

Hon. L. Craig: In any case, there would not be enough to go around.

The CHIEF SECRETARY: No.

Hon. A. F. Griffith: Will these trained nurses be covered by any award?

The CHIEF SECRETARY: That will be their own business. All we are seeking to do is provide that they can get a certificate and be registered as trained dental nurses. What happens to their conditions is a matter for themselves.

Hon. A. F. Griffith: I was wondering what the differences would be in the rates of pay.

The CHIEF SECRETARY: I do not know that there would be any difference. If the hon. member practised as a dentist and had the choice of employing a dental nurse with a certificate or one who had no such qualifications, I think the hon. member would be inclined to pay the girl with the certificate a little more than he would be prepared to pay a novice. However, that will be for the individual to decide. Some dentists may be in the position that they do not need trained nurses, and that is why the Bill gives them the choice; but it will be of assistance to dentists who do desire to have trained nurses. Therefore, I move—

That the Bill be now read a second time.

On motion by Hon. J. G. Hislop, debate adjourned.

*House adjourned at 8.20 p.m.*

# Legislative Assembly

Thursday, 15th October, 1953.

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The SPEAKER took the Chair at 2.15 p.m., and read prayers.

## QUESTIONS.

### GAOLS.

#### *As to Cost and Return.*

Hon. J. B. SLEEMAN asked the Minister representing the Chief Secretary:

(1) What is the cost of keeping and retaining—

- (a) the Fremantle gaol;
- (b) Barton's Mill;
- (c) Pardellup?

(2) What is the return from—

- (a) the Fremantle gaol;
- (b) Barton's Mill;
- (c) Pardellup?

(3) Is there enough work in the Fremantle prison to keep the inmates reasonably engaged?

The PREMIER replied:

- (1) (a) £86,182 9s. 4d.
- (b) £24,295 2s. 6d.
- (c) £21,781 7s. 2d.
- (2) (a) £33,194.
- (b) £16,184.
- (c) £16,280.
- (3) Yes.

### SUPERANNUATION ACT.

#### *As to Increasing Allowances.*

Mr. NIMMO asked the Premier:

(1) Does the Government propose to increase pensions under the 1871 Act in order to compensate for the decrease in purchasing power since the last two adjustments in 1947 and 1951?

(2) What percentage increases were granted in 1947 and 1951 to pensioners under that Act?

(3) Can he give an estimate of the cost to the Treasury if an adjustment were made under which the minimum pension was £624 per annum as in Victoria?

(4) Will he consider such an adjustment?

The PREMIER replied:

(1) A committee has been appointed by the Government to inquire into and report on the question of increasing all pensions paid under the various State pensions Acts. The submission of the report referred to is expected within a few days.

(2) In 1947, pensions under the 1871 Act of £288 per annum or less were increased by 25 per cent. and pensions in excess of £288 per annum and less than £360 per annum were increased to £360 per annum. In 1951, pensions of £260 per annum or less were further increased by 20 per cent. Pensions at rates between £260 and £650 were increased by £52 per annum and pensions in excess of £650 per annum and less than £702 per annum were increased to £702 per annum.

(3) In Victoria the increase referred to was in respect of the contributory scheme of that State and provision was made for an increase of one-sixth on pensions not exceeding £624 per annum, provided the aggregate of the pension with the increase did not exceed £624 per annum. A limited period was imposed for the payment of the increased rates with a commencing date of the 3rd April, 1953, and ceasing date of the 24th June, 1954. Victoria therefore did not increase all pensions to the minimum of £624 and an estimate of the cost to Western Australia on such a hypothetical basis would not appear to be necessary.

(4) Answered by No. (3). It should be pointed out that all pensions paid under the 1871 Act are not contributory so far as pensioners are concerned.

#### EDUCATION.

(a) *As to Replacement of School, Dudinin.*

Mr. PERKINS asked the Minister for Education:

(1) Is he aware that the school building at Dudinin is very old and in very poor condition, and that the shelter shed has almost disintegrated?

(2) How many children are on the roll?

(3) On what date did the department first inform the parents at Dudinin that it was proposed to erect another building there?

(4) When will work be commenced on replacement of the present buildings?

The MINISTER replied:

(1) Yes.

(2) Twenty-six.

(3) The 8th January, 1952.

(4) Replacement of present building is dependent on the availability of funds.

(b) *As to Resuming Land for Kent Street High School.*

Mr. JAMIESON asked the Minister for Education:

(1) Is he aware that the building programme at the Kent Street High School is rapidly using up the areas which would have normally been developed as playing fields for such a school?

