty could be overcome. Anyway, I suggest that to the Minister by way of a query, and I would like him to tell me whether it is possible to get a cylinder which might be strapped say under the running board of a car with at least 100 miles of driving power compressed within it. The same thing was done years ago, in the days of acetylene gas. In New South Wales—I do not know whether it came over to the West—when I was in my twenties, it was possible to buy a small cylinder, two or three feet long, into which had been compressed by very high pressure indeed this acetylene gas. That cylinder had some trade name which I have forgotten. Prestolite, I think it was. One bought a cylinder of this stuff and strapped it on a car. It was provided with a small key for turning on and off. It went for many hours, and gave a bright light. When the cylinder was empty, it was taken to a garage and one got a new cylinder in exchange. If we could reach that stage with our traction gas we would have evolved a powerful means of traction. If the cylinder could be strapped on the back of a motor car, it would be less hard to get the womenfolk to adopt it than the present paraphernalia connected with suction gas. If we could achieve something of that sort we would get ahead still further in the very good work that we have done.

By way of interjection I suggested the other evening that perhaps we were not developing to the fullest possible extent our trade with the Far East. I thank the Minister now for having produced the figures he gave me to-day, showing what has been done in connection with Far Eastern trade. A cursory perusal of those figures rather points to the fact that agriculturally we have exported quite a surprising amount. However, that matter comes under the Agricultural Development Vote. As regards manufactured goods, the position is not quite so favourable. It can only be improved by establishing secondary industries and by preventing Eastern Australia from getting every mortal thing that is of any value to Western Australia. The Minister complained that he could not get raw materials. I understand that all the good orders coming down from the Far East are now being passed on to the Melbourne-Sydney side, which is picking out the eyes of the business and passing on to us the things it cannot handle. I am told that Western Australia had a good contract for marmalade with the Far East, and that this was a dewdrop which, I was almost going to say, fell from the nose of the Eastern States. Undoubtedly the Far East does give us opportunities. Much scope exists there if we can only take advantage of it. In endeavouring to do so we must consider the aspect of reciprocal trade. The moment we are asked to do something for the other fellow, we seem to feel aggrieved; but if our ships are expected to come back empty from the Far East, it simply cannot be done. The Minister in his speech said we were advancing with our fruit juices and our jams. Our fruit juices and our jams could easily become a line in which the Far East would get interested, as also might the Middle East and Egypt.

From the figures supplied by the Minister it appears that jarrah sleepers to the value of £156,000 have been exported from this country, mostly to Ceylon and Egypt. That is a remarkable result. Probably, if we can have a success of this kind with Ceylon and Egypt in relation to our jarrah timber, that success can be extended till it reaches well and truly into the Far East itself. I will tell the Minister something of interest with regard to jarrah. Many years ago in the Far East people interested in rubber were trying to find new means of inducing people to buy it and put it to new uses. Rubber was then used for road making. Before I knew

anything about jarrah, I was informed by a firm in the Far East that jarrah was the only wood to which rubber would adhere satisfactorily when used for road purposes. Jarrah blocks laid in London were satisfactorily covered with rubber. We are still exporting sandalwood, but that is a primary industry. I noticed when perusing Far East figures supplied to me by the Minister an amount of £20 for beer imported from Western Australia. I know of many persons there who drink that quantity of beer in a week. The amount is very disappointing, because the beer made in Western Australia is excellent. With proper handling and proper salesmanship it would sell anywhere. Unless we get proper salesmanship for our articles, we cannot sell them.

The Minister for Labour: The trouble is that we have very little surplus beer to export after satisfying our local wants.

Mr. BERRY: I am sorry to learn that. We have all flogged the subject of buying local products; the expression has become hackneyed. What most speakers have said is quite true: if Eastern States products imported into this State are better than products locally manufactured, and if the prices are more or less the same, the Eastern States product will win. Therefore, it behoves us to do all we possibly can to persuade people to buy not only local products, but to improve their standard to such an extent that they will be bought in preference to the Eastern States articles, or will at least receive the same patronage.

