those who had to battle for their living, and he showed that sympathy on many occasions when industrial legislation was before this House. He was undoubtedly one of the leaders in regard to parliamentary practice, and we felt that in his hands the dignity of the House and the carrying out of parliamentary procedure were safe. We all realise that when Mr. Cornell attained the position of President of this Chamber he had achieved his ambition, and, I think, associated with that ambition was the desire to show that, because of the democratic principle which underlies all our Australian institutions, it is possible for any man, no matter how low or handicapped his start in life may have been, to attain by hard work, determination and fine ideals, the highest position in the the power of the Legislative Council to bestow. I feel that we have lost a good servant of the people, and I know that members will join with me when I say that we have lost a most loyal friend.

Question put and passed; members standing.

## ADJOURNMENT.

**THE CHIEF SECRETARY** (Hon. W. H. Kitson—West): As a mark of respect to our late President, I move—

That the House do now adjourn.

Question put and passed.

*House adjourned at 3.39 p.m.*

# Legislative Assembly.

*Tuesday, 26th November, 1946.*


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

## OBITUARY—PRESIDENT OF THE LEGISLATIVE COUNCIL.

*The Late Hon. James Cornell.*

**THE PREMIER** (Hon. F. J. S. Wise—Gascoyne) [4.32]: I desire to refer in this House to the death of the President of the Legislative Council, the Hon. James Cornell. With the passing of Mr. Cornell a very long public career has come to a close. He had been a member of the Legislative Council since May, 1912, almost 35 years since he was first elected for the South Province. For 20 years prior to his elevation to the Presidency of the Legislative Council he was Chairman of Committees, and it was obvious that his long parliamentary service was recognised, a few months ago, by his colleagues, when he received at their hands preferment to the position of President of the Legislative Council. I think, as a personal desire, it would have been the summit of his ambition to live to be the occupant of the Chair of President of the Legislative Council.

The late Mr. Cornell had a very wide knowledge of parliamentary affairs and it was his desire always to assist those junior to him in matters pertaining to the conduct of Parliament, and in parliamentary procedure. In addition to his parliamentary life, the late Mr. Cornell took a very active part in matters affecting the Returned Soldiers' League, and in fact he represented that body at two conferences oversea. Quite apart from his fellow members of Parliament, there will be a great many others in a wide variety of activities who will mourn his passing and I hope, Mr. Speaker, that a motion that I will move will be carried in this House and that a message from this House will go out to his widow and to his son in this, their time of sadness. I move—

That the House desires to place upon its records its profound sense of the loss sustained in the passing of the late Honourable James Cornell, M.L.C., President of the Legislative Council, and that an expression of the sincerest sympathy of members be conveyed to his widow and family by Mr. Speaker.

**MR. WATTS** (Katanning) [4.34]: I desire to second this motion, Mr. Speaker, because I feel it is one that this Assembly should carry without the slightest question. The late Mr. James Cornell was a

man respected by us all. In my earlier days in the Legislative Assembly I had, perhaps, more to do with him than I have had in recent years, and I found him a kindly soul towards someone who was a little strange in a new environment. I am sure, as the Premier has said, that that has been his attitude throughout the years he has been in parliamentary life, to seek to help those whom he thought needed it or who asked him for help. There are not many people who can maintain an unbroken parliamentary career of 34 years in one electoral district or province, as the late gentleman did, and it therefore seems to me that not only was he respected and loved in this House, and in another place, but also in the electorate or province that he represented in the Legislative Council, because he did maintain unbroken membership over that long period. I join with the Premier and associate those who sit with me in extending our very sincere sympathy to the bereaved relatives—particularly the widow and son—of the late gentleman, and in assuring them that the Hon. James Cornell, although gone, will not be forgotten.

**MR. McDONALD** (West Perth) [4.37]: My colleagues and I desire to join with the Premier in acknowledging the loss the State has sustained through the death of Mr. Cornell. The late President of the Legislative Council belonged to an outstanding generation in the history of this State, a generation that contributed in such large measure to the development of the State in the time of its greatest progress, between the end of last century and the ending of the first two decades of this century. Those men learned in a hard school of life and from it they emerged rich in knowledge, character and experience. They became men of principle, and men of wide humanitarian feelings. Mr. Cornell has had a long and distinguished career in Parliament. His parliamentary service is an indication of his faculty of attracting the affection and respect of all who came to know him. We feel, Sir, that the whole State has been rendered poorer by his passing, and my colleagues and I wish to join with the Premier and the Leader of the Opposition in expressing our deep sympathy to Mr. Cornell's widow, and to his son.

