

should be some safeguard to provide that the majority shall be a very substantial one. In my opinion, the whole question is one of putting into operation an appeal to the prejudice that has been raised against this House, and it is obviously a party question. It should therefore be approached as an attempt to commit the people of Western Australia to a state of affairs and a vote the implications of which many of them do not realise.

It is obvious that if this vote is carried there will be placed on the Government an obligation to carry out the will of the people. If the will of the people were that the Legislative Council should be abolished, the Government would be compelled to bring in a Bill to that end. I wonder if the people of this State realise that by voting in that way they would be committing themselves to totalitarian government, because that is what they would be doing.

The Chief Secretary: What do you mean by "totalitarian government?"

Hon. H. SEDDON: One that will be able to do exactly what it likes.

Hon. C. F. Baxter: It does a fair bit of that now.

Hon. H. SEDDON: Yes, but in the bicameral system there is a check on it, and if we abolish that system we will establish one of direct control by one Chamber, which will enable that Chamber to do exactly what it likes. We would therefore be establishing, in these days when totalitarianism has made such tremendous strides, a very dangerous innovation. We have had experience during the war of the regimentation imposed on the people owing to the necessity to institute more or less totalitarian control and now, 18 months after the war, we are faced with the spectacle of Governments trying to find excuses to continue such control, because they realise that it means power—and they are after power and control of the people. Democracy is diametrically opposed to that. For those reasons, I intend to vote against the measure. I think it is an attempt to hoodwink the people of this State into doing something that they will not be able to undo, the danger of which will only become apparent when it is too late. I intend to oppose the Bill.

On motion by Hon. V. Hamersley, debate adjourned.

ADJOURNMENT—SPECIAL.

THE CHIEF SECRETARY (Hon. W. H. Kitson—West): I move—

That the House at its rising adjourn till Thursday, the 10th October.

Question put and passed.

House adjourned at 6.8 p.m.

Legislative Assembly.

Tuesday, 8th October, 1946.

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

QUESTIONS.

CEMENT.

As to Requirements for Reservoirs, Housing, Etc.

Mr. WATTS asked the Minister for Works:

1, What is the estimated quantity of cement required—

(a) in the next 12 months;

(b) for the period of 12 months next thereafter.

in respect of the proposed retaining wall additions to Mundaring Weir, Wellington Dam, Stirling Dam, and any other similar works now contemplated by the department?

2, What is the estimated quantity of cement required during the same periods as (a) and (b) above for—

(a) housing requirements;

(b) public works and buildings;

(c) other purposes capable of estimation?

3, What is the estimated output of cement in Western Australia during the same periods?

4, If the estimated output during such periods is less than the estimated requirements, what steps are being taken to increase the output of cement so as fully to cope with the estimated demand and any other demand which may arise in the meantime, and when is it likely if such steps are taken that the supply of cement will meet the demands?

The MINISTER replied:

1, (a) 4,000 tons; (b) 12,000 tons.

2, It is impossible to segregate the quantities of cement as set out in (a), (b) and (c), but it is estimated that State requirements for cement will approximate—50,000 tons during the next 12 months, 58,000 tons during the following 12 months.

3, 75,000 tons each year.

4, Answered by Nos. 2 and 3.

WOOL.

As to Transport of North-West Consignment.

Mr. SEWARD asked the Minister for Agriculture:

1, Is he aware that a large number of bales of wool are stacked in the street at a North-West port?

2, That this wool is awaiting shipment to Fremantle for sale?

3, That the delay in shipping and sale of this wool endangers the prospect of the owner's obtaining the high prices ruling at present for wool?

4, Has any attempt been made to obtain shipping to transport this wool to market?

5, If so, when is it expected that the wool will be picked up.

6, If no shipping arrangements have been made, will he endeavour to secure the early transport of this wool?

The MINISTER replied:

(1) to (6), I am unaware that a large number of bales of wool are stacked in the street at a North-West port. In order to have the wool handy to railway lines and thus keep handling costs as low as possible, a small quantity of wool has been stacked just outside the premises of the Harbour

and Lights Department at a North-West port.

Arrangements have been made to lift wool from all ports north of Carnarvon by the 24th October.

COMPREHENSIVE WATER SCHEME.

As to Elimination of Farming Areas.

Mr. SEWARD asked the Minister for Water Supplies:

1, Is he aware that when questioned at a conference lately as to the possibility of eliminating the farming areas from the comprehensive water scheme, Mr. Dumas said that it could not be done; that it was a matter of accepting the whole scheme or getting none at all?

2, Did Mr. Dumas speak for the Government, or was he expressing his own opinion only?

The MINISTER replied:

1 and 2, Mr. Dumas reports he did not make this statement. However, the scheme could not be proceeded with unless the farming areas are to be included.

LEAVE OF ABSENCE.

On motion by Mr. Wilson, leave of absence for two weeks granted to Hon. H. Millington (Mt. Hawthorn) on the ground of urgent private business.

BILL—LEGAL PRACTITIONERS ACT AMENDMENT.

Second Reading.

THE MINISTER FOR JUSTICE (Hon. E. Nulsen—Kanowna) [4.35] in moving the second reading said: The Bill is small but of great importance to those it concerns. It is being introduced at the request of the University of Western Australia and the Barristers' Board. The measure is designed to assist certain ex-Servicemen, and the object of the amendment embodied in it is to enable the Barristers' Board to make rules permitting ex-Servicemen who are attending at the University as students of law to do one of the two years articles of clerkship concurrently with the fourth and final year of the University course. Under the principal Act as it stands a person who has taken the degree of Bachelor of Law at

any recognised university has actually and bona fide to serve under articles of clerkship to a duly qualified barrister and solicitor for the full term of two years.

The University course for the law degree extends over a period of four years. The Barristers' Board at present has power under the Act to prescribe what portion, if any, of the articles to be served by an articulated clerk may be served during the period of his attendance at the University as a student of law. In the opinion of the Barristers' Board, however, the board cannot, under this power, discriminate in favour of ex-Servicemen, but any rules under such power made by the board would have to benefit and apply to all students of law. The Barristers' Board considers that such a rule of general application would not be in the best interests of the public or of the law students concerned. In the case of ex-Servicemen who are students of law at the University, it is found that they will labour under two particular handicaps, namely,—

(a) On an average they are about five years older than students going to the University direct form school, and most of these ex-Servicemen will be nearly 30 years of age before being qualified for administration.

(b) The Commonwealth Reconstruction Training Scheme provides for a subsistence allowance as a free gift for a period of three years, and thereafter by way of loan.

Hence, a man who was obliged to ask for subsistence allowance during the whole of his four years' University course, and his two years articles would incur a debt of approximately £500 if single and £750 if married.

Although the rate of interest payable in respect of such loan is only two per cent., and repayment can be spread over a long period, nevertheless the debt will be a heavy burden on the ex-Serviceman.

If power is given to the board to make rules allowing the ex-Serviceman to serve the first of his two years' articles concurrently with the fourth and final year of the University course, the dead weight of debt under which the student who is receiving Commonwealth assistance would begin his professional career would be reduced by one-third. The Bill proposes to give the board the necessary power and discretion in the case of ex-Servicemen to make rules prescribing what period of service in the Armed Forces may be deemed equivalent to service under articles registered before enlistment, and for prescribing what portion of the period of two years required to be

served by the graduates may be served before graduation and while attending the University of Western Australia as students of law.

As I have already said, the Bill is introduced at the request of the University and the Barristers' Board. It is designed to assist ex-Servicemen. That is a worthy object, because, if the Bill passes, these men will, instead of serving two years' articles of clerkship after they have completed the four-year course at the University, serve one year of articles concurrently with the last year of the University course. This will mean a great saving to the students, who will be assisted under the Commonwealth Rehabilitation Scheme. That assistance, however, will continue for only three years and will be deemed to be a loan, repayment of which can be spread over quite a long period. The rate of interest is low—only 2 per cent.—but nevertheless a single man will incur a debt of about £500 and a married person a debt of about £750. The Barristers' Board cannot discriminate in this matter; if it were to say that the students at the University could serve one year concurrently then, as the Act now stands, that would apply to all students and not to ex-Servicemen only. The board has therefore asked for power to discriminate in favour of the ex-Servicemen, particularly in view of that fact that most of them will not qualify until they are about 30 years of age.

Hon. J. C. Willcock: Will this Bill affect the reciprocity between this and other States?

The MINISTER FOR JUSTICE: That will not be affected. I have been told that a South Australian lawyer is now working for the Government as a legal officer. He served two years' articles concurrently with his University course. Reciprocity between this State and the Eastern States will not be affected. I move—

That the Bill be now read a second time.

On motion by Mr. McDonald, debate adjourned.

BILL—MARKETING OF BARLEY (No. 2).

Returned from the Council with amendments.

BILL—ANATOMY ACT AMENDMENT.*Second Reading.*

THE MINISTER FOR HEALTH (Hon. E. Nulsen—Kanowna) [4.46] in moving the second reading said: Mr. Speaker, I have another small Bill.

Mr. Mann: A gruesome one.

The Minister for Lands: We have not got the body! That is the trouble!

Mr. Withers: Body snatching!

Mr. SPEAKER: Order!

The MINISTER FOR HEALTH: When I first came into the House, Mr. Speaker, I had a long Bill to contend with, and the Government has been rather sympathetic since. This Bill seeks to amend the Anatomy Act, 1930. Members will be aware that Western Australia has a medical course at the University, but for the first year only; it has been the custom for students in this State to complete their courses at the Melbourne or the Sydney University. These universities can no longer accept students from Western Australia because of the extreme pressure of students in their own States. Adelaide is prepared to accept our students, provided bodies can be supplied from this State for the purpose of dissection. The supply in South Australia is insufficient.

Mr. Thorn: Are they running short?

The MINISTER FOR HEALTH: Yes. The principal Act contemplates the dissection of bodies pursuant to the Act at some place in Western Australia. Therefore, an amendment of the Act is required before any body can lawfully be sent to an anatomy school outside of the State. In order to assist our students, in the absence of a medical school here, it is desirable that Parliament should pass this Bill. There is but little to explain, unless some members may be afraid that their bodies will be dissected against their will. I can assure them they need have no fear. The principal Act provides that any person who objects verbally, in the presence of two witnesses, at any time—

Mr. Mann: How can you object verbally when you are dead?

The MINISTER FOR HEALTH: —or by will—that is, before he dies, of course,—

Mr. Seward: He cannot do it afterwards.

The MINISTER FOR HEALTH: —his body will not be dissected. Even if he makes provision in his will for the dissection of his body, then if a relation should object such provision will be made null and void. Even if a member had a special head—as some members of this House may have—worth quite a lot of money and willed it away, his wife or any of his relations could object and veto the sale. The person who bought the head would then be the loser. As I said, not many of our medical students have gone to South Australia to finish their course; numbers have gone to Victoria and New South Wales, but, unfortunately, the latter States now have no room in their universities for our medical students and consequently we have to make other provision for them. We have been told by the Adelaide University that it can take our students provided we can find the bodies for the purpose of anatomical examination.

Hon. N. Keenan: How many bodies?

The MINISTER FOR HEALTH: I do not know; I have not inquired. However, there are bodies that can be used, and they are used in Western Australia under the Act, so it is simply a matter of allowing them to go out of the State. They will be treated exactly the same as if they were used for the purpose of examination in this State.

Mr. Watts: What are the conditions under which they can be used here?

The MINISTER FOR HEALTH: As I intimated a few minutes ago, if any person before death, or any relative, does not object to his or her body after death being used for the purpose of dissection, then it can be so used, subject to the authority of the person concerned.

Mr. Mann: Do first-year students do anatomy?

The MINISTER FOR HEALTH: No. The purpose of the Anatomy School in Western Australia is to provide for the needs of the dental students.

Mr. Thorn: Are you going to set up an export control board?

The MINISTER FOR HEALTH: No export control board will be required. The Bill is merely to give the authorities the right, if the Adelaide University takes our students and it becomes necessary to do so, to send bodies there if they are procurable in this State. We cannot do that under the

Act because it provides for bodies to be used for the purpose of anatomical examinations only in this State. As a result no bodies can be exported from this State for the purpose of dissection. I move—

That the Bill be now read a second time.

On motion by Mr. Mann, debate adjourned.

BILL—WHEAT INDUSTRY STABILISATION.

Message.

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

Second Reading.

THE MINISTER FOR AGRICULTURE

(Hon. J. T. Tonkin—North-East Fremantle) [4.52] in moving the second reading said: The wheat growing industry is one of the greatest importance to the Commonwealth of Australia and, indeed, to the State of Western Australia. The industry has, over the years, passed through many vicissitudes. The farmer, generally, is a man beset by many worries. It is proverbial that the farmer is never satisfied; that he is always growling. But he has, in most cases, good reason for being dissatisfied and for being a growler. At the commencement of a season he is worried as to whether the rains will come early enough to enable him to get on with his work. After the season has opened he is concerned, for a long time, as to whether he will get too much or too little rain. Then, too, whilst the crop is growing there is always the danger that some scourge will put in an appearance and rob him of the fruits of his labour. His crop might be attacked by some disease such as rust or take-all, or he might have to contend with army or web worm, or, indeed when his crop is ready to harvest it might be broken down by emus or kangaroos. So, all sorts of dangers beset him and give him cause to worry from the time he puts the crop in until it is taken off and disposed of.

But with all these worries I would say that the greatest one to the farmer has been the instability of price and the wide fluctuations in price level that have occurred from time to time. Everything might go just right, the opening of the season might be propitious, rain might come in the right quantity at the

right time, he might experience complete freedom from diseases and the ravages of insect pests, the yield might be good, and then a ruinous price mean that instead of a good return being obtained he would face possible loss. That has been the bugbear of wheat growing, not only here, but in all countries.

Wheat is a commodity which lends itself quite readily to overproduction in years of favourable seasons, and, on the other hand, is liable to considerable underproduction with the occurrence of unfavourable seasons or some other catastrophe—such as has been suffered in England in the last few weeks—when the wheat is almost ready to harvest. We cannot do much about making provision against unfavourable seasons, but we can do something towards setting up an organisation which will remove, to a large degree if not entirely, the troubles arising through variations in price and wide fluctuations. Before we can have a proper understanding of what is really necessary in this connection it is requisite that we should refresh our memories as to what the prices of wheat, over a fairly lengthy period, have been. So, for the purpose of my argument, I propose to deal with two periods, one of compulsory pools and the other of voluntary pools.

A compulsory pool was first established for the season 1915-16 and the price for that season's wheat, in Western Australia, was 4s. 4.8d. per bushel. The following year the price was 4s. 4.26d. In 1917-18 the price rose to 4s. 11.8d. per bushel.

Hon. N. Keenan: You are now quoting the prices in sterling.

The MINISTER FOR AGRICULTURE: No.

Hon. J. C. Willcock: There was no difference in the exchange then.

The MINISTER FOR AGRICULTURE: I am completely disregarding any differences in the exchange rates all through. I am taking the returns to the grower in Australian money.

Mr. Perkins: And they are port prices.

The MINISTER FOR AGRICULTURE: These are the pool prices.

Mr. Perkins: Are they the port prices?

The MINISTER FOR AGRICULTURE: Yes.

Mr. Perkins: F.o.r., ports?

The MINISTER FOR AGRICULTURE: Yes, on a 4d. freight basis.