I am extremely interested and pleased to note that a research ship is coming to Western Australia to investigate our fishing grounds. I do not want to go over the fisheries debate again, but I congratulate the Minister if he is responsible for bringing that ship here. I will congratulate him still further if he can bring it here quickly, because we have potential resources all along our coastline, resources which up to date we perhaps have not done our best to develop and care for. The research ship will help the Fisheries Department in what I consider to be its most important branch, which is to understand definitely and clearly the lives and the habits of all the fish that frequent our coast. I was very pleased indeed to elicit, by inter-

jection the other night, the information made available by the Minister on this subject.

It was rather difficult for me in my position in the Chamber to hear what the member for Williams-Narrogin (Mr. Doney) said when speaking to the debate. I am some distance away from him. He suggested, I think, that it was the duty of the Minister and of everybody else to ensure that we do something for the absorption of our soldiers on their return from the war. His suggestion was that we should set aside a portion of the Albany district and settle those poor, unfortunate chaps on it. I do not know what they would have done to deserve being pushed on to the land.

Mr. Cross: At Albany?

Mr. BERRY: Or anywhere else.

Mr. Doney: Have you lost all faith in our land? It is a poor outlook for the State, if that is so.

Mr. BERRY: It is not a question—

The CHAIRMAN: I suggest that land settlement does not come under this vote.

Mr. BERRY: You might have suggested that, Mr. Chairman, to the member for Williams-Narrogin when he was speaking on it.

The CHAIRMAN: I allowed the discussion to become comprehensive, but I now think we should get back to the vote.

Mr. BERRY: That is all I have to say. It is our duty to do something for our soldiers when they return. I can but hope that their return will be a matter of only a few months.

Mr. Doney: Would you put them into the Minister's secondary industries?

Mr. BERRY: I am not going to answer the hon. member now. I will tell him outside. In conclusion, I desire to associate myself with the member for Yilgarn-Coolgardie (Mr. Lambert) in his closing remarks. Although what he said did not actually concern this debate, he gave expression to what is really the dominating thought of every Englishman, that Hitler cannot beat us.

MR. NEEDHAM (Perth) [10.21]: It was not my intention to take part in the debate until we came to the item dealing with child welfare; but the debate has taken a

somewhat general trend. I do not desire to refer at length to the portion of the Estimates dealing with labour nor to the Minister's efforts to establish secondary industries. I think that during the time he has occupied his position he has done an excellent piece of work. It will take some time to establish the industries we all desire to see set up. The member for North Perth (Mr. Abbott), in reply to the Minister's request for suggestions with regard to the establishment of new industries, struck a note that surprised me. I did not think I would ever hear such a remark from a member of Parliament today. He went back to the old days of individual contracts.

Mr. Abbott: What about the agricultural worker?

Mr. NEEDHAM: The hon. member desired individual contracts between employer and worker. That is indeed a suggestion to cause hon. members alarm. Do away with the Arbitration Court!

Mr. Abbott: I did not say that.

Mr. NEEDHAM: Put aside the Arbitration Court!

Mr. Abbott: What about the agricultural worker?

Mr. NEEDHAM: Who was to determine wages, hours and conditions of labour? The Minister was to be the boss! He was to determine the wages, hours and conditions of the employees! What a progressive suggestion!

Mr. Abbott: I did not suggest that.

Mr. NEEDHAM: What a suggestion to come from the honourable and learned member for North Perth! We are to establish industries in this State not subject to Arbitration Court awards; the whole business is to be in the hands of the Minister! I would not agree to that even if we were to have a Labour Minister in perpetuity. Labour Ministers come and go; their places are filled by Ministers belonging to other political parties, and these in turn will determine wages, hours and conditions of labour of workers. To my mind, the hon. and learned member struck a note that was heard in the dim and distant past.