(2) As the housing policy of the Government would indicate that many thousands of people will be housed in the eastern suburbs, within the next few years, and subsequently increase the number of students attending Kent Street High School, would he resume additional land between the present site and Jarrah-rd. so as to allow for further expansion of the school?

The MINISTER replied:

(1) Approximately 4.3 acres of the site of 34 acres are now occupied by buildings.

(2) The question of extending the site up to Jarrah-rd. will be referred to the School Sites Committee for consideration at its next meeting.

#### BUS SERVICES.

*As to Alteration of Routes, Cottesloe.*

Mr. HUTCHINSON asked the Minister for Transport:

(1) Is he aware that recently the Metro Bus Coy., in their endeavours to "rationalise" transport in the Cottesloe district, altered their bus routes to such an extent that the ocean front and ocean beaches of central Cottesloe (in Marine Parade) are most inadequately served in the matter of transport?

(2) Does he not agree that it would be most difficult, if not impossible, to find any other comparable built-up ocean beach suburb and health resort anywhere in the world which has no transport service operating along its main ocean highway?

(3) Does he not agree then, as the ocean beaches of Cottesloe are a major feature of the district, and as many dwellings, health and welfare homes, businesses and flats have been erected there, because of this reason and because in the past Marine Parade has had an adequate bus service, that the Transport Board should make every endeavour, without entirely prejudicing the Broome-st. route, to reinstitute a regular Marine Parade bus service?

(4) Will he take steps to ensure that this desirable service is reinstituted?

The MINISTER FOR EDUCATION (for the Minister for Transport) replied:

(1) It is not conceded that any portion of the Cottesloe district is inadequately served by bus transport. The main service along Broome-st. is not in any section more than a quarter of a mile from Marine Parade.

(2) There are very few of the numerous beach suburbs of Sydney in which a bus service operates along the ocean front.

(3) During the summer months a full service will operate along the ocean front.

(4) Routes have been amended in order to give maximum service, compatible with trading economy, equitably to all portions of the district. It is basically unsound to service any route which draws passengers from one direction only and benefits a few people at the expense of many. While the present routes appear well planned, the timetables, which are tentative only, may require amendment. Any necessary adjustments will take place following a trial period during which close attention is being given by the Transport Board and the operators to the weight of loading from different sections.

#### WHEAT.

*As to Extra Charge to Local Flourmillers.*

Mr. COURT asked the Minister for Agriculture:

(1) Is it a fact that the Australian Wheat Board is to charge Western Australian flourmillers an extra 10s. per ton for milling wheat as against their Eastern States' competitors to offset the freight advantage that W.A. flourmillers enjoy in the export of flour to Indonesia, Malaya and other countries to the north of Australia?

(2) If so, will this adversely affect the export market of Western Australian flour and the provision in Western Australia of mill offal?

The MINISTER replied:

(1) The superintendent of the Australian Wheat Board in Western Australia advises that at the request of the Flour Millers' Federal Council of Australia—of which the Western Australian flourmillers are members—10s. per ton extra is charged to the millers of Western Australia for flour shipped to Malaya and Singapore to bring such quotations into line throughout Australia.

(2) This decision removes the advantage which Western Australia enjoys by reason of its geographic position to Malaya and Singapore markets.

I might add that after the deputation that I met some time ago, and to which I referred yesterday, I agreed to take this question up on their behalf but, as I said yesterday, I am unable to report anything definite in that connection at the present time.

#### ROADS.

*As to Flooding, Belka Valley.*

Mr. PERKINS asked the Minister for Works:

(1) Is he aware that the embankment of the Bruce Rock-Merredin-rd. in the Belka Valley dammed back great quantities of water during last winter with consequent serious damage to valuable agricultural land?

(2) What does the Main Roads Department intend to do to obviate recurrence of this flooding.

The MINISTER replied:

(1) Reports have been received which state that flooding has occurred.

(2) Survey investigations are in process with a view to taking remedial action if and where necessary.

#### BILL—PUBLIC TRUSTEE ACT AMENDMENT.

Introduced by the Minister for Justice and read a first time.

#### BILL—COMPANIES ACT AMENDMENT (No. 2).

Read a third time and transmitted to the Council.

#### BILL—JURY ACT AMENDMENT.

Report of Committee adopted.

#### BILL—DAIRY INDUSTRY ACT AMENDMENT.

*Second Reading.*

THE MINISTER FOR AGRICULTURE (Hon. E. K. Hoar—Warren) [2.27] in moving the second reading said: This is a small Bill which will not take long to explain. It is designed to amend the Dairy Industry Act of 1922-39 for the purpose of striking out of that measure all reference to the dairy produce improvement fund, which was incorporated in the legislation at that time.