Mr. Perkins: The freight would not make any difference.

The MINISTER FOR AGRICULTURE: It would not actually. We must make an allowance, in these prices, for approximately $4\frac{1}{2}$ d. freight. That much would have to be deducted. The prices are not f.o.r., ports, at all.

Mr. Perkins: They are all on a $4\frac{1}{2}$ d. freight basis?

The MINISTER FOR AGRICULTURE: Yes. For the year 1917-18 the price rose, as I have said, to 4s. 11.8d., and in 1918-19 there was a substantial rise to 5s. 6.1d. In 1919-20 it was 9s. 6d. as against 5s. 6d. for the previous year, so that in one year there was a very substantial increase. For the season 1920-21 it fell to 7s. 9.6d. and for 1921-22 to 5s. 1.9d. Those were the years of the compulsory pools. At the end of that period there was agitation among some growers for a continuance of compulsory pools, but the Government of the day declined to agree and so voluntary pools were carried on for a time in all States—in this State longer than in New South Wales. I come now to the period covered by the voluntary pools. For the 1922-23 season, the price was 4s. 9.5/16d. per bushel. For 1923-24, it was 4s. 7.9/16d. For the 1924-25 season it rose to 6s. 1 $\frac{1}{4}$ d. and in 1926-27 it was 5s. 3 $\frac{3}{4}$ d. In 1928-29 it fell to 4s. 5 $\frac{1}{2}$ d.; in 1929-30 it fell again to 3s. 11 $\frac{1}{2}$ d., and in 1930-31, to 2s. 3 $\frac{1}{2}$ d. So it was 9s. 6d. in 1919-20 and 2s. 3 $\frac{1}{2}$ d. in 1930-31.

Mr. Perkins: That last figure is false, because we were only getting 1s. 8d. or 1s. 9d. in that year.

The MINISTER FOR AGRICULTURE: There were some growers selling outside the pools, also. These were years covered by voluntary pools, when a number of growers sold outside the pools. For the season 1931-32, the price rose slightly to 3s. 0 $\frac{7}{8}$ d., but it was back again to 2s. 9 $\frac{1}{4}$ d. in 1932-33. In 1933-34, it was 2s. 7d. for bulk wheat and 2s. 6 $\frac{1}{2}$ d. for bagged wheat. In 1934-35, it was 2s. 9 $\frac{5}{8}$ d. for bulk wheat and 2s. 9 $\frac{1}{4}$ d. for bagged wheat. In 1935-36, it rose slightly to 3s. 6 $\frac{1}{2}$ d. for bulk wheat and 3s. 6 $\frac{1}{2}$ d. for bagged wheat. In 1936-37, there

was a substantial rise to 5s. 4 $\frac{3}{8}$ d. for bagged wheat and 5s. 4 $\frac{7}{8}$ d. for bulk wheat. In 1937-38, it was back again to 3s. 9 $\frac{1}{2}$ d. for bagged wheat and 3s. 9 $\frac{7}{8}$ d. for bulk wheat. In 1938-39 it was down again to 2s. 3d. for bagged wheat.

That range of prices shows conclusively the wide fluctuations that occurred, and there was no means of preventing that variation under the marketing arrangements that obtained during those years. So, whilst the farmer might feel that he is doing grandly and has sufficient area under crop to give him a satisfactory return based on the previous year's yield, when the price is actually obtained he may find that he is in trouble through no fault of his own. The experience of compulsory pools gained during World War No. 1 stimulated the desire among growers for some form of organised marketing, and that was why, when compulsory pools were no longer in operation, a number of growers continued to support the voluntary pools. Seven years of pooling during the recent world war have served to strengthen the desire of the growers to have some plan of stabilisation, and this fact has emerged clearly; the experience of voluntary pools has shown that any system of organised marketing must, to be successful, be on a compulsory basis.

Mr. Perkins: Have you any evidence to show that compulsory pools were more efficient than voluntary pools?

The MINISTER FOR AGRICULTURE: Yes. I think the hon. member's own knowledge will give him proof of that. There were a number of growers who would not pool, but the number who did pool steadily increased under voluntary pooling owing to the benefits that were made manifest to them as a result of marketing a far greater quantity. It stands to reason that if we can set up an organisation with control of the marketing of the whole of the product available, that organisation of its very strength is able to sell the product on the market at a time when it is most suitable for it to be sold, whereas, if there is an uncontrolled amount of free selling, with individual farmers being obliged to quit because of economic conditions, we find all sorts of prices ruling, with the free selling cutting against the efficiency of the large organisation.

Mr. Perkins: We can only have control of the Australian side of it.

The MINISTER FOR AGRICULTURE: Yes. I admit that in times of plenty, when all countries have had good seasons and there is a world surplus, we cannot do much about controlling the market, but that point has not been overlooked. There is already agreement between America, Australia and Canada for regulating production on a certain formula so that in future years, if we again reach the stage—as I have no doubt we will—where there will be a world surplus of wheat, the production will be regulated in order to keep the price at a satisfactory level.

Mr. Mann: What about Russia coming into it, as she did last time?

The MINISTER FOR AGRICULTURE: I hope members will not draw me into a discussion of all the international possibilities and some of the probabilities. The purpose of this Bill is to give to the farmers in Australia the benefit of a stabilised price for a definite period, irrespective of what happens internationally. The period is one of five years. It is not a limited period of five years and there is provision for a review during the currency of the five-year period, so that the term can be further extended and the farmer can be always in a position to know, for at least several years ahead, what the price is likely to be. That is the purpose of the legislation and, whilst it must be acknowledged that world markets will affect the plan, the Commonwealth Government has undertaken to make good out of Consolidated Revenue any deficiency in the fund should the price of wheat fall to such an extent as to render it insolvent. That possibility only emphasises the need for a stabilisation fund and a plan such as this to guarantee the farmer against a serious fall in the export price of wheat.

In 1930 the Scullin Government endeavoured to establish a system of organised marketing, on the compulsory pool basis. It provided for a minimum price of 4s. per bushel at country sidings, but that Bill was defeated in the Senate and we were therefore not able to ascertain how it would have worked in practice. In 1940 we had the wartime stabilisation plan of the Menzies Government, which was put into operation under the Wheat Tax (War Time) Act. It provided for a payment of 3s. 10d. per

bushel f.o.b. for the 1941-42 crop, with this limitation, that it applied only to a crop of 140,000,000 bushels, and any wheat in excess of that amount had to be sold at the best price it could fetch, with no guarantee. Actually, for that year there was an excess of approximately 14,000,000 bushels of wheat which did not sell at the guaranteed price.

The plan of the Menzies Government also provided for the payment into a stabilisation fund of half the difference between the 3s. 10d. minimum price and the actual average export price. The purpose of that was to set up a fund out of which the price to the grower could be increased during the years when the return was less than the guaranteed price of 3s. 10d.

Mr. Perkins: What was the export parity of wheat at that time?

The MINISTER FOR AGRICULTURE: I cannot tell the hon. member that, as I have not the figures here. The plan also provided for the licensing of growers, for the registration of farms and for the principle of basic acreages. I mentioned that plan and the plan of the Scullin Government to show that attempts were made previously to establish stabilisation schemes for the marketing of wheat. We come now to the present plan, in connection with which legislation has been passed by the Commonwealth Government and is in course of being passed or considered by the various State Governments. The plan covered by the Bill now before the House is one for a guaranteed minimum price of 5s. 2d. per bushel f.o.r. ports. In addition, the farmer is to get half the difference between that guaranteed minimum price and the export price realised.

Mr. Watts: On how much of the wheat?

The MINISTER FOR AGRICULTURE: On all the wheat sold for export, but not that used for home consumption. The guaranteed price of 5s. 2d. is that which will be paid for wheat used for home consumption. The Bill extends to wheat used for stock feed the same provision as that which previously applied to wheat used for flour. So the principle of the flour tax is extended to cover all wheat used for home consumption. Apart from that, for all the wheat sold for export the farmer will get a guaranteed minimum price for a period of five years of 5s. 2d. a bushel, plus half the dif-

ference between that and the export price, plus a further amount if the export price is above the price fixed by the Government as the ceiling price beyond which it does not expect a contribution from the grower.

In this connection the Government of Western Australia can claim some credit. The Commonwealth Government's plan, when first put forward, proposed that the contribution from the growers should be on the basis of 60 per cent. to the fund, and 40 per cent. of the difference between the guaranteed minimum price and the actual price realised to go to the grower. The original plan also provided for a payment of 5s. 2d. a bushel f.o.b. There was no provision for an upper limit so far as the tax was concerned. When the plan was placed before the meeting of State Ministers at the Agricultural Council, I argued on behalf of this State that four alterations should be made to the plan. I said that the 1945-46 crop should not be included because growers had been more or less banking upon the return they would get in that year, and it would be wrong to deprive them of an advantage which they had every reason to believe they would get.

Mr. Perkins: They were also promised as much by the Minister for Trade and Commerce.

THE MINISTER FOR AGRICULTURE: I also pointed out that growers' returns had been down in previous years owing to reduced production, and that they had accumulated debts which they had to meet and, therefore, they should be given the opportunity from the high price for the 1945-46 crop to get out of their difficulties. I further argued that in my opinion the calculations made by the Commonwealth were ultra-conservative, and that the fund would receive far more money than was necessary in order to guarantee the price for five years. I advocated that, instead of the 60 per cent. difference between the guaranteed price and the actual price realised going into the fund, the amount should be divided on a fifty-fifty basis. I further advocated that there should be an upper limit on the tax. I said that if and when sufficient money had passed into the fund from the growers' tax, then the plan should not require the farmers to keep on paying a percentage of the excess price, but that it should be only up to a certain figure that could easily be calculated and that the whole of the excess

above that price should go to the growers. At that conference, none of those suggestions was adopted.

Subsequently the Commonwealth did agree that, so far as the 60-40 division of the excess price was concerned, it would expect to take that for only two years instead of five years and that, after two years, it would review the position to see whether it could then divide on a fifty-fifty basis. That was a step in the right direction, but it still did not meet the desires of the Western Australian Government. Subsequently a further amendment was made to the plan and the Commonwealth agreed that the division should be on a fifty-fifty basis. When the Commonwealth legislation was introduced—although this fact was not previously intimated to me or, so far as I know, to anyone—it showed the Commonwealth's approval of the principle of an upper limit on the tax, which provided that for the 1945-46 crop there would be an upper limit of 9s. 6d. a bushel, so that the plan would work out in this way: A guaranteed minimum price of 5s. 2d. a bushel; half the difference between 5s. 2d. and 9s. 6d. and all above 9s. 6d. to go to the growers. As it is anticipated that the average price for the 1945-46 crop will be 10s. a bushel, the return to the grower will be considerably more than would have been the case under the original plan.

It is calculated that, having due regard to the quantity of wheat that will be consumed locally and also to the average price that will be obtained, the return to the growers over all will be 6s. 7d. a bushel f.o.r. ports for the 1945-46 crop. In the light of all the circumstances, this can be regarded as a very satisfactory return, especially when we consider that a portion of the money from the sale of wheat is not to be taken from the farmers but is to be put into a fund for the purpose of levelling inequalities in prices later on and guaranteeing to the farmers at least 5s. 2d. for their wheat every year for the next five years.

Mr. Seward: Provided the farmer continues to grow wheat.

THE MINISTER FOR AGRICULTURE: So the growers will get 6s. 7d. a bushel for the 1945-46 crop and not less than 5s. 2d. in each subsequent year for the five years covered by the plan, with the definite possi-

bility that if, in two or three years' time, there is a serious drop in the price of wheat, the guarantee can be extended for a further period of years, giving a guarantee for another five years or still another five years.

Mr. Doney: Who will determine the continuance?

Mr. Watts: The weather.

The MINISTER FOR AGRICULTURE:

The continuance will be determined by the wheat stabilisation board. The interjection by the hon. member was stupid.

Mr. Doney: Which interjection?

The MINISTER FOR AGRICULTURE:

The one to the effect that the weather would determine it.

Mr. Doney: That was not my interjection.

Mr. Seward: The farmer will have to continue growing wheat or he will lose his equity.

Mr. Mann: I think the weather will determine it.

The MINISTER FOR AGRICULTURE:

Does not the farmer intend to go on growing wheat?

Mr. Seward: What if his health breaks down and he has to sell his farm?

Mr. SPEAKER: Order!

The MINISTER FOR AGRICULTURE:

The farmer would prefer to keep on growing wheat in the knowledge that he would have a guaranteed price for a period of five years rather than remain in the industry and take the risk of whatever price might be available to him.

Mr. Doney: Many factors might result in putting a farmer out of the business.

Mr. SPEAKER: The Minister will address the Chair and disregard interjections.

The MINISTER FOR AGRICULTURE:

The answer to the interjection is perfectly obvious, namely, that the growers have continued in the industry up to the present time without a stabilisation plan. Many of them are in serious difficulty, and they are the ones who are asking for a scheme that will ensure them a guaranteed price.

Mr. Mann: What about the cost of production?

The MINISTER FOR AGRICULTURE:

When we have regard to the prices actu-

ally obtained during the very long period I quoted between the two great wars, and when we have regard to the number of years when the price was considerably below 5s. 2d., we can appreciate what it will mean to the farmers to know that for five years at least they will receive not less than 5s. 2d. a bushel, with a possibility that the guarantee will extend to that price or something better for a further period, but that a guaranteed price will be available to them for a definite period so that they may calculate exactly how they stand in regard to their business.

This plan has been brought down by the Commonwealth in co-operation with the States and with the knowledge of the growers themselves and also with their support. Before the Commonwealth Government took any steps in the matter, it consulted the growers. The Wheatgrowers' Federation, the organisation representing the wheatgrowers throughout the Commonwealth, was approached and the scheme was outlined to the representatives of the federation. They asked that certain alterations be made to the plan. Those requests were considered, and it can now be said that the plan as brought forward meets the requests of the growers as submitted to the Minister on the occasion of the consultation.

Mr. Perkins: It is not approved by the Wheatgrowers' Federation.

The MINISTER FOR AGRICULTURE: If the representatives of the Wheatgrowers' Federation have shifted their ground, I suppose it is because, being human and having got so far, they would endeavour to go further. I do not blame anyone for trying to improve upon something already attained. To do so is merely human nature. We must expect that whilst there is a chance of their effecting some improvement on something already attained, they will take a chance of trying to get the improvement. I suppose it is the very essence of ambition to try to effect some improvement and obtain something better.

Mr. Perkins: It was repudiated very quickly.

The MINISTER FOR AGRICULTURE: Nothing has been repudiated very quickly.

Mr. Perkins: The federation repudiated the plan.

THE MINISTER FOR AGRICULTURE: I am referring to the Government; there has been no repudiation, and there has been no promise or guarantee given at any stage that has not been provided for in the Bill. Under the proposed legislation, it will be necessary to have an Australian wheat board. In type it will be similar to the existing board, but will not be the same board. The legislation provides that the representatives on the present Australian Wheat Board will go out of office, and another wheat board on the same principle will be set up in its place. The Commonwealth Minister for Agriculture will appoint the chairman and a representative of the millers. In addition to those two gentlemen, there will be two growers' representatives from New South Wales, two growers' representatives from Victoria, and one growers' representative from each of the other States excepting Tasmania. Those people will constitute the new Australian wheat board. In addition, there will be a stabilisation board whose job it will be, not to restrict production, but to regulate and control it in accordance with the data made available to it from time to time when such data seems to indicate the necessity or otherwise for an increase or a diminution of production.