Mr. Cross: He ought to be ashamed of himself.

Mr. Abbott: He is not.

Mr. NEEDHAM: I would fight harder than ever I did for the workers rather than permit a return to the method suggested by my honourable and learned friend as a means to establish secondary industries.

Member: I think the member for North Perth is trying to qualify for a seat in the Legislative Council.

Mr. NEEDHAM: The debate so far has ranged from splitting hairs to splitting atoms. I want to say one or two words in sympathy for tiny atoms. The member for Subiaco (Mrs. Cardell-Oliver), who has spoken in sympathetic terms of them, has, with other hon. members, been circularised by some fine institutions caring for State wards. These institutions ask for reconsideration of the allowance of 7s. per unit for State wards, and have submitted sound reasons for the proposed increase. I realise that 7s. per week is inadequate to maintain a child properly. But I also realise the limitations of the Government so far as an increase of the allowance is concerned. I shall later make a suggestion as to how the position might be met. These institutions expend about 14s. per head per week for the maintenance of State wards. They accept the responsibility of guardianship; the parents are for the time being relieved of responsibility. The charitable institutions have to meet capital expenditure to provide accommodation for the children. They have to provide plant and furniture and fittings and maintenance, etc., and the total cost is about 14s. per head per week. I realise that those institutions have considerable difficulty in making ends meet. Despite the fact that they have received and are receiving a little assistance from the Lotteries Commission, they still have difficulty in providing the finance properly to educate, clothe and rear their wards. It is as difficult for them as for the outside family receiving 7s. per unit sustenance allowance. This is where the member for Subiaco (Mrs. Cardell-Oliver) and I differ. She contends that the duty of the Government is to provide free milk, and to increase the sustenance rate and the amount allowed for State wards, but she does not realise the Government is controlled by the Loan Council.

Mrs. Cardell-Oliver: I do.

Mr. NEEDHAM: The hon. member does not say so. I have never heard her say it.

Mrs. Cardell-Oliver: The Government is not exactly controlled by the Loan Council, either.

Mr. F. C. L. Smith: Do not argue with a woman.

Mrs. Cardell-Oliver: I am not a woman in this House.

Mr. NEEDHAM: You are an hon. member of this House and you have not the last word. I do not know whether the question of sustenance rates and allowances for State wards has ever been discussed at Loan Council meetings. If not, it might be wise for the Government to contact the other State Governments and ask that this subject be considered at the next meeting of the Loan Council. Speaking of soldiers' pay the other night, my friends on the Opposition benches referred to the expenditure being incurred. They forget there is no limitation in regard to finance for war purposes. In that respect, the sky is the limit; but when sustenance rates and allowances to State wards are concerned, the Loan Council governs the financial aspect. I hope the Minister will recommend to the Government that this matter be brought forward at the next meeting of the Loan Council.

**THE MINISTER FOR LABOUR** (Hon. A. R. G. Hawke—Northam—in reply) [10.31]: I desire to thank hon. members who have spoken on these Estimates for the generally favourable reception accorded them. I was particularly interested in the speech delivered by the member for Yilgarn-Coolgardie (Mr. Lambert) as, I am sure, was every other member of the Chamber. His speech was intensely interesting, and many of the suggestions he made deserve close investigation. Some of them I believe are practical and, following investigation, will probably be acted upon. The member for Williams-Narrogin (Mr. Doney) made a speech on these Estimates. I think that you, Mr. Chairman, were for the time being absent; therefore I cannot appeal to you to help me in interpreting what he said. Under his name I have on my note-book several question marks which I put down to indicate that I could not follow him, that I could not see any point—

Mr. Withers: Or logic.