**MR. STUBBS** (Wagin) [4.39]: In 1912, if my memory serves me correctly, the late hon. member was elected to the South Province. A large portion of the electorate that he represented was part of my big stretch of country. James Cornell had a wonderful record. After he returned from France in 1916 he was appointed, by the Returned Soldiers' League, to represent that body in Canada, on one occasion, and in South Africa on another occasion. I was often struck by his extraordinary characteristics. On many occasions he accompanied me and other Upper House members on deputations to different Ministers and sometimes when the discussions were concluded and the members of the deputations assembled outside, someone said, "I wonder whether Mr. Cornell was on our side or the Minister's side." He was so fair during his lifetime that when we waited upon a Minister and asked him for certain concessions for the electors we represented, he frequently, after dealing with the requests, put the Minister's side before the Minister himself, and we often wondered why we took the late member with us. It was a trait of his character that he was always fair, a trait that I have never forgotten.

One other reason why we regret his departure so much is that on numerous occasions the late Mr. Cornell put his hand in his pocket and, to my knowledge, assisted scores of families. The world is all the richer for having men of his character and the poorer for the departure of men such as the late James Cornell. Above and beyond everything else in his character was his deep sense of loyalty to his King and his country, especially to the land where he was born—Australia. I join in the tributes that have been paid to his memory.

Question put and passed; members standing.

## MOTION—SUSPENSION OF SITTING.

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

That, as a mark of respect to the late President of the Legislative Council, the sitting be suspended till 7.30 p.m.

Question put and passed; the motion agreed to.

*Sitting suspended from 4.43 to 7.30 p.m.*

## QUESTIONS.

### RAILWAYS.

*As to "S" Class Engines.*

Mr. WATTS asked the Minister for Railways:

1, How many "S" class engines have been built?

2, What was the total cost of these engines?

3, How many of these engines are at present in full-time service, and in what periods during the last 12 months has each of them been out of service?

4, What are the principal defects in these engines, or the principal difficulties which render full-time service impracticable?

5, Can these defects and difficulties be speedily remedied so as to enable these locomotives to give the service they ought to be giving, and if so, how soon is it expected they will be put into complete working order?

6, If they cannot be remedied speedily and satisfactorily, what is it proposed to do with these locomotives?

The MINISTER replied:

1, Five.

2, About £16,000 each. Final costs will not be known until the programme of 10 is complete.

3, All are available for service. Time out of service for each engine in the last 12 months was:—

No. 541—Four occasions, totalling 12 weeks, including four weeks waiting for shops.

No. 542—Three occasions, totalling 21 weeks, including 15 weeks waiting for shops.

No. 543—Three occasions, totalling nine weeks, including four weeks waiting for shops.

No. 544—Three occasions, totalling 15 weeks, including six weeks waiting for shops.

No. 545—Three occasions, totalling 11 weeks, including three weeks waiting for shops.

4, Wear of steam chest cages has been excessive, though not confined to "S" class engines. Remedial action has been taken.

5, Yes. Further difficulty is not expected.

6, See answer to No. 5.

### EMU PEST.

*As to Invasion of North-Eastern Districts.*

Mr. LESLIE asked the Minister for Agriculture:

1, Is he aware that there is a very serious invasion by emus of the northern areas of the Mukinbudin, Mt. Marshall and Koorda Road Districts?

2, That emus are breaking into crops and causing serious damage; that they are roving in mobs containing, in many cases, over 50 birds, and that farmers are quite unable to cope with them?

3, That as an encouragement to an increased effort in destroying the emus, the Mt. Marshall Vermin Board has decided to increase the bonus to 2s. per beak, and that the Mukkinbudin and the Koorda Vermin Boards are giving urgent consideration to similar action?