Mr. Watts: Why would not one board suffice for both purposes?

THE MINISTER FOR AGRICULTURE: Possibly it might have sufficed. I considered that question when the matter was under discussion. There are arguments for and against having one board. I thought that, on the score of economy, it might be satisfactory to have one board attending to both sets of duties. Argument was advanced that it would be far better to have the selling organisation separate and distinct from the organisation giving attention to the production side. The Australian Wheat Board is a marketing board, and it was felt that that board should be kept distinct from the board that would be engaged in dealing with production. The stabilisation board will come into closer liaison with the State stabilisation committees than will the Australian Wheat Board. That is the reason for it. I daresay one board would have functioned all right in carrying out those jobs, but it is the consensus of opinion that this method is the better one. That remains to be seen.

The wheat board will be established under the joint powers of the Commonwealth and the States. The States will use their power to cover marketing, and to control production, and the Commonwealth will use its powers for external trade. One attractive feature of this set-up is that the States will at all times be able, through the separate Ministers for Agriculture, to know what is happening and to have a voice in any plan or proposals which are being formulated. We have arranged that the minutes of the meetings of the wheat board will be available to State Ministers and also that State Ministers, if they have any particular aspect of wheat marketing which it is desirable should be placed personally before the board, will have an opportunity to attend a meeting of the board—

Hon. N. Keenan: Which board?

THE MINISTER FOR AGRICULTURE: The Australian Wheat Board. They will have the opportunity of attending a meeting of the board for the purpose of explaining personally any particular angle of vital importance to their States.

Mr. Doney: In that case you have a voice but no authority.

THE MINISTER FOR AGRICULTURE: We have considerable authority within the State because we shall control marketing and production in the State, the Commonwealth having no control over that.

Mr. Watts: Thanks to South Australia.

THE MINISTER FOR AGRICULTURE: I am not going to guess what they will do in South Australia.

Mr. Watts: It is pretty obvious, now.

THE MINISTER FOR AGRICULTURE: I am concerned about Western Australia. I like minding my own business.

Mr. Watts: It is your business.

THE MINISTER FOR AGRICULTURE: This plan is very flexible. I have already stated that it provides for a constant review during the guaranteed period of five years, and if the position of the stabilisation fund is such as to warrant an increase in price or a reduction in the amount of tax levied by the growers' charge measure, those alterations can be made. There will be no necessity to wait until the end of the five year period. Another important point which needs to be emphasised is that, should a

culations be astray or should the price fall be steep and there be insufficient money in the fund to meet the needs of the guaranteed price, Consolidated Revenue will make good the deficiency.

Hon. J. C. Willecock: Commonwealth Consolidated Revenue?

The MINISTER FOR AGRICULTURE: Yes. There is not a great deal more that needs to be said about the plan at this stage. The State has promised to co-operate fully with the Commonwealth to put the plan into operation. A State stabilisation committee will be set up here for the purpose of regulating production and looking after the marketing side.

Mr. Watts: I would call it strangulating production, from what I can read in the Bill.

The MINISTER FOR AGRICULTURE: The Leader of the Opposition is one of those gentlemen who want matters both ways. Surely he must realise that there can be no satisfactory scheme of organised marketing for a guaranteed price which does not at the same time make provision for the control of production.

Mr. Seward: Can you tell us the basis—

The MINISTER FOR AGRICULTURE: I can tell the hon. member that there is no scheme for a guaranteed price that would last 12 months unless the quantity of the commodity at that price were controlled.

Mr. Seward: That is so, but—

The MINISTER FOR AGRICULTURE: Because inevitably the result of a high guaranteed price is a very decided stimulus to production.

Mr. Seward: That is so.

The MINISTER FOR AGRICULTURE: When production is stimulated it might be doubled or even trebled and the fund would be bankrupt before the scheme had properly started. The same applies to potatoes, barley, fruit, or anything else. If it is proposed to set up a plan of organised marketing, that connotes control of production as a very essential part of the plan.

Mr. Seward: Is the area allotted to each State at present to be taken as a basis?

The MINISTER FOR AGRICULTURE: No. The basis has not been agreed upon, because we have not reached the stage

where it is necessary to consider it. At present there is a world shortage of wheat and therefore we want to produce as much as possible; and there is no thought of regulating or limiting production.

Mr. Seward: But the other States have had a big start on us in the last year or two.

Mr. Doney: Is there any provision for increasing the area of production in this State?

The MINISTER FOR AGRICULTURE: The provision is that the basic acreages will be decided upon by representatives of the various States, when we have reached the stage at which it is necessary to consider a limitation of the amount being produced throughout.

Mr. Watts: That is not what this Bill says.

The MINISTER FOR AGRICULTURE: Yes it does!

Mr. Watts: This Bill provides as the basis the period from 1938 to 1941.

The MINISTER FOR AGRICULTURE: Only as a starting point for consideration.

Mr. Doney: A bad starting point for us!

Mr. SPEAKER: Order!

The MINISTER FOR AGRICULTURE: We have not the slightest reason to believe that in any plan to decide upon acreages throughout Australia, Western Australia will get other than a fair deal.

Several members interjected.

Mr. Doney: There is room for plenty of fear.

The MINISTER FOR AGRICULTURE: This plan gives to the growers of wheat something for which they have been asking for years and have been previously unable to get. It gives them a guarantee that for the work they do for a period of five years their return will be assured. For that guarantee they are asked to do something. They are asked to forego a portion of the return which would otherwise be theirs in years when prices are high, so that that money can go into a fund and be set aside to be paid to them later on when prices fall below the guaranteed price. Whilst it is true that when wheat is above 5s. 2d. the stock feeders, who are taxpayers generally, will be getting wheat at a price below export parity, and it is also true that if the

price of wheat falls below 5s. 2d. those same stock feeders will have to subsidise the industry that previously subsidised them—and the experience of past years shows conclusively that the price of wheat is below 5s. 2d. more often than it is above that figure.

One member mentioned Russia. The tremendous potential that Russia has is well known. In pre-war years that country threatened to upset the market properly because of its policy of disposing of its wheat irrespective of prices. I have no doubt that the big advance in mechanisation during the war will result in considerably increased production in the wheat-producing countries of the world. While I expect some increase in consumption, because of the fact that a number of countries that were previously not wheat-eating countries will make wheat part of their diet; and, while it is possible that wheat might be found to have other uses, I still believe that the chances are that consumption will not keep pace with production. So the farmer has to realise that the 10s. per bushel which will be obtained this year is not likely to be the price obtained every year, and that the experiences of the past might possibly be repeated in the future, when the price will be down below 3s. a bushel. Surely it is worth something to him as a wheatgrower to know that for five years at least the return for every bushel of wheat he grows will be at least 5s. 2d. and to have the knowledge that should the price remain up for a longer period than anticipated, that 5s. 2d. guarantee may continue for a further period of years. In any event, he will know that a guaranteed price at some figure will be available to him, and that he will not be in the position in which he has been so often before of not knowing from one year's end to another what his return is going to be.

It is not to be expected that the taxpayers generally should have to carry the cost of that scheme—that is, the whole of it. They may, in a bad year, have to shoulder a proportion of it. The wheatgrower himself is not asked to pay into Government Consolidated Revenue something for this insurance scheme. He is asked to set aside in years of high prices part of his return, so that his own money will be available to him in periods of low prices. Do not let us run away with the idea that he pays something for this. It is a deferred payment plan so far as he is concerned, with the very def-

nite possibility that he will get some contribution from Consolidated Revenue to help to maintain a certain price when the value falls below the guaranteed figure. I move

That the Bill be now read a second time.

On motion by Mr. Mann, debate adjourned.

BILL—STATE HOUSING.

Message.

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

BILL—FACTORIES AND SHOPS ACT AMENDMENT (No. 3).

Second Reading.

Debate resumed from the 3rd October.

MR. ABBOTT (North Perth) [5.45] The object of this Bill was stated by the Minister to be to bring the Factories and Shops Act more in accord with industrial conditions at present operating in Western Australia under arbitration awards and agreements. With that principle I am wholeheartedly in agreement. The Bill, however, in my opinion, fails very materially to bring this about. I think it can be generally agreed that its terms, etc., should coincide as far as possible with those which the Court of Arbitration is accustomed to provide. I propose to refer to only a few of the differences I have noted but to cover the ground more fully when the Bill reaches the Committee stage.

As the Minister pointed out the provisions of the Act are over-ridden by rulings of the Arbitration Court. In my opinion it is desirable that the Act should not influence in any way any possible court award. It should only prescribe what may be described as the minimum standard of conditions of employment for any body of workers. If they feel they are not sufficiently protected by the provisions of the Act they can apply for an award when their claims can be decided in a proper manner and adjudicated upon by the court in a way that conforms with the general principles laid down by the Act. I understand that the shop assistants in York and some other country towns, although they are members of the Shop Assistants' Union, do not come under an

award. If it is thought desirable by the union an application could be made to define the terms of their employment. Until such an award is issued the conditions provided by the Factories and Shops Act apply. I think conditions should be based on a minimum standard, so that when the court comes to consider any claim it can raise the standard, if necessary, and will not be put in the position where the Act gives more than the court is prepared to award.

Before I deal with the differences I have observed in the Bill compared with the rulings of the Arbitration Court, I should like briefly to comment on the proposed amendment to the Act whereby the definition of a factory is to be altered so that where one or more persons are engaged as paid employees their place of employment comes within the scope of the Act. Whilst I think everyone is anxious to see that no employee is working under conditions that are not satisfactory from a health point of view, I think we should hesitate to impose too onerous conditions on small producers who are starting off on a new manufacturing venture. I am therefore loth to support that particular amendment. Possibly in Committee I will suggest that the definition of a factory should be widened a little without making it so wide as to include even a man or a woman who is trying to support himself or herself by some small industry. It may be that a returned soldier is manufacturing a few toys. If he has one assistant he would come within the scope of the Act as it is intended to be amended by the Bill. It may be there is a widow who is manufacturing a few clothes and employs one paid assistant. If the Bill is passed her place of work will come within the definition of a factory; therefore I am somewhat reluctant to support the proposal to widen the definition to such an extent.

I also wish to deal with a few of the provisions in the Bill which in my opinion are inconsistent with awards as they exist. In August last the Arbitration Court held an inquiry relative to holiday pay. So far as I can learn it was a very thorough and exhaustive investigation. As a result, the court issued a ruling as to what it intended to have inserted in reference to holidays in every award. I suggest that the rulings of the court on this question should have been embodied in the Bill to cover annual holidays. There is a material difference between

the proposals in the Bill and those put forward by the court. The Act, as amended, should, so far as possible, coincide with arbitration awards.

One of the provisions in the Bill is that if a worker only serves a portion of the year he shall be allowed pay in lieu of annual holidays in proportion to his length of service, calculated on the basis of one day's pay for every completed month of service, whereas the court provides that the worker shall be paid one-sixth of a week's pay in respect of each completed month. As an example of the difference in the effect of these two provisions, let us assume that a man is paid £8 a week and that he works for five days a week. Under the proposals contained in the Bill he would get holiday pay at the rate of £1 4s. for every month of service, which is equal to one-fifth of £8. Under the Arbitration Court ruling he would receive one-sixth of his weekly wage, which would be £1. I do not think such inconsistencies should be allowed to remain; therefore in the Committee stage I propose to move an amendment to ensure that this particular provision shall accurately comply with the ruling of the Arbitration Court.

The Bill proposes to amend Section 28 of the Act, which lays down the hours during which a man may be employed, and Section 29 sets out the hours during which a woman or a junior can be employed. As the Act stands a man may be employed for 48 hours, but a woman can only be employed for 44. It is the principle of the court today that the employees shall work 44 hours a week. The object of this Bill is to bring the Act into line with the provisions that are found in most awards. That is quite in order. The 44-hour principle has been fully established, but the amendment contained in the Bill would not be satisfactory in every respect. Section 29 of the Act deals with the employment of a woman or a boy, and it is intended to add, "a man". The section provides that a woman or boy shall not be employed in a factory for more than 8½ hours in one day. I point out that the 44 hours cannot then be worked in a five-day week of 8½ hours. A five-day week is in vogue in many industries. A 44-hour week divided into five days gives a day working period of 8 hours and 48 minutes. That is another matter I intend to bring up in Committee. Then the Bill also pro-

vides for two additional paid holidays, bringing the total number to ten per year. There again the provision is in conflict with the Arbitration Court awards, which provide for nine holidays.

The Minister for Labour: The Court decided three weeks ago upon ten holidays, and a great number of the employees will receive 11 paid holidays, irrespective of what any award may say.

Mr. ABBOTT: That may be so in particular industries.

The Minister for Labour: No. The ruling was given in a case brought against the whole of the employers, apart from the Government, and the Government has fallen into line.

Mr. ABBOTT: My information may have been wrong.

The Minister for Labour: It certainly is wrong.

Mr. SPEAKER: Order!

Hon. J. C. Willcock: At any rate, it is only three weeks ago that the ruling was given.

Mr. ABBOTT: Yes, on the 13th August, to be exact. The information I received was that there were nine paid holidays.

Mr. W. Hegney: You are not suggesting that ten holidays are too many?

Mr. ABBOTT: It all depends; but I do suggest that we should be consistent.

The Minister for Labour: Then be consistent and give the employees ten holidays.

Mr. ABBOTT: At the present time I am suggesting that nine is the usual number.

The Minister for Labour: If you do not hurry up, the number will be 11.

Mr. ABBOTT: The Bill proposes to place in the Act a new section dealing with sick-leave. That is a matter frequently dealt with by the Arbitration Court. In the circumstances, I believe the proposed new section to be included in the Act should coincide with the sick-leave provisions usually inserted in Arbitration Court awards. There is, I suggest, a material difference between the two provisions. The proposed new section sets out certain exceptions to which sick-leave shall not apply and states that it will not apply in respect of any non-attendance due to ill-health for which the worker is entitled to compensation under the

Workers' Compensation Act, 1912-1944, when the non-attendance arises out of the worker's own wilful default. Arbitration Court awards provide that if the accident does not arise out of the individual's employment, the sick-pay provision shall not apply. Again, for the sake of consistency the provisions set out in the Bill should comply with those already included in Arbitration Court awards.

The Minister for Labour: If a man suffered from typhoid fever or measles, which would have nothing to do with his work, would he not get sick-pay?

Mr. ABBOTT: But this provision deals with accidents only.

The Minister for Labour: We are dealing with sick-pay.

Mr. ABBOTT: But sick-pay covers accidents.

Mr. Styants: Suppose a man was knocked down on the way to work?

Mr. ABBOTT: That accident would arise out of or in the course of his employment and has been so ruled.

Members: No!

Mr. ABBOTT: Yes. That has been ruled in many cases under the Workers' Compensation Act.

The Minister for Labour: That is not so although I hope you are right. You will be given an opportunity to deal with this point very soon.

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

Mr. ABBOTT: If a man should be frolicking round and fall down, with the result that his leg was broken, is it suggested that he should receive sick-pay?

The Minister for Labour: Why not? At any rate, he only gets sick-pay for six days.