The MINISTER FOR LABOUR: —in any of the statements he made, most of which seemed to me to have no relationship whatever to the Department of Industrial Development. He did suggest that 13,000 or 14,000 men had enlisted in this State in recent months. He further admitted that the number of employees in our factories and workshops had in recent years progressively increased. Then he tried to establish the point that although factory and

workshop employment had increased, there had been some industrial retrogression because the increased number of factory and workshop employees did not equal the total number of men who had enlisted in the different arms of our defence forces.

Mr. Doney: Could not you understand what I meant?

The MINISTER FOR LABOUR: I frankly admit I could not.

Mr. Doney: Do you admit that since those men have gone into the army and their places have not been filled, that represents less employment than before?

The MINISTER FOR LABOUR: The hon. member is falsely assuming that every man who enlisted was in employment when he enlisted.

Mr. Doney: Except those who came from the ranks of the relief workers.

The MINISTER FOR LABOUR: If the hon. member checked the position more closely he would discover that a considerable number of those who enlisted were occupiers of farms who had been forced off their properties, workers on farms who were receiving extremely low wages, if any at all, and others who were in business on their own account.

Mr. Doney: Well, they were employed.

The MINISTER FOR LABOUR: They were employed very precariously. The employment they had was such that it was undesirable, if not impossible, for them to remain.

Mr. Doney: If I err, I err in company with the "West Australian."

The Minister for Mines: I knew that was where you got it.

The MINISTER FOR LABOUR: I think the only logical conclusion that can be arrived at regarding the development of our secondary industries in recent years is that employment in the factories and workshops has progressively increased. That is the test. Employment may have decreased in the farming industry, in the goldmining industry and in other industries, but because those decreases took place, it does not follow that the attempt at developing our secondary industries has failed. The only true test to be applied to our secondary industries is the measure of the volume of employment from year to year.

Mr. Doney: You do not admit that the war contracts have helped?

The MINISTER FOR LABOUR: The effect of the war on secondary industries

has been both beneficial and detrimental. Some of the secondary industries have benefited as a result of the war; others have suffered very grievously. If the hon. member closely examined the disastrous results of the application of petrol rationing by his own Federal Government—

Mr. Doney: That does not come into the figures you are discussing.

The MINISTER FOR LABOUR: I am not discussing figures at the moment; I am discussing the hon. member's suggestion by way of interjection that the increase in factory employment has been brought about by war-created conditions. The effect of war conditions on our secondary industries has been both beneficial and detrimental. Some have benefited, others have suffered very badly.

The Premier: The threat of petrol rationing existed for 12 months.

Mr. Doney: That does not enter into the question.

The MINISTER FOR LABOUR: There was a threat of petrol rationing 12 months ago, and it did far more damage to the motoring and allied industries than did the actual operation of the scheme.

Mr. Doney: You will not feel the effect until next Estimates.

The MINISTER FOR LABOUR: Secondary industries have felt the effect badly.

The Premier interjected.

Mr. Doney: You will not feel it until next June.

The MINISTER FOR LABOUR: The member for Katanning made an extraordinary speech.

Mr. Watts: I thought it was a most ordinary one.

The MINISTER FOR LABOUR: I could only think that the hon. member has no bed to go to and decided that it would be a good idea to tempt me into making an extraordinarily long speech so that he could spend the remainder of the night in an interesting fashion. I refuse to do that. He suggested that the farmer's costs had been loaded tremendously through the operation of the policy of protection. I think we can admit that costs have been raised by protection, but there is a more pregnant factor and that is the interest content in prices that farmers and others have to pay for the goods they buy. I think the member for Katanning understands that, and I hope he and the member for Williams-Narrogin will confer on the matter. If they do so, they

will find that the increased cost of goods consequent upon the interest content in prices is far greater than they ever imagined.

Mr. Doney: I do not think we need dispute that.

The MINISTER FOR LABOUR: Not only has interest upon the public debt to be recovered through prices, because all taxation paid by business people is loaded on to the prices charged for goods, but all privately paid interest is similarly loaded on to prices. Therefore it is clear that the interest factor is a big one in the prices finally charged to consumers and users of goods in Australia. I particularly invite members of the Country Party to investigate this question.