4, Has a request been received by the Department of Agriculture that the assistance be obtained of small military detachments, armed with machine guns, with a view to reducing the menace of the emus?

5, Has any approach been made to the Military or appropriate authorities along the lines requested, and if so, with what result?

6, If no such approach has been made, has the department any other effective proposal in mind, and if so, what?

7, If not, why not?

The MINISTER replied:

1, 2 and 3, A report has been received from the Mt. Marshall Vermin Board that emus are present in numbers in the north-east area and are causing damage to crops.

The Mt. Marshall Vermin Board, in conformity with its policy during recent years, has increased the bonus paid to 2s. per beak for the next three months.

4, 5, 6 and 7, The Mt. Marshall Vermin Board suggested that a request should be made for small detachments of Military personnel armed with machine guns. The Military authorities have no personnel available, but previous experience indicates that this method is of doubtful value.

Excellent results have been attained by vermin boards organising co-operative drives within their districts when emus are present in serious numbers.

## BILL—CEMETERIES ACT AMENDMENT.

Read a third time and transmitted to the Council.

## BILL—TIMBER INDUSTRY (HOUSING OF EMPLOYEES).

Report of Committee adopted.

## BILL—FINANCIAL EMERGENCY ACT AMENDMENT.

*Second Reading.*

**THE MINISTER FOR LANDS** (Hon. A. H. Panton—Leederville) [7.34] in moving the second reading said: This is a very old friend of ours, most of us having unhappy recollections of the introduction of the original legislation. The parent measure was introduced in 1934 and provided for the reduction of salaries, wages, etc., though after a period, it was found possible to relax that provision. The Act was amended again in 1934 and 1935, and the only portion of the original measure now remaining in force is that which provides for control of interest rates in certain cases. The interest rates on mortgages in existence prior to the 31st December, 1931, were reduced to 5 per cent. or by 22½ per cent., whichever was the greater. The Government feels that, as the present rates are much below 5 per cent., there is not much necessity for continuing this legislation.

Last session when a Bill was introduced to continue the Act for another year, we thought that 12 months' notification of its termination would be sufficient. During the 12 months, however, we have been informed that there are certain people still left with mortgages affected by this provision, and the general opinion is that they are carrying rates of 7 and 8 per cent. interest. These mortgages would probably not be called up and the rate would revert to 7 or 8 per cent. In view of this fact, the Government, after discussion with the Leader of the Opposition and the Leader of the Liberal Party, has decided to ask for a continuance of the Act for another 12 months. I think that if we give people this further opportunity to convert such mortgages at a lower rate of interest, they can hardly blame us if they fail to do so after having had two years' notification.

The Bill merely provides the continuation of this legislation for another 12 months, and the Act will go out of existence at the end of November of next year. I hope that when that time arrives, the statute will definitely come to an end. We can see no need for continuing it after that date. It seems strange that, notwithstanding the publicity given to the proceedings of this House, people outside do not seem to have taken much notice of what is going on. I suggest that if members during the 12 months hear of any constituent who has given one of these mortgages, they might advise such person to make other arrangements in view of our intention that this legislation shall not be continued after the end of November of next year. I move—

That the Bill be now read a second time.

On motion by Mr. Watts, debate adjourned.

## BILL—BUILDING OPERATIONS AND BUILDING MATERIALS CONTROL ACT AMENDMENT.

*Second Reading.*

**THE PREMIER** (Hon. F. J. S. Wise—Gascoyne) [7.39] in moving the second reading said: Approximately 12 months have passed since the parent measure was introduced and that was forced upon us really by the Commonwealth's relinquishing control of building materials and of all the requisites used in house building and in building construction generally. Almost overnight the State found itself in the position of having to provide for controls that were vitally necessary to avoid chaos in the building trade. The Commonwealth, when removing its controls, made it clear that no permit would be required for a house costing up to £1,250. During the period between the time of the relinquishing of control by the Commonwealth until the time of the passing of legislation in this Chamber which, with some amendments, passed the Legislative Council, very many contracts were entered into, large quantities of ma-

terials were purchased and very many buildings were commenced which did not fall into the category of needs or urgency such as homes required by the people. The result was, because control was not being exercised, that 20 per cent. of our available building materials was being used in buildings which were not as urgent as were homes for the people.