The purpose of that fund was to pay the cost of employing four special dairy instructors to assist in improving the quality of cream and dairy produce generally. The fund was never used for any purpose other than to pay the expenses and salaries of those officers. The Act provides for a maximum contribution of 1d. in the £ but not more than ½d. in the £ was collected under the scheme. It provides for a maximum of 1d. but, judging from the experience over the years and the running expenses of these particular dairy instructors, it has been found necessary to collect only ½d. in the £ each year.

Hon. Dame Florence Cardell-Oliver: It goes on to the cost to the consumer, does it not?

The MINISTER FOR AGRICULTURE: No, it comes out of the pockets of the dairy farmers of this State.

Mr. May: Did they have four instructors?

**THE MINISTER FOR AGRICULTURE:** Yes, they have been, and still are, working but the dairy farmers and their particular section of the Farmers' Union brought up a good point. Since the day Western Australia ceased to market its own butter under an equalisation scheme of its own and became part and parcel of a Commonwealth arrangement—which we are now—we quite frequently found that the same work that was being done by these four officers and paid for out of the pockets of the dairy farmers of this State, was being done by departmental officers in other districts. That is a decided anomaly and is not fair to the farmers concerned. The total sum collected every year is somewhere in the vicinity of £5,200 and that sum is spent specifically on the expenses of these officers; it is used for no other purpose.

Of course, in recent years manufacturers have become affiliated with the Commonwealth Dairy Equalisation Coy. and that has extended the scope of the production and marketing of butterfat in the State to a far wider field—in fact, throughout the Commonwealth. The development undertaken by the Commonwealth company, plus the active co-operation of the officers of the Department of Agriculture, have been responsible for a great improvement in the quality of butter in Western Australia. Since these officers were appointed, no less than 8,000 inspections have been made, and this has resulted, to a considerable extent, in the improvement in the quantity of choice or first-grade butter produced in this State. For instance, in 1949-50, in terms of percentages, our production of choice-grade butter was 31.4 per cent. There has been a steady improvement since then and in the year 1952-53 that figure was increased by no less than 9 per cent. and at present the total is 40.5 per cent.

In the same way, the quantity of our second-grade butter has been reduced—which was only to be expected because of the improvement in the choice and first grades. In 1949-50 we produced 5.1 per cent. second grade, and under, butter, and today the figure is only 3 per cent. So it is difficult to point the finger and say exactly what the value of these officers has been. There is no doubt that their influence on the industry generally has been considerable. Part of their duties is to inspect dairies in country districts and factories in the country and metropolitan area.

Mr. Bovell: What will happen to these four officers?

**THE MINISTER FOR AGRICULTURE:** They will be employed. Under a great many Acts of Parliament today we find it necessary to pay salaries to Government officers for certain inspectorial work but

this is the only case of which I am aware where a small, and one might almost say impoverished, section of the people is expected to bear the costs of four officers. These four officers cannot possibly undertake all the inspectorial work required, and, as a consequence, the Government has had to employ other officers in addition.

So it is not a fair proposition for the dairying industry to be asked to continue to contribute to a fund which, in my opinion, is obviously the responsibility of the Government. It is for the purpose of having that matter clarified, that the Government decided, when the proposition was put to it, to accept the advice proffered and acknowledge the fact that it is the Government's responsibility to undertake this work and that it should not be the responsibility of the dairy farmer to pay for it.

Mr. Bovell: Dairy farmers will be better off to the extent of £5,200 a year.

**THE MINISTER FOR AGRICULTURE:** Yes. That is not a great sum of money but there is a principle involved, as the hon. member will appreciate.

Mr. Bovell: That is so.

**THE MINISTER FOR AGRICULTURE:** This Government is very much concerned about the position of the dairying industry in this State due to the high costs of production. Irrespective of how many plans one might have to improve the conditions of the industry, it all devolves, eventually, on this point: Where are we going to find the money? We know it will have to come from the Commonwealth and until such time as we are able to persuade the Commonwealth Government to make more money available for the improvement and development of the dairying industry, and enable us to put it on a more secure basis than it is at the moment, the only way in which the State can assist is with such incidental matters as this Bill contains.

With regard to other phases, a few weeks ago the Government determined to make sums of money available for the purchase of hay balers and similar machinery. As members know, an inquiry, sponsored by the Commonwealth Government, will soon be made into the dairying industry and the State Government is anxious to be associated with it to the fullest possible extent. We wish to make available to that inquiry any officer that the Commonwealth may require, and we are prepared to give any assistance we can in an endeavour to find out what is really wrong. Both the Premier and I know what is wrong with the dairying industry today; it is a matter that has been discussed frequently by experienced men in this House over the last six or seven years.