Mr. ABBOTT: I know that, but let us be consistent in our legislation with the award of the Arbitration Court. The Bill also proposes to alter paragraph (c) of Subsection (1) of Section 61, which provides that factories shall be ventilated so as to render harmless as far as possible all gaseous vapours, dust and impurities generated therein. That is a very worthy objective which certainly should be enforced, but the Bill proposes to constitute the Inspector of Factories the sole authority to determine

whether or not the factory is so ventilated. The work will have to be done to his satisfaction.

The Minister for Labour: That is what he is there for.

Mr. ABBOTT: The work has to be done in such a manner that, in the inspector's opinion, it complies with the provisions of the Act.

The Minister for Labour: That is all the Act says now.

Mr. ABBOTT: I do not like these discretions; it is purely a matter of fact whether or not the provisions of the Act have been complied with. If they have not been complied with, then there is redress by way of prosecution, and it is for the magistrate to decide whether the provisions of the Act have or have not been complied with. If the amendment set out in the Bill is agreed to and a prosecution should be launched, the magistrate will not have to decide whether the work has or has not been done, for the inspector has only to say that the work has not been done to his satisfaction, and that is the end of it. The factory owner may, in fact, have done the work contemplated by the Act and may be able to establish that he has done so; but if the work is not done to the satisfaction of the Inspector of Factories—it is merely a matter of opinion—the factory owner's defence goes by the board. This is certainly a dangerous power to place in the hands of anyone, and I suggest that that particular clause of the Bill should be deleted.

The next amendment I shall refer to deals with the word "warehouses." Under the Act, a warehouse is not included under the definition of "shop." There can be no objection to that amendment, but in the amendment dealing with holidays no provision is made for warehousemen but only for shop assistants. That will have to be altered.

The Minister for Labour: But a warehouse is a shop, under the terms of awards.

Mr. ABBOTT: That may be so.

The Minister for Labour: You ask Mr. Speaker!

Mr. ABBOTT: At any rate, I think the holiday provision with respect to warehouses should be in conformity with that relating to other employees.

The Minister for Labour: The Minister has power to declare holidays in shops and warehouses, but not in factories.

Mr. ABBOTT: I realise that in certain instances that power has been exercised and possibly not always quite fairly.

The Minister for Labour: That is a nice thing to say about ex-Ministers; you cannot say that about the present Government!

Mr. ABBOTT: Next there is the question of the method of terminating employment. As the law stands now, the terms of employment are covered either by Arbitration Court awards or express agreements. If not by express agreements, the employment is governed by such conditions as are reasonable in the circumstances. The amending provision will make it necessary for a week's notice to be given before terminating employment, unless otherwise expressly agreed to in writing. That will lead to a lot of confusion because, assuming an employer puts on casual labour to perform some urgent work and does not stipulate in writing that he can terminate the services of the extra workers, he must not only give reasonable notice, but a week's notice.

The Minister for Labour: That is reasonable.

Mr. ABBOTT: I suggest it is not reasonable, and it is different from the conditions set out in awards.

Sitting suspended from 6.15 to 7.30 p.m.

Mr. ABBOTT: I was dealing with the provision in the Bill relating to the termination of employment. The measure seeks to introduce a new provision whereby, unless otherwise expressly agreed in writing, one week's notice is required. Such a provision is entirely inconsistent with the objective stated by the Minister. He said that the object of the Bill was to make the Act coincide with the average provision contained in awards as determined by the Arbitration Court. I say that this proposal is entirely inconsistent with such a provision and that it would be unfortunate if any body of workers, when appearing before the Arbitration Court, found that it had to accept conditions less beneficial than those conferred by the Act. A very strong argument to put to the court would be, "It is suggested that seven days' notice is not usual in awards generally covering industries of a nature similar to the one before the court, but we

have already got that provision under the Factories and Shops Act and it would be most unfair to deprive us of it." Therefore I say that this amendment should not be made to the Act. The principles enunciated by the Minister and the objectives disclosed in the Bill are worthy of support, and though the measure will require a good deal of amendment to achieve the objectives proposed, I shall vote for the second reading.

MR. McDONALD (West Perth) [7.34]: This is a Bill of interest to members, as any measure must be that seeks to improve working conditions in factories, shops and warehouses. Clearly the principle should be that conditions should be the best that industry can afford. Legislation governing factories and shops must be essentially progressive. If we are to be a forward-looking community, we must realise that the conditions will be improved steadily as advancement is made in the standards of the people generally. From what the Minister said, I gather that there are provisions in the Act that are now out of date. Hours have been reduced by general acceptance, and periods of work such as the 48-hour week now appearing in the Act have no real application to modern or present-day conditions of industry. Therefore we can hope that we may progressively improve our factories and shops legislation.

Improved conditions are the joint production of the employees, the management and the capital involved in industry. Only when industry makes improved conditions possible can the legislature step in and prescribe those conditions as standards or minimum standards in the industry and, while responsibility of magnitude rests on the capital and management, we must bear in mind that responsibility also rests on the employees, and that they, by their efficiency and productivity, can so strengthen industry as to enable it to provide progressively better conditions for all engaged in it. On the other hand, it is obvious that if the Legislature endeavoured to improve conditions beyond the fair capacity of industry to support them, this would have a detrimental effect on industry and on the conditions and opportunities of those employed in it.

Having regard to these principles, if I may so term them, I wish to direct attention to the first provision in the Bill, which proposes to abandon the policy that has long

been in existence in our factories legislation. I refer to what is called the backyard factory. Under the existing law, the small factory has been exempted from the provisions, restrictions and obligations imposed by our factories legislation. Factories exempted are those in which not more than four persons are engaged, and those four persons include the proprietor or proprietors. So it may mean that an exempted factory is a place in which there are one or two proprietors and two or three people employed by them. If all those concerned—take it that the total would include the proprietor or proprietors—do not exceed four in number, then the factory is one not subject to the restrictions of the Act. The reason for granting this exemption is obvious.

Any factory that is so small that it cannot engage more than two or three employees is almost always a struggling industry. It is almost always a new industry with limited capital, seeking to establish itself, either in some new manufacture, or in competition with other concerns engaged in the same class of business. Being a struggling industry with no great resource of capital, it has been thought by the policy of legislation in the past that it might impose too great a burden on the industry to compel it to observe standards which we all agree are most desirable in larger and established industries. The small industry simply may not have the capital to comply with the requirements of the Act or the requests of inspectors made under the Act. So the policy in the past has been to exempt these small industries, these new and struggling factories seeking to establish themselves.

The proprietor of a pretty large business in the metropolitan area was speaking to me a few days ago about equality of opportunity and what he said rather impressed me. He said that under present conditions equality of opportunity, in manufacturing in particular, is very largely non-existent. He said the large and established firm, which has its buildings and some command of capital, its trained staff and regular business, could cope with modern conditions. It could provide the necessary staff to deal with terms of awards, with price-fixing, requisitions under the factories and other legislation, sales tax return and all the obligations which are now so extensive and which are imposed upon busi-

ness at the present time; whereas the small business finds very great difficulty in meeting all of those obligations.

My informant also said that the small business is liable to make a loss; it has no established trade, it is in the experimental or trial stage, and if it makes a loss, with the present taxation rates, it is very difficult for it to make sufficient money in future years to recoup the loss which it might make in the early stages. The large business, with an established connection and a steady flow of trade, may suffer a diminution of returns and pay small dividends or no dividend, but it very seldom makes a loss and, even if it did, it nearly always would have some reserve to enable it to make good that loss and continue without any serious injury to the stability of the business. Therefore, he said, under present conditions it is exceedingly difficult for a new industry to start in competition with established industries; it is very hard for the young man, or the enterprising man, to launch out on his own and build up a business that is going to be reasonably stable and secure.

In this Bill we propose to bring under the Act—which is a restrictive Act and which throws many extremely responsible obligations on a person not only in the way of the conduct of business but in the way of structures, precautions and amenities, all of which we agree are eminently desirable—persons of the class to whom I have referred. It is now proposed to reverse the policy and to include every factory which employs one man. Even if it is so small and so struggling, and its business is so limited, that it has one employee only, it comes within the terms of this measure. What does that mean, Mr. Speaker? I have looked at the Act and picked out a few things. First of all, the man has to register not once but every year.

The Minister for Labour: That costs him 2s. 6d.

Mr. McDONALD: Yes. I agree that the amount is very small, but he has to come round every year and renew his registration under penalty if he fails to do so. His premises may be inspected at any time and the inspector, if he thinks fit, has the right to be accompanied by a police constable in the course of the inspection if he thinks there might be any difficulties. A record has to be kept in writing of the names of

all employees, the nature of their work, ages if they are under 21 years, and the kind of employment in which they are engaged from time to time; all of which in the ordinary way is eminently desirable, but if the small man—through lack of clerical assistance, having only one employee presumably engaged in some technical job—does not keep these records he becomes liable to penalties under the Act.

Then again, under penalties in the Act, he has to keep notices posted of all holidays to which the staff are entitled, that is to say, to which his one man is entitled; and for the benefit of his one employee he has to keep posted up notices of certain sections of the Act so that the employee may know what his rights are. He has to keep a record of every case where he has work done for his factory outside of the premises, in the ordinary way a most desirable thing because it prevents handing out work which may be done by piecework under sweated conditions. Unless he gets a permit from the inspector, no employee—which may be the single employee—can take a meal in any premises where factory operations have been carried on within two hours of the cessation of factory operations. He may overcome that, of course, if he thinks of getting a permit from the inspector, otherwise he is liable to penalties. He has to provide, or can be required to provide, dressing-rooms for his staff which, as I say, may consist of one man.

Those are just a few of the terms of the Act. There are many others dealing with ventilation, hygiene, amenities and various other things, all of which are clearly desirable in the ordinary way; but when one considers this small man with, as I say one employee, who wishes to embark upon a new industry and who looks at the Act and finds out what his obligations are and what penalties he may incur, then I feel that very possibly he may be discouraged. I mention this because I am not very concerned whether the Minister's clause is carried or not, except that I think it would be the kind of clause which would be welcomed by big business and established business, as it is going to make it harder and harder for anybody else to come into the industry and become a competitor.

The Minister for Labour: The clause has been carried in this House a few times.

Mr. McDONALD: I daresay it has; but, as I say, if I were looking at the clause from the point of view of big business and established business I would say, "Let it go; it will be harder and harder for any man to launch in that business and come into competition with my established business." I do not want to look at it from that point of view. I wish to look at it from the point of view of encouraging people who have the enterprise and the skill to make a start in business which may become valuable to the State in years to come. That is a principle which has always appealed to me in this State, where we have been so anxious to encourage the promotion of new industries. That is as the clause appeals to me, a clause which I should say would not be objected to by anybody established in business, but which, it seems to me, might involve difficulty and discouragements to those who may desire to start small businesses in competition with established businesses. So I hope the House will look at the clause from that point of view, because I am not aware of—nor, I think, has the Minister stated in his second reading speech—any great abuses of the present law.

It is most desirable to protect the health of employees in small businesses as well as large; but I am not aware, nor has it been stated here, that in small factories, which might have one, two or three employees, there have been conditions sufficiently serious to threaten the reasonable health of those engaged in those industries. In fact, in the big factory, it is very understandable that with a large volume of dust or a great quantity of machinery, and with a great number of people crowded into one building, supervision becomes extremely necessary; but in the case of a man who employs one worker, the volume of dust or the dangers from lack of ventilation may be very limited indeed. I mention these facts in the interests of the small man and in the interests of opportunity, and I mention them because they appear to me to be weighted completely in favour of big business and established business to the detriment of competitors who may seek to come into that field.

The Bill goes on to deal with the matter of the 44-hour week, with which I entirely agree. The 48-hour week can well be taken out of the Act. It no longer has any practical meaning. The measure deals with the

matter of holidays, and I think that the fortnight's holiday on full pay is more than overdue. It is something we should provide for every employee, and I think there is every reason to recognise the principle by inserting it in this legislation. When we come to sick leave, I appreciate the arguments put up by the member for North Perth. I think it is desirable that in this legislation we should keep as closely as we can to the established practice of our Arbitration Courts. It is quite true that by Section 163 of the parent Act, the awards of any Arbitration Court and any agreement that becomes a common rule, override the terms of the Factories and Shops Act. We need not fear that the Arbitration Court is going to be limited or fettered in the exercise of its proper discretion. But when we come to frame legislation of this description in respect of matters which, by long experience and usage, have been the subject of particular provisions of the Arbitration Court then, for the sake of comprehension by employers and employees in the industry, the nearer we keep to the established practice laid down by the Arbitration Court, the more easily the legislation will be understood and the better it will work.

On this point of sick leave, while the member for North Perth has pointed out very properly that the Act represents some departure from the terms of existing awards and that, under Section 163, the terms of the Act would not prevail against awards in force now or in future which might give a more limited provision regarding sick leave, at the same time I personally favour liberal provisions regarding sick leave; and I think industry, to the extent mentioned in the Bill, should be able to carry sickness of employees, from whatever cause it may arise—whether through the work they are engaged in or whether through conditions outside that work. Industry, to the extent mentioned in the Bill, should well be able to carry liability to support an employee in sickness with the reservation which is in the Bill that industry cannot be expected reasonably to carry an employee who, by his wilful action, brings on himself inability to continue his work. I will say that I would find some difficulty in interpreting the term "wilful default" in connection with self-caused illness.

The Minister for Labour: That is one of the Arbitration Court's phrases.

Mr. McDONALD: I presume it could refer to over-indulgence in alcoholic liquor.

The Minister for Labour: We shall have to get the ruling of the president of the Arbitration Court; he framed that.

Mr. McDONALD: Yes. If it is merely a matter of a hangover on the following day, then it is something not compensated under the terms of the Bill. However, I leave that to the Minister for Labour, whose long experience makes him more able to interpret these things than I am.

The Minister for Labour: Long experience of hangovers?

Mr. Watts: No, he means your long experience of the Factories and Shops Act!

Mr. McDONALD: There is a clause dealing with Section 61 of the Act which was referred to by the member for North Perth and which relates to the matter of rectifying harmful gases, vapours, dust and impurities when, in the opinion of the Chief Inspector, the employer has not done as much as practicable to remove any possible cause of injury from those gases. I read this through and I thought it a very big power to put in the hands of the inspector. He could, by requisition, demand structural alterations which might cost a great deal of money, and the amount which would be involved might be a serious hardship to small factories.

Under Section 21 of the Act there is a safeguarding provision which might possibly assist in cases of this kind. It provides that in respect of any requisition under the Act by the inspector to the occupier of a factory, shop or warehouse, the occupier may appeal to a magistrate of a local court. The magistrate may allow or disallow or vary the requisition of the inspector according as the magistrate thinks proper. If that provision applied, there would be a protection for the occupier of a factory to whom the requisition was made, which requisition he might think wrong or excessive in the circumstances. I am not too sure that Section 21 does apply; and in the Committee stage I might, with the assistance of the member for North Perth, be able to suggest to the Committee that words be inserted to make it quite clear that under Section 61, which is

now proposed to be amended by this Bill, an occupier who feels that the requisition is in excess of the occasion might have an opportunity to submit his case to the magistrate of the local court, as provided under Section 21 of the Act.

I want to refer to the provision of the Act regarding termination of employment, by one week's notice. That might be quite all right. After all, the Act applies to shop assistants, to factory employees, and to warehouse employees.