At one stage I intended to introduce this Bill in a different form. I had decided to provide for the amounts which formerly were contained in the National Security Regulations, because when the parent Act was amended by the Legislative Council those limits were increased. Although the sums might appear reasonable—in fact, small—in the aggregate they meant a very large total. Not only that, many people had found ways of evading their responsibility because of their consistent purchases of materials at a cost outside the sums which required permits. However, after giving the matter further consideration, the Government decided to introduce a continuance measure of the type now before the House, because it might not have been that we would be in exactly the same position after the matter was debated. One of the reasons which prompted that decision is that the materials position will improve. It is hoped that early in the new year a marked improvement will take place.

In recent weeks there has been a hold-up because of our industrial troubles, which will have an effect for some time: but our estimate of the production of materials prompts us to believe that early in the New Year we shall be in a better position than we have been at any stage since the war. We hope to live up to our anticipation that our quota of 3,000 homes will be an accomplished fact. When this matter was last discussed at the Premiers' Conference, it was obvious that some States were experiencing serious difficulties; in fact, their materials supply was chaotic in some instances. After considerable discussion, it was thought that the proper thing to do was to retain control and allow the Commonwealth to shoulder the responsibility of making a fair and reasonable distribution of such materials as were manufactured in one State.

The State authorities are working one with the other to a very satisfactory degree. Where articles of manufacture are available in one or two States, it has been mutually agreed that there shall be a fair apportionment between the States concerned. It is significant that the States with the least control are having the greatest difficulty. At the officers' conference held in New South Wales early this year, the delegate from that State admitted that the materials position was almost out of control in New South Wales. He emphasised that the greatest drain on materials was the tremendous amount of building activity under black market conditions. Materials in short supply and almost uncontrolled were being sold at exorbitant prices.

It is significant, too, that in New South Wales building costs are higher than those in any of the other Australian States, and that is where the controls are least severe and where certain controls were relaxed and not continued after the Commonwealth controls ceased. Victoria, too, has had what might be regarded as an "open go" for many months. That State also is finding it quite unsatisfactory to relax controls, particularly if an earnest effort is to be made to provide buildings for those most urgently in need of them. The Building Controller in Victoria is now issuing releases and permits somewhat in line with the system obtaining in this State; the persons applying for permits to build must produce certain certificates and documents similar to those required here. Since insufficient material is available to meet the demand, it is extremely necessary for us to see that such materials as are available are directed into the most worthy channels.

It is necessary also to continue the check upon buildings which are not in such urgent demand as are homes. In this State the board has had to take action against people who are evading their responsibilities. While they have not been flagrant, obviously many cases have occurred where people wilfully evaded their responsibility in applying for materials and for permits to build. I think the picture of the number of permits granted and of the building that has proceeded will interest members. The permits granted in 1945 for new houses numbered 1,112, to the value of £758,014. In 1946, up to the 31st October, permits were issued for 1,397 houses

of a value of £1,066,666. Permits for other buildings were granted to the value of £281,620 in the full year of 1945 and £143,831 to the 31st October of this year.

In addition, permits were granted for alterations and additions to homes, those for 1945 totalling 1164, and for this year, 1977. Those figures relate to private permit holders only. In addition, under the Commonwealth Housing Rental Scheme, the Workers' Homes Board completed a total of 166 houses for the year ended the 31st December, 1945, and 283 during the 10 months ended the 31st October, 1946. A further 509 are under construction, a number being in a very advanced stage. To these figures must be added 180 war service homes under construction; and a substantial programme is being developed in that connection.

With regard to supplies of materials from the Eastern States, we have had a highly-placed officer visit all the Eastern States except Tasmania with a view to organising supplies which must come to us from those places, including such materials as plywood, which is available only from Queensland and is in great demand. If supplies had not been purchased and stored, awaiting shipment, we would have been in a very bad position in this State with regard not only to furniture but doors and other internal fittings in which plywood is used. The same circumstances obtained in connection with certain types of porcelain ware which comes to us from New South Wales and also galvanised iron and the many articles manufactured from that commodity. Supplies had to be well regulated and the Eastern States markets carefully watched. We have now reached the stage where we have a liaison officer in New South Wales and one in Victoria, arranging on behalf of merchants and also the Workers' Homes Board for the purchase and shipment of supplies regularly and in maximum quantities available.