I have no doubt about the consequences of this inquiry; the only thing I am concerned about is whether there is any honesty of purpose behind it. If there is, I expect to see a sufficient sum of money

given to this State to assist the Government in undertaking the rehabilitation of an industry that, in my opinion, is no longer worth while to the men employed in it. I feel most keenly about the conditions under which dairy farmers are living today but we will not be able to do anything worth while for them unless we can get the full co-operation of the Commonwealth Government.

Hon. Sir Ross McLarty: Why do you doubt the honesty of purpose behind the inquiry?

The MINISTER FOR AGRICULTURE: I hope I am wrong in that statement.

Hon. Sir Ross McLarty: I hope so, too.

The MINISTER FOR AGRICULTURE: On looking over the files compiled by the previous Government, I saw where a strong case had been put up by that Government to the Commonwealth some 18 months or two years ago but so far no acknowledgement has been received. So I think I am justified in doubting the honesty of these people who are now undertaking an inquiry in this State.

Hon. Sir Ross McLarty: I do not think you should say that.

The MINISTER FOR AGRICULTURE: We can be guided only by results.

Mr. Ackland: Is not the survey they are making an acknowledgement or proof of their good faith.

The MINISTER FOR AGRICULTURE: I think a proof of their good faith would have been to assist the previous Government two or three years ago, because everybody has known what has been wrong with the dairying industry in this State for years.

Hon. L. Thorn: Of course they have not, and you do not know yet. That is why they are holding the inquiry.

The MINISTER FOR AGRICULTURE: I am only concerned with what is on the files and the situation is not a happy one. If any good arises from the inquiry, and I doubt if it will, it will certainly show Western Australia up in an unfavourable light with regard to the conditions under which men are earning their living in some parts of the State. If it does not, it will accomplish all that I am hoping to do, namely, to approach the Commonwealth so that this State can carry out the same good work. I mention that merely in passing because I consider that the Bill, although it does not offer much to the dairy farmer, is as much as we can offer under this legislation.

Hon. Dame Florence Cardell-Oliver: Does it mean that the £5,000 must be paid by the taxpayer through an increase in the price of butter?

The MINISTER FOR AGRICULTURE: It means that the State Government will accept the responsibility for the employment of the four inspectors concerned.

Hon. Dame Florence Cardell-Oliver: Would that result in an increase in the price of butter?

The MINISTER FOR AGRICULTURE: No, not at all. It has nothing to do with the price of butter. I move—

That the Bill be now read a second time.

On motion by Mr. Manning, debate adjourned.

## **BILL—DISEASED COCONUT.**

### *Message.*

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

### *Second Reading.*

**THE MINISTER FOR HEALTH** (Hon. E. Nulsen—Eyre) [2.42] in moving the second reading said: I do not know whether this is going to be a contentious Bill or not, but I feel it will not be. It is a small "dry" Bill dealing with diseased dessicated coconut. During the latter part of July several cases of typhoid fever were reported in New South Wales and Victoria. Imported dessicated coconut was suspected and, on the 4th August, 1953, the Commonwealth Director General of Health advised that the "Tropic Snow" brand of Papuan dessicated coconut had been found to be infected with bowel disease germs, but not typhoid organisms.

However, typhoid germs were subsequently found in samples of coconut taken in Canberra. In Western Australia samples of coconut were also taken and submitted for laboratory investigation. Results showed that the coconut was infected with bowel disease organisms, but typhoid germs were not isolated. As soon as it was known in this State that coconut was suspect, the public and trade interests were asked to freeze stocks until further information was obtained. On the 10th August an order under the Health Act was issued requiring all Papuan coconut to be isolated.

On the 21st August, after authority had been obtained from the Governor, a further order was issued requiring all Papuan coconut in the State to be handed over to the nearest local authority by Friday, the 28th August, 1953. This coconut is still held by local authorities pending a decision as to whether it should be completely destroyed by burning, disinfected, or processed to salvage by-products from it. Health authorities in other States are inquiring into possible means of treating the coconut and will advise the results of their investigations.

On the 11th August, the date of the first "freezing" order, it was estimated that the bulk of Papuan coconut in this State comprised 265 cartons each containing 65 lbs. Within a day or two of the issue of the order, the department was advised

by Harrisons, Ramsay Pty. Ltd. that 320 cartons had been landed at Fremantle ex Melbourne. It was revealed that this consignment had left Melbourne on the 31st July. No other State Government is required by law to pay compensation for food or drugs destroyed in the public interest.