The Minister for Labour: A warehouse is really a shop under the definition.

Mr. McDONALD: Yes. Most of these employees would come under the weekly notice arrangement existing by law. If there were any doubt about the matter an amendment would be desirable. If there are people normally employed for two or three days on conditions allowing their services to be terminated by 24 hours' notice, then an amendment to this clause would be desirable. However, I will look into the matter and perhaps we may, in Committee, discuss what is necessary.

Hon. J. C. Willcock: For instance, in a wool store.

Mr. McDONALD: That is true. My acquaintance with the details of industry is not sufficient to cover all these things, but there may be places, such as wool stores, where people can be brought in casually, and while that cannot be overcome by this Bill, it could by a written agreement to say that the employees' services can be terminated by 24 hours' notice, but that written agreement might not be made with the result that difficulties between the employer and employee might arise. In the Bill there is also, under this particular heading, a provision which states that where an employee fails to carry out his duties in a reasonably satisfactory manner, he may, after receiving a week's warning, have his services summarily terminated; that is, without a further week's notice. The clause provides that an occupier may at any time dismiss a person employed in a factory, shop or warehouse for neglect or refusal, after receiving one week's notice, to carry out his duties in a reasonably satisfactory manner.

That is a reasonable provision if an employee neglects to carry out his duties in a satisfactory manner. If, however, he refuses to carry out his duties, then it should

not be necessary to give him a week's notice or warning. If a man says to his employer, "I am not going to do the job satisfactorily," it is tantamount to saying that he does not intend to carry out the terms of his employment. The words "or refusal" might well be taken out and the provision proposed by the Bill would then extend to any employee who neglected to carry out his duties, and he could not then be summarily dismissed until he had received a week's notice or warning to amend his ways and to discharge his duties in a reasonably satisfactory manner.

The Bill is one that has been necessarily brought down to rectify some anomalies. It contains clauses that will be equitable in some respects in protecting conditions and terms of employment. I think, however, that there are certain amendments, as foreshadowed by the member for North Perth, which might be desirable, and which can be dealt with in Committee. Particularly do I think the suggestion that the provisions dealing with holidays on pay might well conform to the proposals of the Arbitration Court to the extent by which they now depart from them. With these reservations I propose to support the second reading.

MR. WATTS (Katanning) [8.5]: I also intend to support the second reading of the Bill which contains very little with which I have any serious complaint. At the same time the Minister could well be open to criticism if one were to remind him that the measure is merely directed at doing things where the Arbitration Court has not done them—presumably because it has not been approached. If one recalls the principle, which is a good one, that the terms and conditions of employment in this country, which has laid down industrial arbitration as a fundamental, should not be dealt with by legislation but left to the tribunal set up under its industrial laws, then the hon. gentleman is open to some criticism. It might have been better had the Minister taken steps to provide that the Industrial Arbitration Court could make an award for factories and shops where none exists at present, and so place the responsibility where it should be.

The Minister for Labour: There must be some body registered to get to the court.

Mr. WATTS: That difficulty could be overcome by legislation instead of by intro-

ducing a Bill to prescribe conditions. The difficulty is, of course, that there is no one to approach the court but the principle that the Arbitration Court should deal with all these matters is a good one. I do not find this matter of sufficient importance to warrant opposition to the majority of the proposals in the measure, because I feel that there are few responsible employers—and most, I believe, are responsible—who have not already adopted the great bulk of them. A large proportion of the employers is prepared at present, irrespective of Arbitration Court awards affecting their business, to grant 14 days or two weeks' holiday in every year. I believe that the same remark applies to sick leave. In fact, some employers are more generous than is suggested by the provisions of the Bill. So it seems to me that, so far as the shops are concerned, as the greater number of the people to be affected are to be found in the country areas, no great hardship will be inflicted on the employer, and, in the majority of instances, no great benefit will be conferred on the employees. But where the Bill will confer a benefit, then I am sure it is deserving of our support. It contains nothing which I can class as unreasonable, except, perhaps, the provision at the end dealing with the week's notice.

While the member for West Perth was speaking, the member for Geraldton referred to the wool stores as presenting some difficulty in this respect. I would say that he was right. About a year ago I was a member of a Select Committee, appointed by this House, which made some investigations into the handling of wool at Fremantle. There we found that wool comes down from the country, sometimes in small and sometimes in large quantities, so that there might be 155 trucks that require to be unloaded in one day into one warehouse or wool store, and, the next day only 45. In consequence it is necessary at 7.30 a.m., when the management is advised of a large number of trucks having come down, to pick up people to handle the material, not only in the interests of the wool stores themselves but in the interests of the Railway Department, which complained sufficiently, as it was, that it could not have the wool taken out of the sidings fast enough to enable the trucks to be turned round to its satisfaction. The next day there may be only one-fourth of that number of trucks and obviously there

would then be no need for such a substantial number of men to be picked up.

The Bill provides that, if a man is picked up on the Tuesday morning for such a purpose, before his employment can be terminated he must be given a week's notice, unless there is a written agreement. Obviously firms such as I have referred to are likely to make arrangements for such written agreements. They will probably make the men sign printed forms, under which the provisions of this Act will be disclaimed, and if there is not sufficient work they will be put off without a week's notice. That seems to be a cumbersome way of arriving at a solution of the difficulty. I would suggest to the Minister that he give consideration to some amendment to provide that where the employment is bona fide of a casual nature the need for an agreement or for a week's notice can be obviated. I think that would simplify transactions, particularly in an industry such as I have mentioned, where the quantity of goods to be handled is quite outside the control of the management and, indeed, is not known to it until an hour or so before the work is to commence.

We do not want such employers to have to get men to sign agreements, as I am certain they will, rather than be bound to give a week's notice, in cases where the men concerned are well aware of the casual nature of the employment and seek it, I understand, because it happens to suit them, being the type of employment they desire during that season of the year. I hope the Minister will make provision for an amendment to overcome that difficulty. I notice that he has by a simple amendment solved the problem in the Factories and Shops Act where, under the existing law, a man can be employed for 48 hours, while a female may not. He has inserted the words "a man" after the word "Act" which I thought was extremely neat, as the Act previously referred there to male workers. This is a short cut to the objective but, like the member for West Perth, I do not think any objection can be raised to that proposition.

Whatever may be our views—and they are probably varied—on the question of any further reduction in the normal working hours per week, we have long since come to the conclusion that a 44-hour week is acceptable to all sections of the community, and I do not think there is today any con-

flict along these lines. There will certainly not be any conflict between the Minister and me as to the proposal in this Bill to make the male workers subject to that provision which provides for 44 hours in the week and 8½ hours per day to be the limits of employment within the law. Referring to the annual holiday, I am surprised that we have not had a common rule in the matter long ago.

The Minister for Labour: Hear, hear!

Mr. WATTS: It is four or five years since I contemplated introducing legislation to provide that in all classes of employment there should be two weeks' paid holiday per annum.

The Minister for Labour: Your name would have gone down in history, had you done so.

Mr. WATTS: I do not know why I did not go on with it at the time, but it was in my mind and that is why I rose this evening to say that I have not the slightest objection to this proposal, and I do not believe any reasonable employer will object to it. I do not think that in these days we can legislate for the unreasonable, at least in matters of this kind, and I imagine there will be almost complete unanimity on this subject. In the case of others with whom I have come into contact, and with such people as I have had occasion to employ, it seems to have created no difficulty, and I cannot believe there will be any opposition to it. There might be some objection to that clause which provides that an employee does not have to produce a medical certificate for absence owing to ill-health, unless it extends over three days. I do not know that that is a reasonable proposition, but perhaps the Minister believes that there are now no people who "swing the lead." If he is able to prove that to me I am prepared to withdraw my objection to the provision.

The Minister for Labour: As the employee only gets six days' sick leave per year he will not want to get too many doctors' certificates.

Mr. WATTS: I admit the possibility of expense being incurred, but I do not see how to get over it at the moment. I think there are many instances where advantage would be taken of such a provision. However, my feelings in the matter do not go to the extent of opposing it. I would like the Minister to satisfy himself that it is the only way to

overcome the difficulty he has in mind, and the expense of medical certificates.

The Minister for Labour: There may not be a doctor in the town.

Mr. WATTS: That may be so, but it will not overcome the difficulty, because if there is no doctor available the employee cannot get a certificate, whether he is away for three days or more. That is a problem which the Minister has introduced of his own volition. I propose to support the second reading of the Bill and I hope the bulk of it will be passed, and will operate to produce a greater amount of the very good co-operation that in most instances exists between the employers and employees in this State at the present time.

Question put and passed.

Bill read a second time.

ANNUAL ESTIMATES, 1946-47.

In Committee of Supply.

Resumed from the 2nd October; Mr. Rodoreda in the Chair.

Vote—Lands and Surveys, £120,000:

THE MINISTER FOR LANDS (Hon. A. H. Panton—Leederville) [8.18]: The Lands and Surveys Department and the Rural and Industries Bank or, as it was known for many years, the Agricultural Bank, are closely interwoven, the association between them having commenced in 1894 and continued to the present day. On consulting the records I find that on the 17th November, 1892, the then Premier, the Hon. Sir John Forrest, moved the second reading of the measure known as the "Homesteads Bill" which introduced into the land legislation of Western Australia a principle different from any which existed before in the Colony. The Government of that day introduced into the State Legislature the principle of free grants of land as then existed in Canada and the United States of America. When introducing the Bill, Sir John Forrest indicated that it was the Government's intention later to provide financial assistance to persons who took up homestead blocks. The Agricultural Bank Bill was introduced by Sir John Forrest on the 28th August, 1894. In presenting the measure, he described it as one "to establish a bank for the purpose of assisting the

occupation, cultivation, and improvement of agricultural lands." The Bill was assented to on the 23rd November, 1894. In speaking to the second reading Sir John Forrest said—

The Bill I have the pleasure of introducing tonight is a fitting sequel to the Homesteads Act of 1893.

It can therefore be said that the progress of land settlement in Western Australia commenced on the passing of the two Acts I have mentioned and, since that date, the Department of Lands and Surveys and the Agricultural Bank have worked in close association. It is interesting to note that the administration over the 50 odd years that have elapsed since the passing of those Acts has been entrusted by successive Governments to a Minister having control of both the Department of Lands and Surveys and the Agricultural Bank.

I think it will be interesting at this stage to give a brief review of land settlement in this State. Land settlement generally and the affairs of the bank over the 50 years from 1894 to 1944, when the Rural and Industries Bank Act became law, passed through two definite phases. The first phase was from 1894 to 1930, and included the occupation, cultivation and improvement of agricultural lands, as indicated by Sir John Forrest. The second phase from 1930 to 1944 witnessed the consolidation of land settlement by both the Department of Lands and Surveys and the Agricultural Bank.

The passing of the Homesteads Bill, under which free grants of land were made for settlement purposes, created something of an inducement for residents of the State to select Crown land. The provision of finance through the Agricultural Bank permitted of the development of such lands and created a set of conditions in respect of land settlement unique at that time in Australia. It enabled farm lands to be occupied and developed to an extent that would not have been possible had such conditions of land settlement and financial facilities not been provided. A trend developed amongst the people of the State in the early part of the present century to settle on the land. This trend increased in intensity until the peak was reached in 1919-20. The demand, however, continued until 1928-29, when a slump in farm commodity prices brought about a cessation of further extension of settlement

for the time being. Most of the suitable lands available in the State had by that time been largely occupied and developed by loan money made available through the bank.

Steady progress was made in the extension of land settlement between 1894 and 1910. The liberalising of conditions relating to advances by the bank caused large numbers of men, particularly from the declining goldfields, to go on the land. The goldmining industry had slumped somewhat and miners took the opportunity of obtaining financial assistance and entering a much healthier occupation. After the 1914-18 war, under the soldier land settlement schemes, there was a continued demand for farm lands. By 1925-26, however, the urge to occupy farm lands began to wane. This was mainly brought about by high farm production costs and falling market prices. The period therefore, in which land settlement took place under the conditions outlined was between the dates of the passing of the homesteads Act and the Agricultural Bank Acts of 1894 and 1930.

Dealing now with the consolidation of land settlement, both financial and agriculture, upon the fall in commodity prices in 1930, a majority of the farmers throughout Australia, irrespective of whether their lands were under security to State or private financial institutions, found their holdings to be seriously over-capitalised. At about that time, the Government appointed the Farmers' Disabilities Royal Commission to inquire into the financial position of the farming community generally. The Commission ascertained that the 19,000 farmers in Western Australia owed to various creditors, other than stock firms, private mortgagees etc., both secured and unsecured, the sum of 31¼ million pounds and, as a result of the inquiry, the Farmers' Debts Adjustment Act was passed, which materially assisted in providing the farmers with relief from excess indebtedness.

The Government in 1934 brought down an amendment to the Agricultural Bank Act, which some members will recall, and it was assented to in that year. This legislation was of considerable importance in that for the first time the Commissioners of the institution were empowered to write-down clients' indebtedness. The Government was faced with the necessity of consolidating the position respecting agriculture and agricul-

tural finance, and so commenced what might be termed the consolidation period of agriculture in Western Australia. This was the second phase in the progress of land settlement and the provision of finance to assist land settlement. In 1934 the indebtedness of Agricultural Bank clients—Agricultural Bank, soldier settlement and I.A.B. accounts—totalled £16,000,000. The principal involved was £13,750,000, and overdue interest £2,250,000, and from that date to the 30th June, 1946, an amount of £7,700,000 has been written off borrowers' accounts by the Bank Commissioners under the writing-down powers given under the Act of 1934 and similar provisions under the Rural and Industries Bank Act of 1944.

The progress of land settlement can best be shown by the increase in the bank's capital. Under the Agricultural Bank Act, 1894, the Colonial Treasurer was empowered to issue mortgage bonds not exceeding in the aggregate a sum of £100,000. The capital of the bank was thus fixed under that legislation at £100,000.

In 1899, by legislation the borrowing limit of the bank was increased to £200,000; in 1902 to £300,000 and in 1904 to £400,000. Later in the year 1904, it was further increased to £500,000; and in 1905 to £600,000. By an Act of 1906, the laws relating to the Agricultural Bank were consolidated and amended. The Act was to be administered by three trustees, and the amount and conditions of advances were liberalised, while the capital of the bank was raised to £1,000,000. In 1907 it was further increased to £1,500,000. An Act of 1909 further raised the capital to £2,000,000; in 1910 it was raised to £2,500,000, while in 1912 it reached £3,000,000.

Members will realise how quickly the bank moved with the settlement of the land and how necessary it was to increase its capital. That capital was further increased during the same year to £3,500,000. In 1913 it was increased to £4,000,000 and in 1914 to £4,500,000. By an Act of 1928, the capital was increased to £5,500,000. In addition to these limits, advances were made under the Discharged Soldier Settlement Act of 1919 and these, to the 30th June, 1933, totalled £4,374,063. It can therefore be said that during those periods the Agricultural Bank played a most important part in the financ-

ing of the land settlement of Western Australia.