In connection with timber supply, the Forests Department has been very co-operative with the other State departments, and on that department has been placed the responsibility of obtaining from the sawmillers an assurance of quota supplies of the various types of timber in their respective sizes; and such supplies are now flowing much more freely. As a result of the inquiry which has been undertaken for the Government by Mr. Wallwork and which is not yet completed, very many channels have been cleared and very much improvement has been effected in regard to the supply of building materials. The issue of permits has increased to 2,500 and we have asked the Commonwealth to allow an additional 500 for this year. The Commonwealth thought that could not be achieved, but we have no doubt that the total of 3,000 for this year will be reached before the end of June next, and we may be in a position to ask for and issue permits for several hundred more homes during the present financial year.

It is interesting to note that the output of many of the materials manufactured in this State has been stepped up, and the production of several of them has exceeded the pre-war total, taking the 1938-39 figures as a basis of comparison. While we are not prepared to rest on that production and to be satisfied with it, it is something of an achievement that for this year the production of five of the basic materials produced in this State is in excess of that of the year mentioned. Such a terrific leeway has to be made up on account of the almost complete cessation of building during the war that our annual total must be increased as quickly as possible and as speedily as labour is available for the purpose.

The aim of the Bill is to ensure, as a result of the controls contained in the parent Act, that the materials available will go to those in most urgent need. It will also help to speed up the building programme by arranging for a more even flow of materials. Moreover, now that builders have a better idea of what is to be available to them during the months ahead, they will be able to give us better quotes and provide for the public better value in relation to the cost of homes that are built. Comparing building costs in the Eastern States with those prevailing here, one cannot but conclude that the controls in this State have been absolutely warranted and have given to builders and to the public a much better chance of bringing about the completion of homes.

The Building Industry Congress, which is the centre of the activities of most of the

builders in this State, is in favour of the measure and has given it—as was the case last year—every support to ensure that whatever materials are available and from whatever source, there will be a better prospect of a reasonable allocation. Furthermore, inquiries made by Mr. Wallwork show that the present system of control should be continued. I move —

That the Bill be now read a second time.

On motion by Mr. Abbott, debate adjourned.

## BILL—MARKETING OF POTATOES (No. 2).

*In Committee.*

Resumed from the 21st November. Mr. Rodoreda in the Chair; the Minister for Agriculture in charge of the Bill.

The CHAIRMAN: Progress was reported after Clause 22 had been agreed to.

Clause 23—Duty of board to accept delivery:

Mr. McLARTY: I move an amendment—

That in line 1 of paragraph (b) of Subclause (1) after the word "prescribed" the words "they are potatoes" be inserted.

This is a matter of clarification.

Amendment put and passed.

Mr. McLARTY: I move an amendment—

That at the end of Subclause (1) a new paragraph be added as follows:—

(d) Any grower may in writing notify the Board or such agent that his potatoes are ready for delivery to the Board, and, if the Board shall not accept delivery within seven days after receipt of such notice, such grower shall be entitled by notice to the Board or its agent to receive from the Board or its agent a certificate as to the quantity and quality of such potatoes, and, if such potatoes are subsequently refused by the Board, as hereinafter mentioned, such grower shall nevertheless be entitled to participate in the compensation payable under Section 30 of this Act to the same extent and in the same manner as would have been the case if he had delivered to the Board potatoes of the quantity and quality shown by such certificate.

The board will have the right to acquire all the potatoes, and so a grower will have to do whatever the board tells him in the disposal of his crop. I can imagine a grower suffering considerable loss through being instructed by the board to hold his potatoes for a certain time. Some potatoes have not good keeping qualities. Then again we might have an attack by potato fly, and members who have had anything to do with potatoes know the losses that can occur from potato fly. If a grower cannot sell to avoid loss it is only fair that the board should be responsible and should pay compensation.