In this State, however, Section 259 (5) of the Health Act binds the State to pay compensation unless it can be shown that the destruction of the food was necessary because of some breach or neglect on the part of the owners. All evidence points to the likelihood that the coconut was contaminated during manufacture in Papua. Harrisons, Ramsay Pty. Ltd. are related in business to the firm producing the coconut, but legally appear to be a different firm. This relationship needs investigation. The company purchases processed coconut from the Papuan factory and distributes it throughout Australia. It therefore seems that no breach or neglect can be proved against the owners, unless it can be shown that they also own the manufacturing concern in Papua.

The fact that compensation is payable in this State and not elsewhere, and the absence of legal power to prevent the importation of Papuan coconut now lying in Eastern States' capitals, create a situation which could be exploited by an unscrupulous firm. In order to meet this possible situation it is suggested that legislation should be passed to provide for—

(1) Prohibition of the importation of contaminated coconut.

(2) Payment of compensation for coconut now seized where compensation is payable under the Health Act.

(3) Seizure and destruction without compensation of coconut imported from Papua after the 15th September, 1953.

As the Bill is a temporary measure designed to meet the present situation, an expiry date has been prescribed. When it was found that imported desiccated coconut from Papua was infected, action was taken in this State by the Commissioner of Health, Dr. Hensell, to prevent the disease from spreading. This was a wise step on Dr. Hensell's part in order that people might be saved the unfortunate suffering that was experienced by those in other parts of Australia. The Commissioner of Public Health is extremely keen on hygiene matters and watches over the health of the people in this State very carefully.

Samples have been taken, and in Western Australia we have found two traces. Definite germs of typhus and bowel disease have been found, though I do not think typhoid germs have been discovered yet. I want to compliment the local authorities on their close co-operation right from the inception of our endeavours to

isolate the Papuan desiccated coconut. We now have 265 cartons, each weighing 65 lb., so it will probably cost the State between £4,000 and £6,000. We do not know exactly what the figure will be. It may even cost less than the amount I have mentioned. Every endeavour has been made to see if we cannot use this coconut for some other purpose.

As I mentioned, this is the only State that pays compensation for imported food that is found to carry germs detrimental to the health of the people. I am not at all sure that it is right that we should always pay compensation for foods that carry germs. It is not done in the other States. Subsection (5) of Section 259 reads as follows:—

If the destruction has been rendered necessary in the interests of public health without any such breach or neglect as aforesaid, then the compensation shall be payable out of the moneys to be appropriated by Parliament for the purpose.

Mr. McCulloch: Whom are you going to pay?

The MINISTER FOR HEALTH: The owners of the article. In this case, it will be the owners of the desiccated coconut. Some of the firms will be carrying stocks; a few of them have many cartons. Anyone who feels he has a claim can make application, provided there is no blame attaching to him.

Hon. Dame Florence Cardell-Oliver: What will be the cost?

The MINISTER FOR HEALTH: We do not know exactly because we are not sure what might happen. It might cost as much as £6,000.

Hon. Dame Florence Cardell-Oliver: I would not pay a penny.

The MINISTER FOR HEALTH: I do not think we should pay but, under the Act, we are bound to do so. We would not have to pay compensation, however, if neglect could be proved against those who own or manufacture the coconut or against those who own it in this State, or who import it. If Harrisons, Ramsay Pty. Ltd., as importer or part-owner, has anything to do with the manufacture of this coconut, then we shall not have to pay compensation. But if it is a separate firm, not connected with the manufacturers of the coconut—and that is our information up to date, though we suspect there may be some connection; whether it can be proved or not I do not know—we shall have to pay compensation. If it can be proved that the firms are connected, then we shall not have to pay.

It is rather bad luck, because Papua is controlled by the Commonwealth and, of course, this will affect the whole of Australia. It is unfortunate that the manufacturers have not been careful enough,

but, during the process of washing—I believe they washed this coconut in a river—the water was found to be carrying germs which were later found in Australia. That means that the importation of the coconut must be prohibited. It cannot be helped. We must look after the health of the people, and that is the job of the Public Health Commissioner; hence we have this Bill now before the House.

The provisions of the Bill will cease to have effect in 1954 if the disease is cleared up; if not, they will have to be extended. We hope, of course, that everything will be in order by that time and that desiccated coconut can again be imported from Papua, because I think we should help the industries under our control. I believe I voice the sentiments of the people of Australia when I say that, if possible, we should return to the importation of Papuan coconut as soon as possible. There seems to be very little wrong, except that the manufacturing firms have not been careful from the point of view of hygiene, with the result that the coconut has been found to contain germs which do not like human beings, or perhaps like them too much.

Hon. A. V. R. Abbott: Could it not be sterilised in any way?