Mr. Patrick: The secondary industries' prices have gone up to meet that but the primary producers cannot put their prices up.

The MINISTER FOR LABOUR: I am of opinion that if representatives of the farmers, and Country Party members in particular, paid half as much attention to the factor of interest in prices as they do to the factor of protection, they would be more likely to reach a reasonable solution of the farmer's problem than they are by following the path to which they have adhered so closely in past years. True, some manufacturing concerns in Australia have in the past made large profits.

Mr. Watts: After they have paid their interest.

The MINISTER FOR LABOUR: They are still making large profits after having paid the interest and collected it in turn through the prices charged.

Mr. Watts: They make an inordinately high profit.

The MINISTER FOR LABOUR: Some of them have made and are still making large profits. I do not approve of their making large profits. We should have a complete scheme of price control in Australia. The present scheme, Federal and State, does not permit of the authorities doing any more than concern themselves with price increases that have taken place since the 31st August of last year. This means that if any manufacturer or trader was making an exorbitant profit prior to the 31st August of last year, he continues to make that unfair profit but is not allowed to increase the margin by any unjustifiable amount. I asked one of the Federal Country Party



Ministers, when I was in Sydney a few months ago, why he did not have some action taken to institute a thorough inquiry into the price of superphosphates. He said that the concern of the Federal Government, through its Price-Fixing Commissioner, was to police only those increases which had taken place since the 31st August last.

Mr. Doney: You agree there should be an inquiry?

The MINISTER FOR LABOUR: I understand a notice of motion appears on the notice paper, which precludes me from replying to the hon. member.

Mr. Watts: It is what you call an escape clause.

The MINISTER FOR LABOUR: I would prefer that an Australian manufacturing company should make a large profit than that a manufacturing company in Japan should export goods to Australia at a large profit, or that a manufacturing company in America should export goods to Australia and make a large profit, or that manufacturing companies in any other part of the world should send goods to Australia and make large profits by so doing.

The member for Katanning had a good deal to say about the report presented to the Government some years ago by Mr. Wolff, then Crown Solicitor, but now Mr. Justice Wolff, one of the judges of the Supreme Court. Mr. Wolff's main recommendation regarding the employment of youth was one for the further development of our secondary industries. That was 90 per cent. of his report. It was upon the development of our secondary industries that he rested almost his entire hopes for the absorption into employment of the youth of this State. He strongly recommended the introduction of legislation for the setting up of a bureau of industry and economic research. We acted upon that recommendation. Parliament was approached in the matter, and given an opportunity to accept Mr. Wolff's recommendations on that point. We gave Parliament the opportunity to alter the recommendation in any degree it thought desirable. What happened? The Bill was defeated on the second reading in another place. What encouragement was that to the Government to approach Parliament again on any of the minor matters contained in the Commissioner's report? In effect Parliament held that his recommendations were of no account, that he did not possess any know-

ledge worth taking notice of on that subject.

Mr. Doney: Were not his recommendations amended by you?

The MINISTER FOR LABOUR: Certainly not. His recommendation on that particular point was adopted, and the details of the Bill were thoroughly discussed by Mr. Wolff and me before it was introduced. Parliament not only failed to give us any encouragement, but gave us no end of discouragement. It is surprising that a member of the House should now, so long after the report was presented, want to know why the Government has not taken any steps to give effect to it.

Mr. Watts: That was not your policy with regard to State insurance, which was knocked back time after time but still brought forward.