The MINISTER FOR AGRICULTURE: I am sure the member for Murray-Wellington is quite earnest in believing that by this amendment he will confer some benefit on the growers, but in my opinion if he deliberately set out to wreck the Bill he could not do it more effectively than by succeeding with the amendment. The board could not function under the expense involved; it would soon be out of business and there would be no control over the industry. This board will start off without funds, and it is constituted to carry out its duties fairly towards all growers. If circumstances are such as to cause the board to leave potatoes with the growers, and losses occur to those people, it will be because it will not have been possible to prevent those losses. The board, if it had to give the suggested guarantee, would be compelled to get the money from somewhere to make those payments, so it would have to get it in some manner from the growers.

Mr. McLarty: It could be done by a deduction from the pool.

The MINISTER FOR AGRICULTURE: What pool?

Mr. McLarty: The pool proceeds; the board is selling the potatoes.

The MINISTER FOR AGRICULTURE: The board sells the potato crop, but the hon. member knows that the practice is that the producers are called on, at different times, to supply the requirements of the market as and when the board decides. If some growers suffer a loss through holding, it is one that they would suffer if, without the board, they held their potatoes in order to feed them on to the market. If they hoped to avoid such losses by disposing of their crop immediately when harvested, they would come into competition with everyone else endeavouring to do the same thing and would lose through having to accept much reduced prices. A grower who holds back his crop will get something to compensate him for any loss he might sustain from the higher

price for the commodity rationed on to the market. The member for Murray-Wellington wants the growers to have the advantage of organised marketing and, at the same time, a written guarantee that he will be compensated for any loss sustained through holding back a portion of his crop. That is impossible. If the Committee accepts the amendment the Bill will be worthless.

Amendment put and negatived.

Clause (as previously amended) put and passed.

Clauses 24 and 25—agreed to.

Clause 26—Grower may not use own potatoes in own hotel, etc.:

The MINISTER FOR AGRICULTURE: I move an amendment—

That in line 4 of Subclause (1) the words "(except wholesale or retail)" be struck out.

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

Clauses 27 to 34—agreed to.

Clause 35—Grower to notify board of any encumbrances:

Mr. McLARTY: I move an amendment—

That at the end of Subclause (1) the following words be added:—"and any person entitled to the benefit of any such bill of sale, mortgage, charge, lien, pledge, interest, trust, encumbrance or agreement shall be entitled to give a like notice to the board."

Under this clause the grower has to notify the board of any encumbrance as to the sale of potatoes. My amendment is to provide that any person who has a lien over the potatoes shall also have the right to notify the board.

The MINISTER FOR AGRICULTURE: I have no objection to the amendment.

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

Clauses 36 to 43—agreed to.

New clause:

Mr. McLARTY: I move—

That a new clause be added as follows:—

20. Any person who feels aggrieved by the decisions of the Board in withholding or refusing, cancelling or suspending a license to him as a grower, or as an agent, or by any decision of the Board as to the growing area allotted to him as a grower may appeal therefrom to a Stipendiary Magistrate within one month after the date of the decision. Such Magistrate may decide the appeal on any notes of evidence taken by the Board, or may deal with the matter by way of re-hearing, and for that purpose may take evidence on oath or affirmation in the same manner, and to the same extent, as he is empowered to do in the exercise of his ordinary jurisdiction. The decision of the Magistrate shall be final and conclusive."

Most Acts give a right of appeal but no such right is provided in this Bill. If a grower is refused a license, if his license is cancelled or his area restricted at the will of the board, there is no appeal. I believe the grower should have the same right of appeal as is given to the ordinary citizen.

The MINISTER FOR AGRICULTURE: I hope the Committee will reject this clause. The producers are to have half the representation on the board and it is also provided that, if the voting is equal, the matter shall be decided in the negative. The chairman is to be nominated by the Minister. I cannot believe that a board constituted in this way will deal harshly with individual producers. Any grower who feels he has not been treated fairly will have the opportunity to put his case before the board, either through his organisation or by approaching the producer-representatives on the board, so that the whole matter may be considered by that body. It is necessary for the board which is to control production and will be in possession of all the facts, to be able to decide these matters.