The MINISTER FOR HEALTH: I believe not. The question has been gone into. The whole matter has been investigated thoroughly and the Public Health Commissioner has given consideration to that aspect of it. As a matter of fact, he has considered every angle in an endeavour to save the position in this country, and I think that is also the case with the Commissioner of Health of the Commonwealth. I want to assure the House on that point, because, if it had been at all possible to purify this coconut, that would most certainly have been done. Even if we could have used it for some other purpose to save its destruction, that course would have been adopted. I move—

That the Bill be now read a second time.

On motion by Mr. Hutchinson, debate adjourned.

## **BILL—RURAL AND INDUSTRIES BANK ACT AMENDMENT.**

### *Second Reading.*

THE MINISTER FOR LANDS (Hon. E. K. Hoar—Warren) [3.0] in moving the second reading said: A week or so ago, in answer to a question by the Leader of the Opposition, I gave an indication that the Government intended to bring down a Bill for the purpose of amending the Rural and Industries Bank Act, 1944-51. This Bill is introduced for that purpose. It is the result of numerous discussions that have taken place between me and the present commissioners of the bank

following the vacancy that occurred on the board on account of the untimely death of Mr. M. L. Austin. I think I can say with certainty that this Government and all Governments in the past have always sought to further the State's progress by extending land settlement, which we know full well is the actual birthright of the Rural and Industries Bank, or at any rate of its predecessor, the old Agricultural Bank, which was established in 1895.

Mr. Bovell: The Industries Assistance Board.

The MINISTER FOR LANDS: I am talking about the bank now.

Mr. Bovell: The board had something to do with land settlement.

The MINISTER FOR LANDS: Not to the same extent as the Agricultural Bank during the 50 years it was in existence. As a result of its activities, there were tremendous strides in land settlement in Western Australia, even during the old group settlement days. Much as the group settlement scheme was criticised at that particular time, it has become known as the forerunner of the State's development, particularly in the lower South-West. The Agricultural Bank played a tremendous part in that development, although it was never a bank in the same sense as the Rural and Industries Bank. I termed it a debt-collecting agency when I chose to be critical about it, but I have always appreciated that its influence on agricultural and land development in this State was considerable.

We have now reached the stage where, instead of being importers of rural products, we are exporters in a very big way, particularly of wool and wheat and, to some extent, butterfat. More and more as the years go by, we are becoming known as an expanding agricultural State. That is something I do not want retarded, and I am certain that no member wishes to see that normal natural expansion of the State held up in any way. What we are attempting to do by means of this Bill is to bring the Rural and Industries Bank, which controls to such a great extent the land development of this State—or has a very big influence on it—into line with the State's normal progress agriculturally.

In the earlier days the State went through what might be called the first phase of civilian land settlement. That was interrupted, after the war, by the war service land settlement scheme. It is quite clear to me that the second phase of civilian land settlement should now be taking place, because war service land settlement as we know it is on the wane; it is getting towards the end. So far as the dairy section is concerned, it is just about finished. I think 600 or 700 farmers have applied for wheat and sheep farms,

and still have to be satisfied; but we can see the end of the war service land settlement scheme approaching, and we should be considering how best we can encourage civilian land settlement, provided that we can—as I said when speaking on an earlier Bill—interest the Commonwealth Government to the extent of persuading it to assist us in this regard.

The Government has been particularly anxious to ensure that the vacancy on the board created by the death of Mr. Austin is filled by a commissioner who has a wide field knowledge as well as some banking experience, and we have followed that out in our policy in this connection as far as we have been able to do so. I think that that policy is a reasonable one, bearing in mind the probable future activities of the bank and the tremendous influence it will have on further land settlement in this State.

It was soon clear to me, in discussing this matter with the commissioners, that they themselves held identical views; and just a little while after Cabinet was considering the appointment of someone to fill Mr. Austin's place, it was made known to me by senior officers of the bank, as well as by the chairman, Mr. Bosisto, that the question of increasing the number of commissioners from three to five had been under consideration by them for quite a considerable time. However, the information did not reach me sufficiently early to enable me to prevent the calling for applications for the filling of the vacancy caused by Mr. Austin's death. Had it been otherwise, the whole matter would have been attended to in the same way as is now proposed, namely, by an amendment of the Act.

Hon. L. Thorn: I never heard of any suggestion of increasing the number of commissioners from three to five.

The MINISTER FOR LANDS: I have. I heard the opinion expressed by senior officers of the bank that for the last 18 months or longer there has been such a thought in their minds.

Hon. L. Thorn: There might have been a thought, but it was never put up.

The MINISTER FOR LANDS: I did not say it had been submitted as a recommendation.

Hon. L. Thorn: That is all right; I thought you did.