The MINISTER FOR LABOUR: When we found Parliament disinclined to give us the assistance we desired by legislation, we set out to do the best we could without it. We have done that, and it has been a good best, but falls considerably short of what would have been the position had the organisation recommended by Mr. Wolff been set up under legislative authority. The member for Katanning also mentioned the question of drastically altering our apprenticeship system. We were impressed by Mr. Wolff's recommendation on that point. A Bill was drafted, but war broke out, and it was decided that all contentious legislation should be abandoned for the duration of the war. In recognition of that understanding and agreement, that legislation was not brought before Parliament. I know of no more contentious legislation that could be brought before Parliament than legislation dealing with our apprenticeship system.

Mr. McDonald: It ought not to be.

The MINISTER FOR LABOUR: If members opposite are desirous of having an all-in dog fight here on the question of apprenticeship, and will convey that to us, the members of the Government will discuss the subject and give consideration to whether we should bring down legislation of that character during the war.

Mr. Watts: If the recommendations were adopted, the main arguments would be on your side.

The MINISTER FOR LABOUR: We will see. The member for Katanning referred to a wireless announcement concerning a statement issued to the Press by Sen-

ator Foll, Minister for the Interior. I am afraid the hon. member did not listen attentively to the announcement, or he could not have read the statement carefully. Had he done so he would have known that Senator Foll was referring mainly to the shortage of tradesmen in the building industry.

Mr. Sampson: Has that statement been published?

The MINISTER FOR LABOUR: It was published on the editorial page of the "West Australian" one day last week. The Senator was referring mainly to tradesmen associated with the building industry, particularly to carpenters.

Mr. Watts: Precisely!

The MINISTER FOR LABOUR: Prior to the sudden development of the building programme on the part of the Defence Department there was no shortage of carpenters in Western Australia but a large surplus which could not be employed.

Mr. Watts: I question that.

The MINISTER FOR LABOUR: I do not. This Government put in hand special jobs in order that tradesmen associated with the building industry could find employment.

Mr. Watts: That was so in connection with country contracts.

The MINISTER FOR LABOUR: Were I a skilled carpenter or bricklayer, I would be careful about accepting employment with certain building contractors I know of in the country.

Mr. Watts: And I would be careful about accepting employment with certain contractors I know of in the city.

The MINISTER FOR LABOUR: That may be so. The hon. member gained the impression that Senator Foll was referring to skilled tradesmen generally. I am in a position to say that in this State we have a surplus of skilled tradesmen available for work in connection with the making of war supplies, munitions, etc. A few weeks ago the member for Swan asked me whether I was aware of an acute shortage of tradesmen. I replied to the effect that I was not aware of it but would be glad to receive from him proof of the alleged shortage. Since then I have not heard one word about the matter. Some people commence thinking something for which there is no justification, and they continue thinking it until they become convinced that what they think

does in reality exist, whereas in fact it exists only in their imagination.

Mr. Sampson: That question related to boys.

The MINISTER FOR LABOUR: We have skilled tradesmen available for immediate employment in the making of munitions. Because the Commonwealth Government has not given Western Australia any sort of a deal in the matter, these specially trained men cannot be placed. Some 50 men are in training for munition work at the Technical College. They have undergone a specially intensified course of training to fit them for the making of munitions. We have some who have completed their training—no work available for them! We have at the college now, another batch of 50 completing their training, and unless Western Australia receives a better deal from the Commonwealth Government in connection with Defence contracts those men will not be placed in employment when their period of training has been completed.

Mr. Doney: How many of those trainees have been absorbed?

The MINISTER FOR LABOUR: None at all. So instead of there being a shortage of skilled men in Western Australia as we are often led to believe, there is in fact a surplus of skilled men in this State.

Mr. McDonald: Could not they start on munition work which has been allotted?

The MINISTER FOR LABOUR: There is not a factory or workshop in the State doing munition work that can absorb them.

Mr. Abbott: Is not there one factory being built now in Western Australia?

The MINISTER FOR LABOUR: Yes; at the Midland Junction railway workshops.

Mr. Abbott: And one in Perth?