During the period 1915 to 1933 considerable advances were made on Industries Assistance Board account to clients, mainly to provide seasonal requirements, enabling them to continue their farming operations; and at the date mentioned an amount of £1,582,160 was outstanding on principal account. With the increase of that capital there was obviously quick settlement of the land. The figures are particularly interesting. They are as follows:—

	acres.
1891—Alienated lands ..	5,179,000
1891—Lands in course of alienation (C.P. conditions)	241,700
Total	5,420,700
1930—Alienated lands ..	14,671,000
1930—Lands in course of alienation (under C.P. and other conditions)	21,533,000
Total	36,204,000

Improvements effected and stock and machinery supplied with moneys provided by the bank on all accounts, including soldier settlement:—

	£
Improvements to holdings, including clearing, fencing, water supply, etc.	9,750,000
Stock	1,250,000
Machinery	415,000

The increase in primary production during that period, 1891 to 1930, was as follows:—

	acres
1891—Area sown to wheat	265,832
1930—Area sown to wheat	3,955,763
1891—Sheep	1,962,212
1930—Sheep	9,882,761
	lbs.
1891—Wool exports ..	8,783,073
1930—Wool exports ..	62,802,493

Wheat production increased from 170,000 bushels in 1891 to 53,000,000 bushels in 1930, and butterfat increased from 250,000 lbs. to 8,700,000 lbs.

Western Australia should congratulate itself on the strides it has made in land settlement during those years.

After a period of some ten years, from 1933 to 1944, during which an endeavour was made by the Government, through the Lands and Surveys Department, the Farmers' Debts Adjustment Board and the Agricultural Bank, to consolidate the farmers' position generally through Western Australia, it was realised that the time had arrived in the affairs of the State for the establishment of a State Government trading bank, which would provide a banking service to the community generally and at the same time afford finance for the development of rural industries, that being a special feature of the old Agricultural Bank Act. The Premier, then Minister for Lands, brought down the Rural and Industries Bank Act, which was passed by the State Parliament in 1944. The Act has been framed in two parts, namely, (a) Rural banking department; (b) Government agency department. The rural banking department provides the management with a charter sufficiently comprehensive to embrace all forms of banking, and this part of the bank's business is entirely under the control of the Commissioners appointed to the management.

The Act in general respects is designed somewhat along the lines of the Rural Bank Act of New South Wales, with the exception that the bank's charter is wider and more comprehensive and that certain desirable features of the Agricultural Bank Act have been incorporated in the new legislation. The establishment of the bank's affairs on a trading basis has proved to be a progressive move for the State. It must be of benefit both to the State and to the bank's clients in rural and other industries. On the one hand, the profits from the undertaking benefit the institution and, indirectly, the State; and, on the other hand, facilities are extended to clients in rural and other industries. The bank is now represented in 18 towns by full-time branches and at ten centres it has weekly or twice-weekly receiving offices.

Plans are in hand for further extension of its activities. The Government agency part is in a different position. The bank, under its charter, is able to lend up to 70 per cent. of the value of a security. After that, it acts as agent for the Treasurer should he desire to assist rural industries

or industries associated therewith. The Government and the Commissioners have been mainly concerned, since the passing of the Rural and Industries Bank Act, with comprehensive plans for reconstruction of settlement throughout Western Australia. The reconstruction in the stock districts, previously known as the "marginal areas" is well known to members, particularly to those on the opposite side of the Chamber. The Government, in association with the Commissioners, during the past 12 months has reorganised the basis of reconstruction in those areas.

As a result of experience, it was found that in the stock districts the size of the farm was insufficient to ensure a return, on the basis of long-range farm commodity prices, to provide a reasonable living and ability to meet annual commitments. Upon investigation it was agreed that the area of cleared land should be increased. The altered policy has caused considerable readjustment in the allotment of farms, and in this respect the farmers concerned have been very helpful in enabling the altered plans to be put into effect. They agreed to go elsewhere or to remain where they were with a further enlargement of their areas. Instead of having only 1,000 acres, they now have 6,000 to 7,000 acres. They are running sheep and are doing fairly well. We also decided that a more satisfactory agricultural practice would be to cultivate a greater amount of land. So it was determined that once every five years a certain amount of land should be turned over, and to assist the farmers in this regard wheat licenses have been increased from 150 to 200 acres per farm for 1947-48; and it is hoped that by the end of the year, with relaxation of a lot of the National Security Regulations, the quantity will be still further increased. With the proposition we have of cultivating from 250 to 300 acres per year for a five-year period, it is believed that with an increase of super. and other commodities it will be possible to provide much better feed. Up to date it has been shown that the sheep are already doing a lot better there.

At the moment a final survey is being undertaken with a view to finalising the developmental work necessary for the completion of the plan of reconstruction in those areas. We are now considering the Salmon Gums country which is represented by my

colleague, the Minister for Justice. In that district only a few farmers are left, but it is believed that with assistance from the agricultural people and from land experts and surveyors we will be able to consolidate that area as well. Over the week-end the member for Pingelly proposes to take me to look through the Lake Grace and King country. Before anything is done there, an intensive inspection will be made of that salt-affected country; but plans are in hand with respect to a greater allotment in that area, which has been delayed all too long, according to the expert information I have received, owing to the lack of technical advice. Plans approved in these cases provide for the writing-down of indebtedness where necessary and the reconstruction of the farm in such a manner as to provide the occupant with a reasonable prospect of carrying on his farming operations successfully, both agriculturally and financially.

Mr. Doney: There is a great deal of land of that type in Bencubbin and thereabouts.

The MINISTER FOR LANDS: Yes, that is the area which is being looked into.

Mr. Doney: Are soldiers showing any interest in that type of land?

Mr. Leslie: My word, they are!

The MINISTER FOR LANDS: I cannot answer the question off-hand. They are showing a lot of interest in some land that we would prefer them not to show until we are certain it is suitable for them. In this re-organisation of which I have spoken, we are departing from the old method of providing assistance for the farmer. Preliminary action will be taken in ascertaining the personal equation and, when that is at least average, a close examination will be made of farming activities—as to whether they are satisfactory or otherwise—farm size, suitability of soils, state or condition of farm machinery, and number of stock carried. When the cause or causes of failure have been ascertained and a programme has been adopted for their correction, the debt will be adjusted at a figure comparable with the estimated productive capacity of the property and the excess indebtedness will be written off at the end of the five-year period, provided the programme as laid down and the agricultural practices to be adopted are carried out to the satisfaction of the management. In the past the

writing-down has been irrespective of whether the farmer was a good or bad farmer, and whether he was to blame for the failure or not. From now on an endeavour will be made to get to the root of the difficulty and to put things on a proper basis. If the farmer carries out his obligations as proposed by the man advising him and at the end of five years has done what is expected of him, the debt will be written down—and not five years before, as originally, so that at the end of another five years there has to be another writing-down. In certain salt-affected areas that question is being gone into now, and we hope in a short period to have a reclassification of a great deal of that land with a view to seeing what can be done with it.

In 1944 an agreement was reached between the Commonwealth and the State Governments of Australia under which a plan of land settlement was to be provided for ex-Servicemen. I propose to deal with the progress of that plan later on. The Commissioners of the Rural and Industries Bank have been appointed by the Commonwealth Government the prescribed authority under the Commonwealth Re-establishment and Employment Act for the making of loans up to a maximum of £1,000 to ex-Servicemen for the rehabilitation of farms in Western Australia. I do not want members to say it should be £2,500. It is not a question of what the amount should be. That is the Act at the moment, and the Rural Bank is merely acting as agent for the Commonwealth. This money is to be loaned to ex-Servicemen for the rehabilitation of farms, and is to be used for the making of loans to lessees, share farmers or contractors in rural activities. Although this scheme has been in operation for only a few months, it has increased the work of the bank. To the present 723 applications have been approved for loans, the aggregate amount being £594,000. So the soldiers are obviously taking advantage of the scheme.

Approval has also been given for the payment of allowances—some people call it sustenance—in 672 cases. We think that the prospects of land settlement and our financial activities are fairly sound today. At the same time they are closely bound up with market trends. Farm commodity prices are high at the moment and are

satisfactory from the farmer's point of view; or I believe they are. I heard the Minister for Agriculture say they were when he was dealing with the Wheat Industry Stabilisation Bill. Endeavours have been made from time to time to ascertain from high authorities something of the possibilities of farm commodity prices during the next six to ten years, but reliable information is not available. We have received varying opinions from different people, so we have not been very much enlightened as to what is likely to happen. However, we have been closely associated with endeavours being made throughout Australia towards stabilising farm commodity prices in the hope of providing the farmer with something like a stable income upon which he can plan his farming activities over a period of years along sound lines, the placing of the farmer in this position being of vital importance to him and to those industries either directly or indirectly dependent upon farming activities.

The extent of settlement to the 30th June, 1946, is interesting to note. I explained when it started; that the first Bill was introduced by the late Lord Forrest. The land alienated and in course of alienation to the 30th June, 1946, was 49,660 square miles. The area held under pastoral leases was 322,982 square miles, and that held for farming and grazing purposes under other leases, licenses, permits, etc. was 3,738 square miles. The total area of the State is 975,920 square miles of which 517,000 square miles, or 53 per cent., is in the pastoral districts. An area of 108 square miles, or 11 per cent., is in the agricultural sections of the State and the balance of 36 per cent. comprises the vast low rainfall regions of the interior that are practically unoccupied today.

In dealing with soldier land settlement, I want to state that we have had to overcome many difficulties in order to implement the War Service Settlement Scheme. During the war technical staff could not be obtained except to a limited extent. Surveyors were either in the Army, or in the other Services, or were working for private people on defence surveys. Valuers were almost non-existent for our purposes because they were kept pretty busy endeavouring to control land prices, in addition to their ordinary work. Labour, material and plant could

not be spared for post-war purposes. Notwithstanding all this a considerable amount of preliminary work was done immediately we knew that there were possibilities of a soldier land settlement scheme being put into operation. Even after the cessation of hostilities men and materials were difficult to obtain for some considerable period, and this naturally retarded progress.

Having found that it was the decision of the Commonwealth Government, in co-operation with the State, to support a soldier land settlement scheme, we immediately appointed a classification committee upon which the R.S.L. and the Rural Bank and the Departments of Agriculture, and Lands and Surveys were represented. That committee was appointed on the 30th September, 1945, and it has since interviewed and classified 1,631 ex-Servicemen who have applied for assistance under the War Service Land Settlement Agreement Act. Meetings have been held in Perth and in the country towns. The types of farming applied for were divided into pastoral, grazing, fat lambs, wheat and sheep, dairying and others. The last mentioned was a sort of miscellaneous group. The men were submitted to the committee to be classified as suitable and sufficiently experienced, suitable after intensive training—that meant eight weeks—suitable after practical training, or not suitable to farm on their own account. Up to date the committee has found that there are 179 suitable and sufficiently experienced—that is they require no more farming training—998 suitable after intensive training—a sort of refresher course of eight weeks I presume—383 suitable after practical training—that is a considerable amount of training; perhaps 12 or 18 months—and 71 unsuitable to farm on their own account. There are still 267 to be classified.

Mr. Doney: What about the balance?

The MINISTER FOR LANDS: It will be seen from the figures that 1,177 men have been classified as suitable and sufficiently experienced, or as only requiring intensive training and that 383 require practical training on approved farms. That cuts the figures out, with the exception of 267, and the classification committee is leaving again next Sunday or Monday morning for a further tour of the country to deal with the remainder. Considerable discussion

arises at times in regard to the repurchasing of estates. In my time I have been confronted with many difficulties other than those of land settlement, but these are the worst I have had to contend with. Our Act does not give us the right to walk on to a property and say that we will take it. We can only do so under certain conditions. The property must not have been utilised to something like its reasonable capacity before we can resume it under the Act. So we have used every effort, by advertisements, broadcasts and correspondence, since early in 1945, to obtain offers of suitable country holdings.

To date, 1,008 offers have been received and, no doubt, because of keen pressure from other buyers, including men who got the rural loan assistance of £1,000 in addition to the money they already had, 198 of these offers were withdrawn. When we traced them we found that that was what was happening. Some of the lads—and rightly so—saw a place and it was subsequently withdrawn from us. Up till the 31st August of this year 691 offers were considered and dealt with by the Land Purchase Board, which was also appointed under this Act. Of the 691 offers, 214 were rejected as unsuitable, 106 were deferred, 92 were withdrawn and 279 have been passed for valuation by Commonwealth Taxation Department valuers. I want the Committee to realise that it is not only a question of the State sending out valuers. A valuation has to be made by the Taxation valuers under the control of Mr. Steffanoni. They have to satisfy not only us but the Commonwealth authorities as to the valuation of those places. The Land Purchase Board has recommended the purchase of 63 holdings comprising 219,299 acres at a total price of £450,353. Those recommendations have to go to the Commonwealth authorities who satisfy themselves that they are getting value for their money.

The Commonwealth has approved of the purchase of 33 holdings comprising 144,586 acres at a total price of £302,293. Of these, the purchase has been completed of 22 holdings comprising 91,690 acres for £177,015. The remaining approved transactions should be completed at an early date. When they are dealt with here they are sent to the Commonwealth to be approved and then returned to us. In addition, I want to pay a tribute to Mr. Ernest Lee

Steere who gave a property of 4,887 acres to the Government for the settlement of ex-Service men. This property has been valued at £7,900.

Mr. Thorn: What is the maximum price per acre that the Commonwealth Government is prepared to pay?

The MINISTER FOR LANDS: The Commonwealth authorities do not deal with these propositions at so much per acre, but on the cost of the block. If it is a block comprising 30,000 acres the valuers put a price on it. They do not value it per acre but say that it is worth £25,000 or £50,000, or whatever it might be. These farms are all going concerns of course. The Commonwealth wants to know how many soldiers can be put on to the properties that are being purchased. We do not rush around buying one-man properties any more than we can help. We try to get properties sufficiently large to settle five or six soldiers at a time. In 1945 the State Government made available an amount of £120,000 for the preparation of farms and the purchase of properties. This was before we introduced any legislation. We took a sporting chance and the Treasurer advanced this sum for us to commence this work, particularly in the South-West.

All available men and plant have been employed under the direction of the Field Superintendent, Mr. Casselton, and he is doing a wonderful job in getting these farms prepared. They are mainly dairy farms and since the work commenced in 1945 we have spent £81,140 on that work. At present there are 367 men employed on it, but for many months the number averaged about 300, in addition to 200 prisoners of war. The prisoners of war have now been sent back to Italy and we are short of that labour. The number is now 367, not because we could not employ more, but because we have been unable to get sufficient men.

Mr. Doney: Are you satisfied with the work done for the expenditure of that sum?

The MINISTER FOR LANDS: Under the circumstances, yes. Had we been able to get all the bulldozers, tractors and other machinery that we desired, I would say "No." But we were faced with a position where we were unable to get the necessary machines. We had the alternative of doing nothing or getting on with the job with

what machinery we could get, and that is what we did. By using bulldozers we can reduce the price of clearing in the South-West from £15 per acre to £9, so I am not as pleased about the cost as I would have been had the machinery been available.

Mr. Doney: Is the average contract price £9 per acre?

The MINISTER FOR LANDS: It is not a contract price. We have the men employed on day work.

Mr. Doney: You pay your own drivers to drive your own bulldozers?

The MINISTER FOR LANDS: If we hire the bulldozers out that is done by contract, but there are not many of them. We have had five tractors on the Sydney wharves for about four months and have not yet been able to get them lifted.

Mr. Leslie: See Mr. Hamilton. He will get them over.