The MINISTER FOR LANDS: No. It was never submitted as a recommendation; but as a result of the untimely death of Mr. Austin and the need to fill the vacancy, it became evident quickly to me that it was the desire of the commissioners, as well as the chairman, to have this change effected if at all possible. The moment I learnt of that, I had no hesitation in asking the Government to hold its hand with regard to the appointment then pending,

in order that the matter could be adjusted in this manner, which is the better way to do it. That is the reason for the Bill.

I would like to give members some idea of what the bank has done and how its activities have expanded since 1945. As regards land settlement, the establishment of returned servicemen on agricultural properties has involved the following:—

Receiving 3,179 applications for Commonwealth Re-establishment Act loans, on which approvals total £2,134,000.

Receiving 3,012 applications for re-establishment allowances and approvals totalling £479,000.

Administering war service land settlement scheme advances totalling £1,657,000, covering 441 accounts.

At present, 248 settlers should be ready for transfer to the bank within the next year or so and there are a further 700 ex-servicemen yet to be settled on farms. Accordingly, the war service land settlement scheme will, in the next three or four years, add considerably to the administration work which already devolves upon the commissioners.

In the general banking department the progress made is indicated by the fact that the number of branches has increased from 11 to 31 with 27 receiving offices. The volume of business—deposits and withdrawals of customers, overseas business, inter-bank transactions etc.—has increased ten times since 1946. The joint total of deposits and advances is in the vicinity of £17,500,000. Allied to the general banking department is the bank's housing loan scheme under which considerable sums have been advanced and which has proved popular and successful. This will undoubtedly extend when loan moneys are available to increase the capital of the bank. Members will therefore appreciate that the bank has outgrown the phase where its affairs could be properly administered, as they have been hitherto and as they were under the old Agricultural Bank, by a board of three.

One of these three is a part-time commissioner appointed by the Government and is usually the Under Treasurer or his deputy. Although the Act provides that there shall be three commissioners, one of whom shall be a part-time officer, a tremendous amount of responsibility is thrown on the chairman, particularly as Mr. Austin was almost entirely employed on agricultural work and the files and accounts associated with it. If we appreciate fully how the bank has developed during the last eight years, we can understand that it is a reasonable proposition to consider increasing the number of the top executives from three to five.

Mr. Bovell: Would it not be better to have a general manager and an executive instead of a cumbersome overburdened commission?



The MINISTER FOR LANDS: It is not overburdened at the top. Actually each department is administered by a specially selected officer.

Hon. L. Thorn: I was going to remark that there are very competent officers in the bank.

The MINISTER FOR LANDS: Unquestionably so, but according to the chairman, the bank has reached a stage where he finds it almost impossible to handle the volume of business that must come before him personally. The Rural Bank of New South Wales, a similar institution only on a much larger scale, is controlled by three, but they are three banking commissioners, and there is no division in respect to rural activities as there is here—and as there ought to be—to further agricultural development. This proposal would mean an increase in cost to the State of a mere £270. The commissioners will submit a panel for the selection of two men, who are now occupying senior posts and who will still continue to do the work associated with those positions. Then they will come into consultation with the top executive on questions of policy regarding the bank.

Hon. Sir Ross McLarty: The commission will consist of three commissioners as at present, plus the Treasury representative and one other part-time commissioner?

The MINISTER FOR LANDS: No, there will be the chairman, three full-time commissioners and one part-time commissioner appointed by the Treasury. Of the three full-time commissioners, two will be officers who already hold executive positions and who will come into the top executive for consultation on all work of the bank. These officers will attend to rural activity, because we believe that the future of the bank and of the State is wrapped up in the agricultural industries. That is why we consider the proposition to be reasonable.

The chairman makes no bones about his opinion. He has definitely recommended to the Government that this step is necessary to enable him more adequately to discharge his duties and to relieve him of a great volume of detail work which he now has to attend to and which could be farmed out to one of the other commissioners. This is one way, and a cheap way, of getting officers of top-ranking ability to undertake the work of policy-forming and administration of the bank which, in the last few years, has turned out to be third or fourth in importance in the State.

Let us consider the future. There are huge areas of land to be developed—for instance, those west of the Midland line totalling half-a-million to three-quarters of a million acres, the success of which is assured by reason of the fact of our having solved the problem of soil deficiencies to such an extent as to guarantee the

producing of reasonable incomes on that land. In the days of the old Agricultural Bank, we never expected to be contemplating the cultivation of those areas. We have other large areas, apart from the heavily-timbered country in the South-West, some at least of which must be given attention in the relatively near future. With the prospect of such expansion, we cannot expect the bank with its present set-up to be able to cope with the business.

Hon. A. V. R. Abbott: Do you think that the commissioners of the bank would have a greater responsibility than the Railway Commissioners?