The MINISTER FOR LABOUR: Well, I do not know. So, as I say, there is a great deal of loose thinking and even looser talk about this matter of skilled tradesmen being available. It is highly desirable that members of Parliament in particular should seek to obtain absolutely accurate information about matters of that kind before they talk too much about them.

Mr. Watts: We expect to get the information from you, and we have to make you give it.

The MINISTER FOR LABOUR: I was about to add, I very much appreciate that the member for Katanning (Mr. Watts) and other hon. members have sought to obtain

the necessary information before talking too much about the matters in question. I was going to have something to say about the suggestion of the member for North-Perth (Mr. Abbott), but I feel that it would be unreasonable at this hour to attempt to deal with his recommendation to the effect that we should establish certain protected industries, take them right away from the Arbitration Court, and give a Minister of the Crown the job of deciding the wages that should be paid and the working conditions that should obtain in those protected industries.

Mr. Wilson: Heaven help the Minister!

The MINISTER FOR LABOUR: Yes, and Heaven help every other factory and workshop in this State after one or two so-called protected factories have been established and set moving. Their wages and their industrial conditions would soon become the standard for every factory and workshop in Western Australia, and everything that has been achieved over the last 30 or 40 years would suddenly be destroyed. There would be no wage-fixing at all. There would be no protection for workers in those industries. The workers would have to negotiate through their bosses with the Minister and get whatever could be given.

Mr. McDonald: Not with you as Minister.

The MINISTER FOR LABOUR: When the member for North Perth said that the workers in such factories should be taken away from the protection of the Arbitration Court, he immediately suggested, in effect, that the standards established by the Arbitration Court were too high and that any Minister charged with this responsibility would have to fix lesser wages and lower standards for men and women working in those suggested factories of his than are now fixed by the Arbitration Court for similar factories and workshops in Western Australia. So I desire to thank hon. members for the suggestions they have made and for the constructive criticism that has been offered, and I undertake to give every possible consideration to those suggestions and to that criticism.

Vote put and passed.

Votes—Factories, £7,650; Arbitration Court, £5,825; State Insurance Office, £5; Council of Industrial Development, £3,760; Child Welfare and Outdoor Relief, £143,150—agreed to.

Progress reported.

House adjourned at 11.2 p.m.

## Legislative Council,

Wednesday, 6th November, 1940.

Question: Drought stricken areas, starving stock	1723
Leave of absence	1724
Bills: Lotteries (Control) Act Amendment 18.	1725
Bills of Sale Act Amendment, report	1725
Bush Fires Act Amendment, Com.	1725
City of Perth (Rating Appeals), recom.	1733
Registration of Firms Act Amendment, 2n.	1734
Tramways Purchase Act Amendment, 2n.	1733

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

### QUESTION—DROUGHT STRICKEN AREAS, STARVING STOCK.

Hon. A. THOMSON asked the Chief Secretary:—With regard to starving stock: 1, What instructions have been issued to the committee appointed by the Government to deal with this matter, and to receive applications from settlers for transfer of such stock by the Railway Department? 2, As each case is supposed to be dealt with according to its merits, what are the conditions upon which the committee decides each case? 3, What concession, if any, is being made by the Government to owners who are compelled owing to the drought to transfer their starving stock for agistment?

The CHIEF SECRETARY replied:

1, The committee has been instructed to deal with every case on its merits. Application forms for assistance have been supplied to all Agricultural Bank branches and are available at the Department of Agriculture. When the questions thereon have been answered, the committee will be in a position to come to a decision. A copy of the application form is attached thereto. (See Minutes of Legislative Council proceedings, page 116.) 2, Answered by No. 1. 3, The terms under which assistance will be granted were set out by the Hon. Minister for Lands and Agriculture in a statement which appeared in the Press on the 23rd October, and were as follows:—(a) To those farmers who have means or have had good seasons, but are forced into the decision of removing their stock for agistment previously arranged for, consideration will be given to the free return of stock to the property following the agistment period. (b) To those farmers whose position is not good and who have no means,