The MINISTER FOR LANDS: The dairy farming project, which includes 225 farms, has been approved by the Commonwealth as to suitability and £100,000 has been made available for developmental work, but the blocks cannot be purchased from the bank until the fully detailed plans of development, future cost and profit estimates and valuations have been completed for each farm. Farm planners and valuers are employed on this work. There again we are unable to get the number of men required. We have seven farm planners, but more are required and will be appointed. Their duties are to inspect and report on the suitability of private and rural bank holdings and to calculate for each farm the prospective net earning capacity in the various stages towards full development. There is naturally a considerable difference of opinion between some highly placed officers. In the State we have Mr. Fyfe, Director of Land Settlement, concentrating on soldier land settlement, and in the Commonwealth sphere Mr. McLaren, and up to date there has unfortunately been a considerable amount of disagreement, not so much on principle, as on the interpretation of sections in our Acts. This has not caused any delay, because we decided we would have to get on with the work and that if eventually it was not approved we would have to formulate some other scheme to cover it.

I hope shortly to bring down a separate Bill for soldier land settlement by the State, and that some of the plans on which Mr. McLaren has not been able to agree will be dealt with in that way. Mr. Fyfe is leaving tomorrow to consult Mr. McLaren and, if they are not able to reconcile their differences, I have suggested to Mr. Fyfe that they should report to their respective Ministers, Mr. Dedman and myself, and we will then have to get together and see if we can arrive at a solution. Members will recall that the Act which we passed provided that before a returned soldier was put on the land there should be a suitable house and sheds provided, in addition to many other things. We have arrived at the conclusion that, in view of the housing shortage, it is absurd, with less than 2,000 soldier settlers, to think that they are to receive high priority over the 10,000 or 12,000 other returned soldiers who are not going on the land. I pointed that out at a soldier settlers' conference, with reference to an item raised by the Harvey sub-branch.

In our opinion the only way out is to renovate existing houses for the time being, with an absolute guarantee that as labour and materials become available better houses and proper sheds will be erected. We would have been able to put 40 men on dairy farms and 20 on sheep or wheat farms by now had that scheme been adopted. The idea is not necessarily to have the men sign leases but to put them on the dairy farms on a 25-cow basis, gradually working up to 35 or 40 cows. When they reached that point they could sign the agreement. In the meantime they could work on contract, on sustenance or under whatever arrangement could be made. We call that the occupational stage, but up to date Mr. McLaren has not been able to agree to it.

When Mr. Dedman was here recently Mr. Fyfe and I met him and he undertook that as soon as the election was over he would go into the question. Mr. Fyfe is leaving for the Eastern States tomorrow to discuss the matter. If we can reach agreement on it, within the next six months we will be able to put men on many dairy farms that are practically ready, except for the houses, which remain to be built. I hope the difficulty will be overcome, because it is the only chance of our getting those men on the land before the end of next year.

Mr. Leslie: Mr. McLaren said there was merit in the suggestion.

The MINISTER FOR LANDS: I talked it over with him and he said he was waiting for Mr. Fyfe to adopt it, and that he would recommend it, but I find that Mr. Fyfe had sent it all over months before that and nothing had been done about it. There is a lot of merit in it and I think it is the only chance of getting the men on the land within reasonable time.

Mr. Leslie: We agree with that.

Mr. Willmott: What is the number of cows that the Commonwealth Government has decided on?

The MINISTER FOR LANDS: We thought a 35-cow basis was a fair average, and the dairy farmers that I talked with in the South-West thought that was sufficient. We had 300 farms planned in the South-West on that basis but the Commonwealth said we must have at least sufficient land for a 50-cow basis.

Mr. Willmott: That was definitely wrong.

The MINISTER FOR LANDS: We had to re-align our policy and instead of 300 farms we had to reduce the number on the new basis. After talking to both experts and farmers, I do not think the 50-cow basis will ever be reached. The income is based on butter and pigs. The general opinion is that the settlers in the good country of the South-West will be growing hops, tobacco and other things instead of accepting the 50-cow basis. Most of the farmers hold that when a man is on the 35-cow basis, he has to employ labour, and that is where the trouble begins. Before the soldier settler can strike a profit and loss account and pay his annual rental, he has to be allowed £5 a week for himself and £5 a week for assistance. So, after deducting £10 a week, there would not be much left for other requirements.

Mr. Leslie: The assistant he employed would have to receive the fortnight's holiday you have provided for, and the settler himself would not get it.

The MINISTER FOR LANDS: The settler would not come under the legislation provided for shop assistants.

Mr. Doney: This man McLaren must be causing the loss of a lot of time.

The MINISTER FOR LANDS: We are not being delayed at all because we are proceeding with the scheme in the hope of being able to win through. If we cannot win through, we shall have to tackle it in some other way.

Mr. Doney: Pay for it yourself.

The MINISTER FOR LANDS: If we did so, we would own the land. I am trying to convey to members some idea of the difficulties and disabilities that confront us. The difficulties we have had to overcome have been tremendous. Having secured the approval of the Commonwealth for the purchase of an estate for £30,000 or £40,000, we got everything ready, and then the matter had to be sent to the Crown Law Department. This is what the Crown Law Department has to do, which explains how many of the delays occur. There are 11 items in the list, as follows:—

1. Search at Titles Office (land).
2. Search Bills of Sale Office (stock and plant).
3. Draft transfer of land.
4. Draft assignment of stock and plant.
5. Write vendor enclosing transfer and assignment for execution and return for registration and request him to contact mortgagees, instruct them to discharge mortgages, withdraw caveats, etc., and forward securities to their Perth office with statement of account. Also to produce receipts for rates and taxes and to sign an authority addressed to the Crown Solicitor to pay mortgagees, trustees of the Rural Relief Fund, Lands Department (rents) and local authority rates, land tax in arrears as the case may be; also authority to pay net proceeds of sale to vendor's agent (if any).
6. Write head office of mortgagee and advise re sale and request statement of account to be made available urgently.
7. At this stage delay is often experienced awaiting return of documents, preparation of statements, etc., it being remembered that vendors are farmers who may not collect their mail other than weekly.
8. Documents are returned signed. Consent (by endorsement on document) obtained from trustees Rural Relief and Minister for Lands.
9. When mortgagees (in most cases banks) are ready, cheques are drawn as required in favour of Rural Relief Trustees, mortgagee, Minister for Lands (rent) and Commissioner of Taxation and vendor.
10. Settlement is effected at the Titles Office on registration of the transfer and registration of assignment at Bills of Sale Office.

11. Matter then completed and file returned to Director of Land Settlement.

In a number of cases, delay is caused by reason of the vendor's title to land not being in order. Registered proprietor dead and administration of estate required. Name of registered proprietor incorrect on title and requiring amendment. Incorrect statements of account from bank branch office to head office. Satisfaction of existing bills of sale over stock. Preparation of conveyances under general law and searching general law titles.

All these things cannot be done in a day, even by the Crown Law Department. What I have said will convey some idea of the difficulties with which we are confronted. I had a very interesting statement put up to me a fortnight ago, for one of the largest estates we have purchased. It took three weeks to complete the whole of the transactions, look, stock and barrel, whereas another estate of half the size and half the value took three months because, while negotiations were in progress, the vendor died and all sorts of complications arose. Delays of this sort are continually holding us up. We expect to go straight ahead with negotiations and we find ourselves up against troubles of this sort.

I heard a statement by one gentleman that the scheme was too academic, and that the only way to settle people on the land was the hard way. I entirely disagree with that idea. If we have made any progress at all, our aim should be to get rid of the hard way and try to provide something easier. When I hear people talking about adopting the hard way, I am reminded of a father who was telling his two boys what he used to do at their age. Evidently he was like a lot of us older men—a wonderful chap.

Mr. Watts: I would bet that you have done that.

The MINISTER FOR LANDS: I am afraid I am getting to that stage. This father was laying down to his two boys, aged 15 and 12, what he had had to do, and the younger piped up, "Are not you glad, Dad, that we have not got to do it?" Of course he was glad, as we all ought to be. To say that the only way to settle people on the land in the hard way is ridiculous. We have mechanism to assist in bringing the land under development, and that ought to permit of an easier way being adopted. The hard way has cost us many millions of money and more broken hearts than enough. The proper way, in my opinion, is not neces-

sarily to make things very easy, but to provide the settlers with a reasonable opportunity. In conclusion, I desire to pay a tribute to the officers of the department, who are doing a wonderful job, in many instances, under great disabilities. New schemes are being introduced bristling with all sorts of difficulties, but the officials are doing a fine job under the able leadership of the Director of Land Settlement, Mr. Fyfe. I am more than satisfied with their work and we welcome constructive criticism. If it is possible to make a success of the scheme, the officers of the department are certainly going the right way about it.

MR. HOAR (Nelson) [9.18]: I have been more than a little interested in the Minister's address on the activities of his department. We as a State seem to have made progress over the years, although I am afraid we have learnt in the hard way by trial and error. Nevertheless, with our land settlement, we have at last apparently arrived at the stage where a man, if willing to work, has an opportunity to accomplish something substantial for himself and his family. There has been some criticism of the 40-50-cow basis that has been suggested for dairy farmers in the South-West. In his speech the Minister indicated some of the differences that exist between this State and the Commonwealth in the way of arranging the requisite legislation to deal with the matter. I imagine that the average farmer would experience a good deal of difficulty if he were compelled to enter into a project that necessitated his running 40 to 50 cows. I agree with the principle of the 300-acre area provision under the scheme for in the course of time it would enable a farmer to reach the 40 or 50 cow standard, and also provide living space for his family. In the Pemberton and Northcliffe districts, where much of this preparatory work is being done, I find that a complete blanket has been put over that area for the purpose of soldier settlement. In the Northcliffe district, there is no room at all for civilian expansion. The farmers who have been existing there and developing their lands over the last 20 odd years now find themselves, because of the present Act, unable to extend their holdings in any way at all.

Mr. Thorn: They have had plenty of time to make up their minds.

Mr. HOAR: I would not say that.

Mr. Thorn: Not in the last 20 years?

Mr. HOAR: During that period nearly all of the land was occupied by group settlers.

Mr. Thorn: It has been vacant for a good many years, too.

Mr. HOAR: When some of the settlers left those lands owing to circumstances over which they had no control, most of the remaining farmers took over the vacant holdings on leasehold; but the moment we started to talk about soldier settlement after the war, the whole of that area was clamped down. I say that is a definite mistake. The Director of Land Settlement was not appointed solely to provide land for soldier settlement; he is Director of Land Settlement generally and must take into consideration the civilian population as well as returned ex-Servicemen. At Northcliffe, where some of the settlers have been working for years, their sons have now grown up and want to enter into the life of the land themselves. Their desire is to secure a few acres and start farming. Some of them have married and now find themselves compelled to leave the district where they were trained as farmers, because there is no land available for them owing to the blanketing of this area. That, as I said, is definitely a mistake.

There is another weakness in the scheme as I see it. I am still speaking of the dairying industry, which is the only industry I shall refer to on this Vote. There is the small dairy-farmer, who had a small holding before he joined the Army. He had a wife and perhaps two or three children. He joined up in the early part of the war and after an absence of four or five years on service he found, on his return, that his farm had drifted into such a state as to be no longer workable as a farm. That applies to a number of men in the Manjimup and Pemberton areas. I know one returned man who at present is working on a timber mill in order to earn some money to put his farm into production again. The reason is that that part of the State suffers from terrific winds and storms. Trees are blown down, paddocks are cluttered up with debris from the timber, and fences are broken. While the man was away, his wife and children could only do the

ordinary chores of the farm, such as milking a few cows and so on. They could not undertake the clearing away of the debris and the repairing of the fences, especially in that part of the State, which I know full well.

Under the settlement scheme, a man who has never been on a farm before, or a man who has worked on a farm and wants to secure one of his own, can obtain sustenance for the first 12 months, or even longer until such time as the farm gets into a state of productivity. I consider that a man who left his farm and fought for his country and as a result of that action suffered loss or great disability, should also be entitled to sustenance for a similar period so that he can again clear his property and restore it to the condition in which it was before he left it to defend his country. I know of two or three cases in my own district to which this applies seriously.

Mr. Leslie: He can get sustenance if he can show that his farm is not in a productive state.

Mr. HOAR: Not as far as I know. I have very good reason for making that statement. The matter has been put forward, and at the time it was definitely stated by the R.S.L. that no provision was made for such a case. True, a man in those circumstances can obtain a loan of £1,000. In my opinion, however, it is a debt that should be paid by the country in the same way as a man would be paid if a bomb had been dropped on his property. A man who has left his holding and fought for his country and who, by doing so, has suffered great disability, should not be placed at a disadvantage. Certainly, there should be no discrimination against him in the general scheme. That is a weakness in the scheme that ought to be taken up by someone.

Mr. Doney: The Minister could probably give you the information now.

Mr. HOAR: I was hoping that the Minister would mention it, because I feel he ought to know something about it. During his speech, the Minister also referred to the need to provide houses under the scheme in order to settle men in the South-West. I agree with him. I am quite certain that if we wait for homes to be built, we will wait at least two years. In the Northcliffe area, where much re-organisation and preparatory work are being done for soldier settlement, there

are many good houses that only need renovating to make them habitable. I believe that if part of the work of the 373 men the Minister said were now in the district included the renovation of these houses, it would be found that by the time the blocks were ready for occupation there would be suitable homes for the families to move into. We all know that the housing problem is serious, but houses are available on these abandoned dairy farms in the South-West that only need renovating, if somebody could be employed to get on with the job.

Whilst on the subject of men working in the bush, I think more attention should be paid to their camping conditions. Anyone who knows anything at all about the winters in the South-West will realise that these conditions are far from being heavenly. We get 40 to 50 inches of rain. The men are compelled to camp and at the same time batch for themselves. That is a most unenviable existence. Some 20 odd years ago when I worked for the Lands and Surveys Department on classification work in the South-West, we certainly only had the ordinary tent accommodation, but we were in gangs of eight—as I believe these men are—and we had a cook appointed for every eight men. That was, as I say, 20 years ago. If this scheme is to cost many millions of pounds, surely a few more thousands could be spent in giving these men some amenities in order to encourage them to do this work, which is so urgent. At the time I tramped over most of the land being prepared at Pemberton and Northcliffe, I was told by the overseer that the Government at that time could have found employment for 300 men, but had only 73.

I am inclined to think that if the living conditions were made more comfortable for the men in the South-West, we would have a greater number of applicants offering for the work. The matter was brought to my mind at the time I had the opportunity to go through the prisoner-of-war camp at Northcliffe. I saw entirely different conditions there. After making inquiries about the prefabricated huts which were used for hospitals, theatres and so on, for the convenience of the prisoners, I found that one of them, of a size sufficient to accommodate eight men, dormitory fashion, with an annexe attached to it for kitchen and a comfortable sitting room, could be erected in two to three hours. In my opinion, and I

have a great deal of experience in camp life myself, that is not very much longer than it takes a normal man to erect his own camp in order to be comfortable for the night. Even if it takes a little longer, the conditions that can be enjoyed in such a camp are far superior in every way to anything a man can get out of tent life.

Mr. Seward: Was not a committee appointed last year to inquire into these camps?

The Minister for Lands: It was appointed to inquire into housing on the timber mills.