The MINISTER FOR LANDS: I do not think I can draw a comparison between the two, but I realise the importance of this bank in an agricultural sense.

Hon. A. V. R. Abbott: Is it not the duty of the commissioners mainly to determine policy? I suggest that if you have too many people fingering in that pie, you are likely to get too much divided policy control.

The MINISTER FOR LANDS: I may have erred in stressing policy too much because it would be Government policy that would direct the activities of the bank, but when we consider the development likely to occur in the course of the next few years, it is clear that the business has expanded beyond the capacity of the three men to handle it.

Hon. A. V. R. Abbott: Could not the three commissioners carry on with the other assistance you indicate?

The Minister for Education: What a pity the Commonwealth did not think of that in relation to the Commonwealth Bank!

Hon. A. V. R. Abbott: That was based on a different conception.

Mr. SPEAKER: Order!

The MINISTER FOR LANDS: Had this information been available to me a few weeks ago, applications would not have been called for the filling of the one vacancy. However, I had been the Minister for only six or seven months, whereas the member for Toodyay had been the Minister for six years, and as he did not know of these suggestions, it is understandable that I should not have known of them. When the information came to my knowledge, I gave it careful consideration, just as the hon. member would have done. If there is one man who understands the running of the bank, it is the chairman, Mr. Bosisto. He has grown up with the institution, and after all the thought he has given to the matter, I am convinced that it would be in the interests of the bank and of future land settlement, which sooner or later must come under the control of the bank, if we accept the proposals contained in the Bill.

The Premier: Could you read Mr. Bosisto's recommendations?

The MINISTER FOR LANDS: Yes, I think it would be a good idea if I did. This letter from Mr. Bosisto is dated the 1st October, 1953, and it states—

**Enlargement of the Board of the Rural and Industries Bank of W.A.**

In recent discussions we have advised you that it is the considered opinion of my fellow Commissioner and myself that the time has arrived for the appointment of two additional members to the Bank's Board. In this we acknowledge that the Government desires to continue the practice of having on the Board a Commissioner experienced in land settlement work.

We appreciate that land settlement was our birthright and almost sole activity for the first 50 years and also that there is an immense task in front of the Bank as soon as loan moneys are available for civilian settlement, in view of the large areas that warrant development under today's farming and clearing methods. At the same time it is our duty to bring to notice of the Government that it has become equally important to give greater representation on the Board than at present to general banking. We find in fact that for practical purposes and until the position is adjusted this is the more urgent need.

As the Government will require to be informed of the facts on which our opinion is based, we submit—

In the opening stages following our commencement of general banking in 1945, a Board of three Commissioners of whom one concentrated on land settlement was adequate. In fact in those early days, had one Commissioner been acting in a part-time capacity as provided in our Act and as is the case at present, the general banking administration could have been handled without detriment by the Chairman as sole banker.

The position is now vastly different. General banking administration requirements have increased to a volume where it is no longer physically possible for the Chairman, particularly in view of heavy responsibilities to other sections of the business, to make the time for all that is required. For instance he has now become tied far too much to his desk and is no longer permitted to cultivate outside contacts or make visits to country districts to the extent required for the Bank's welfare.

Then he gives some figures which I have already quoted. He continues—

Accordingly we recommend to the Government, in order that the Bank may continue its all-round develop-

ment and so go to greater strength, that its constitution be amended to five Commissioners comprising—

1. Chairman,
2. Treasury representative—the Under Treasurer or his deputy.
3. Three full-time Commissioners who shall act as administrative officers of the Bank and perform such departmental duties as may be allotted to them by the Chairman.

The proposal suggested would only increase present administration costs by £270, as the two additional members of the Commission would continue to perform their present duties but be given increased authority appropriate to a Commissioner, which would enable them to make a useful contribution to Bank policy and progress, and relieve the Chairman of much detail work.

Our position with a larger Board would compare with that of our counterpart, the Rural Bank of New South Wales, as follows:—

Allowing for the cost of adding Commissioner status to two of our senior officers, our Board of five would still cost less than half the annual salaries paid their Board of three. Like them we would have three experienced bankers in administration but two of these in our case would have executive responsibilities, offsetting the fact that theirs is the larger business. We, however, will have two special purpose Commissioners, one part-time, giving, very properly, representation to the Treasury, and the other (who would be one of the executive members) able to concentrate upon land settlement—a much bigger problem in our case.

Members can understand that this proposal has the full support of the Rural and Industries Bank. Because I know its value, I feel it will, if it is agreed to, play an increasing part in the further development of the State. I have much pleasure in moving—

That the Bill be now read a second time.

On motion by Hon. L. Thorn, debate adjourned.

*House adjourned at 3.26 p.m.*