Mr. HOAR: I think the actual scheme is a sound one, and if a man does not do any good under it he will never do any good at all. Although I have mentioned matters in a critical way, I hope what I have said will be regarded as constructive criticism and as having been offered with a sincere desire to help the scheme along and make it more favourable to the men to whom it relates.

MR. THORN (Toodyay) [9.31]: It was very interesting to hear the Minister's speech regarding land settlement in general. He went back quite a long way—back to the days of the late Lord Forrest and the moves made at that time to create an Agricultural Bank and assist land settlement. We know that land settlement is a most important activity in Western Australia. This State was built up on land settlement, and that activity will play a tremendous part in our future development. I always claim that land settlement has provided the wherewithal, to a very large extent, to create credits overseas for Western Australia and the Commonwealth and it plays a very important part in the economy of Australia. Land settlement—particularly soldier settlement—in the past has received its fair share of criticism, but it has to be admitted that during the operation of these schemes large tracts of land were cleared and brought into productivity, and that the production from the settlement schemes has also played quite a big part in creating credit overseas, and in finding employment for people and has generally been wrapped up in the State's activities.

The Minister for Lands: The results have been excellent.

Mr. THORN: Yes. Although for many settlers the results were not so good, and they suffered great hardship, taking the matter on a broad basis these schemes have been of great value to the State. The State Government is confronted with difficulties in connection with the present scheme, but I am glad to know it is going ahead where it can and furthering the project. Here again there are difficulties involved in control from Canberra. I know as a result of different conferences with which I have been concerned as a member of the Land Committee of the Returned Soldiers' League that in Mr. Fyfe and all those associated with him and also in the Minister we have the right men—men with a good and sound knowledge of their own State. I have said this before, but it is worth repeating, that the set-up to force this scheme along is good; and, if these men were given more freedom from Canberra, I feel confident that the scheme would be far ahead of what it is today.

The Minister admits the difficulties with which the Government is confronted. I point out that the patience of the prospective soldier settlers has been tried severely. Soldiers from this war who were anxious to go on the land and obtain a property, have been held up by all the delays that have occurred, and the result is that we have lost a number of eligible settlers. Some have found their way on to the land by other means; others have gone into industry. I feel sure a lot of them are very disappointed. The big majority had substantial sums of money when they left the Army, represented by savings and deferred pay and that money would have enabled them to enter this scheme. It would have been spent in land settlement instead of being absolutely frittered away and wasted in a good many channels. We cannot but feel sympathetic towards those men who have been disappointed over the delays in the operation of the scheme. I thought there was a maximum price that the Commonwealth Government was prepared to pay for land for wheatgrowing and so forth.

The Minister for Lands: It depends on the value.

Mr. THORN: I am glad to know that, because I was of the opinion that several properties had been lost to the scheme as the Commonwealth Government had a maximum price and would not go any higher. I

feel also that many valuable properties changed hands during the war, that never should have been sold in that way. While our own boys were away fighting, valuable properties came into the possession of people who should never have got them. We were not awake to our responsibilities and did not keep in mind the return of our own men who were serving their country and assisting to protect us. I feel that we fell down on our job. Even today, if the position were properly examined, I think it would be found that a good many properties are changing hands and being held for speculative purposes. That should not have been allowed. Such properties should have been protected from the beginning for the land settlement scheme we are at present discussing. There is another bone of contention, and I heard the Minister express himself fairly strongly on it at the soldiers' land settlement conference recently. I refer to the question of whether it should be optional for a man to hold land on a freehold or a leasehold basis. I think that in our Minister for Lands we have one who very strongly favours the leasehold system.

The Minister for Lands: Hear hear!

Mr. THORN: As I know the man on the land, generally speaking he is an individualist.

The Minister for Lands: Until the banks get him!

Mr. THORN: Yes. I am afraid that if he expressed his opinion he would say that he preferred at least the option of entering the scheme on a freehold or a leasehold basis. I still consider he should have that right. Undoubtedly big estates are easiest to settle from the Government point of view, but we should not lose sight of the individual properties that are being offered, because they will play quite a big part in future settlement, particularly with regard to young men who come from districts where their fathers and forefathers have farmed. They have farmed in districts that they know very well and with which they are thoroughly acquainted, and it is their desire to go back to those districts and settle in them. I think that is where the individual farmer will play an important part, presupposing that a number of these farms are purchased in order to allow that type of settler to take up a holding in the district to which he belongs. I do not want to say too much about

the 50-cow basis to which the Minister made reference and will leave that phase to men who have a greater knowledge of dairying than I possess. However, the number of cows mentioned seems pretty high to me for dairying purposes.

Those with a knowledge of the industry will, I think, tell the Minister that from 25 to 30 cows, together with sidelines such as pig-raising and so on, will provide a good living for the settler who can handle the proposition himself. If we provide a margin beyond that number of cows we introduce another factor compelling the farmer to employ men to assist him in his work with the result that much of his earnings have to go out in the form of wages. The member for Nelson mentioned the blanket that had been thrown over the whole area around Northcliffe. He knows the district there better than I do, but if the settlers he had in mind desire to take up any of the abandoned properties, they have had over 20 years to arrive at a decision in that respect. I do not think the Government could have ignored the existing position. The scheme had to be made operative and the Government had to take over the properties and prepare them for soldier settlement. It could not leave the abandoned holdings vacant awaiting the convenience of the older settlers to decide whether or not they wished to take them up.

The Minister for Lands: Thousands of acres of the old established blocks were overgrown, and we had to clear them.

Mr. THORN: Exactly. I have been through the district in question in the best period of the year and went there more or less as a stranger. I was agreeably surprised at the wonderful fertility of the soil and at the feed growing on the unoccupied properties. There is not the slightest doubt that it is good country and, given proper management, settlers who start off on the right foot there cannot but succeed. Of course, we are always faced with the problem of markets but that is a difficulty we have to meet and overcome as it arises. It is no good continuing in a condition of doubt and fear as to the future for our major primary industries. We must attack the problem with a bold policy. All markets fail at different times and we must be prepared to meet emergencies and not condemn any primary industry out of fear of what may hap-

pen at a later date with regard to markets. I agree with the Minister.

Why delay the scheme because of the fact that at present materials are not available, in consequence of which we cannot build the type of house that the Commonwealth Government has stipulated? If we start off with a definite target and with a determination that houses of the required standard will be completed when materials are available, we shall be playing our part. It would be easy to proceed to the extent of half building a house so that it would be habitable and permit the settler to occupy it at that stage, rather than to hold everything up until materials were available to complete the dwelling. Money is being spent daily on the task of bringing properties up to a fit state for occupation; when they reach the stage that makes it possible they should be occupied.

The Minister for Lands: We have the heifers ready to go on the blocks.

Mr. THORN: Yes, and I understand they are doing very well. Most decidedly the properties should be occupied as soon as they are ready to be taken over. Although the forestry authorities do not agree with me, I have always believed that there are many rich gullies throughout the ranges that, if surveyed and thrown open for selection, would be of great value to small settlers. The peculiar part about it is that these rich gullies do not grow good timber, which is found more on the higher land. Those rich gullies should be made use of agriculturally. I understand that one objection to that course is the matter of fire control. That should not stop us. If the gullies are suitable for settlement, they should be surveyed and made available for soldier settlement purposes. The productive quality of the soil is marvellous, and in the gullies eight acres of orchard properly looked after would provide a settler with a good living. I trust the State Government will not allow Canberra to put any more obstacles in the way further to hold up the scheme. I hope that when the Minister and the Director are satisfied the properties are ready for occupation, they will go forward with the scheme, put men on the land and allow them to make a start.

MR. LESLIE (Mt. Marshall) [9.48]: Although I was aware of many of the facts the Minister has submitted to the Committee, I am sure members listened to those facts and the figures mentioned by him with interest, particularly with respect to the difficulties with which his department has been confronted in attempting to secure co-operation between the Commonwealth and State authorities in order to get the land settlement scheme implemented. There is one aspect of which I hope members will take particular notice, for it goes deeper than the superficial difficulties associated with agriculture and land settlement. I believe that today we are facing a spirit of discouragement in connection with land settlement throughout Australia, a policy which I am convinced will be a tragedy to Australia and bring bitter disappointment to ex-Servicemen. To a large extent we have to place the blame for the extension of this policy of despair and defeatism in connection with land settlement upon our economists and others who have taken too literally the rather discouraging reports of the Rural Reconstruction Commission.

There is much in those reports with which I agree, in common with everyone else who has any knowledge of the subject. They were splendid reports but unfortunately they were prepared and presented at a time when land matters and agriculture generally were perhaps not at the lowest depth of depression known in Australia but certainly were not in a happy position. The effect was that the existing circumstances could not but tend to colour the decisions that the Commission had to arrive at. After all, the economists are the people responsible for the formation of the whole of our post-war schemes of reconstruction whether they refer to the land, training, industrial development or to any other activity. Those schemes emanated from the Ministry of Post-War Reconstruction aided by the economists of the Department of Commerce. I believe that, due to their lack of knowledge of agricultural subjects—although they might know quite a lot about industrial matters—they had to accept that report in its entirety, and they did so in the gloomiest possible way. While this State has got away from the dismal outlook that it had on land development, as is evidenced by the State Government's plans for soldier land settlement and other post-war land settlement, nevertheless

the Commonwealth Government still has this scared attitude and it is because of that we are suffering today.

When I was in Canberra in May, it was my privilege to represent Western Australia on the Soldier Land Settlement Conference there and to meet Mr. Dedman, the Minister for Post-war Reconstruction. One of the first propositions I submitted to him, as instructed by the Western Australian R.S.L., was that there should be a more ready acceptance by the Commonwealth of propositions, dealing with land settlement, submitted by the State Government. We believe that should be so because we have appointed officers who know the job and have carried it out in the right way. Mr. Dedman's reply was that the fault was our own. When this scheme was first proposed, this Government, together with the rest of the States, was offered the choice of undertaking a soldier land settlement scheme on its own responsibility and going to the Commonwealth Grants Commission for compensation as a result of any losses incurred, or of participating in a scheme, on the present basis, whereby there would be control under a dual head by the Commonwealth and the State, and the Commonwealth and the State would bear any losses in certain proportions. The State preferred to accept the second alternative under which the Commonwealth is to stand three-fifths and the State two-fifths of the ultimate loss of the scheme. By doing that, I believe the State has sold, literally, its birthright.

If the State were to take over the scheme on its own, even at this late hour, it would get something done. I give as my humble opinion that if we are to make any progress we shall have to do that eventually, because the spirit of discouragement, defeat, regret and lack of faith in our agricultural development is too strongly implanted in the Commonwealth Government. Western Australia has always sustained a dead loss when it has come to the matter of agricultural development, and on this occasion we are again "not in the race." The Minister tonight outlined the difficulties associated with the dual control of land settlement. So long as that exists, just so long are we going to suffer more and more delay. It is extremely disappointing to ex-Servicemen who, like myself, quite apart from the soldier angle, believe that the future of this State lies primarily in our agricultural indus-

tries. If people care to study history and the development of other countries, they will find that the backbone of a nation is the development of its primary industries. It is by the rural areas—from the peasantry and the primary producers—that the secondary industries are sustained. They provide the markets, the essentials of life, and the workers for industry.

If members examine the average birthrate, they will find that it is far greater, per head of population, in the rural industries than in any others, and any nation that allows its agriculture to go back and not occupy a first place in its national economy is one that is crying out to be thrown out of the country it occupies, and is a nation against whom the charge can honestly lie that it has become decadent. I am fearful of the future of Australia if we persist in that policy, and I am afraid we will if we are going to continue to abide by the control of the economists of the other side who have no idea of the difference between a grain of sand on Cottesloe beach and a grain of sand on the Goldfields. The Minister referred tonight to what had been said about taking land settlement the hard way. I am offering no apology for the gentleman who made that statement, but I do not think he intended it the way the Minister took it up. I believe the underlying idea of the man who made that remark—while I agree that everything should be made as pleasant and as convenient as possible for everyone on the land—is that there is no easy way to success.

The Minister for Lands: You have found it.

Mr. LESLIE: I have not found a harder way than the road I am on now. There must be greater encouragement of what we can only call the early pioneering spirit, not that today pioneers are required to go out to face the hardships and other conditions of bygone years, but because we need more of the spirit that actuated those men to go out and build something where nothing existed before, and to develop and establish whatever industries they could. I believe that the 2,000 odd ex-Servicemen who have applied for land under the Soldier Land Settlement Scheme are displaying some of that spirit. They are not asking to be given a gilt-edged proposition wherein every fence-post is tipped with gold and

their house already carpeted, furnished and equipped with a wireless. They are prepared to face the hard way. All they are asking is for a reasonable opportunity.

The essential difference between the present and the last war scheme is that the early pioneers developed the country for the benefit of the State and had to carry the baby; they had to pay the whole bill. To-day it is only reasonable to say to the fellows, "The nation has carried out the early development and yours is the task of carrying it on, but even so it is going to be hard work. You are not going to be sure of earning a living and paying your rent and instalments if you are going to sit on the bones of your backside all day. You have to work, and that means the hard way." That is what is meant by that remark, and I believe it is necessary. There should be a greater degree of encouragement of the pioneering spirit which does not induce young fellows to look upon Governments and authorities as sources from whence their living and everything else is going to emanate for ever and aye, but to go out and search for avenues for themselves. They must be encouraged by the knowledge that they will be assisted in their search and that, when they have found the correct avenue, they will be rewarded.

I hope some of the difficulties in the matter of soldier settlement will be cleared up as the result of Mr. Fyfe's visit to the Eastern States. The proposition to put these men on to farms before the houses and so on are ready was discussed by us with Mr. Fyfe and the Minister early in the year, and was agreed to, though we did not like the idea, being fearful of Governments not keeping their promises—that applies to any Government. In this case we felt it was better to take that risk than to wait for years. I put up the same proposition to Mr. Dedman, in Canberra. As I said by way of interjection, Mr. McLaren, who seems to be the king-pin in this matter, agreed that there was merit in the proposition, but by the time it got to the Minister he said we must be bound by the letter of the law. I hope that as the result of Mr. Fyfe's visit we will be able to hoist the flag of victory that I mentioned earlier and say, "At last we have the first soldier settler on a farm." I hope the returned soldiers will have a Christmas box of hope this year.

There will be great rejoicing throughout the land when the first soldier settler is installed on a farm.

The Minister for Lands: It would be much better to be able to say that one soldier settler had been a success.

Mr. LESLIE: The danger is that there may be too many strings tied to it and that the men will be hamstrung to an extent where they cannot take advantage of the golden opportunity. There is a rule in the Army which is drilled into everyone, from the most senior officer to the lowest in the ranks. It is, "Do something, even if it is wrong, do it. You can remedy an error but cannot make up for lost opportunity."

The Minister for Lands: Perhaps that is why the Army had so many men killed.

Vote put and passed.

Votes—Farmers' Debts Adjustment, £1,280; Rural and Industries Bank, £5—agreed to.

Progress reported.

ADJOURNMENT—SPECIAL.

THE PREMIER (Hon. F. J. S. Wise—Gascoyne): I move—

That the House at its rising adjourn till 4.30 p.m. on Thursday, the 10th October.

Question put and passed.

House adjourned at 10.6 p.m.

Legislative Council.

Thursday, 10th October, 1946.

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Bills: Legislative Council Referendum, 2a,	1194
Member suspended	1200
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Totalsator Duty Act Amendment, 2a,	1203

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