If a right of appeal to a magistrate is provided it will be found that almost all those who are refused licenses will appeal to the court, and the court would take cognisance of matters that the board would necessarily find itself obliged to ignore. It would weaken the scheme and the plan for controlled production and marketing. I might agree that the clause was necessary if this were an autocratic board to which producers could not express their points of view, but that will not be the case. If any person feels that he is aggrieved he will be able to bring his case before the Minister. Under the existing marketing system the Minister has no power to interfere with what is being done under the National Security Regulations, but he can draw the attention of the authority concerned to anything brought under his notice and, if injustice is being done, he can suggest that a different view might be taken. There has never been any difficulty about it.

If, in connection with the functioning of the board, any case of injustice is brought under the notice of the Minister, it can be referred to the board through the chairman for consideration, and I cannot imagine that the board, with the knowledge that the Minister was aware of what was happening, would give a decision that was obviously wrong on the facts. I do not think the producers have anything to fear from the operation of a board constituted as this one will be. When the producers perused the Bill, not one suggested that such a provision as that proposed by the member for Murray-Wellington was necessary, and they are the people concerned. I hope the Committee will not accept the proposed new clause because it will weaken the scheme.

New clause put and negatived.

New clause:

Hon. N. KEENAN: I move—

That a new clause be inserted as follows:—"22. (1) For the purposes of this Act the Board may register subject to such conditions as may be prescribed by the Board 'Licensed distributors' to act as its selling and distributing agents.

(2) Any person desiring registration as a selling and distributing agent shall apply in writing to the Board for such registration and shall give the Board such information relevant to his application as the Board requires.

(3) The Board shall have discretion to grant or refuse registration to any applicant therefor and to define the area in which a selling and distributing agent shall operate.

(4) The registration of a selling and distributing agent shall remain in force until cancelled or until such agent dies.

(5) The Board may cancel the registration of a selling and distributing agent if he fails in any way to comply with the Act or with the conditions attached to his registration or the regulations or to carry out any of his duties as a selling and distributing agent of the Board or if he becomes bankrupt or in any way as a debtor takes the benefit of laws relating to bankruptcy.

(6) Every registered selling and distributing agent shall be entitled to receive delivery of potatoes from the Board and to sell same on behalf of the Board through the usual channels of trade, and on the usual trade conditions or on such other conditions as the Board may from time to time prescribe and shall perform all such other duties and functions on behalf of the Board as the Board directs.

(7) Every registered selling and distributing agent shall be entitled to receive as remuneration for his services and for any facilities made available by him in the work of selling and distributing potatoes and as remuneration for any expenses incurred by him such amount as the Board with the approval of the Minister shall determine."

This amendment is correlative to Clause 21 which we have already passed and which deals with the appointment of agents to receive potatoes on behalf of the board. The new clause I propose relates to the appointment by the board, at its discretion, of persons to act as distributors and, mutatis mutandis, the provisions embodied in it are identical with those of Clause 21. I hope the Minister will raise no objection to it.

The MINISTER FOR AGRICULTURE: This is an instance of mutatis mutandis—with a few additions, which is one reason why I cannot accept the proposed new clause. The member for Nedlands desires to make specific in the Bill provision for the licensing of distributors. In my opinion we can achieve that objective, concerning which I am just as anxious as is the hon. member, in a more simple manner. I do not like the wording of Subclause (6) of the proposed new clause which refers to the agent being able to sell potatoes on behalf of the board "through the usual channels of trade and on the usual trade conditions or on such other conditions as the board may from time to prescribe" because I consider such a provision would tie up the position. Referring to this matter the other night, I said I would agree, on recommittal of the Bill, to move an amendment to deal with the matter and, if the member for Nedlands will agree with what I shall propose, I think we will reach the objective he desires.

I propose to amend Clause 5 to widen the definition of "agent" so that it will also cover agents who sell or deliver. Then I shall move to delete Subclause (6) of Clause 21 and to substitute another subclause. I shall make specific provision for selling and delivering under the conditions that will be outlined in the amendment. The member for Nedlands admitted it was true the Bill did not prohibit wholesale merchants from being appointed as distributors, but he considered it was necessary that a positive statement should be made that they were to be covered, and that will be achieved by my proposed amendment. The board will be able to make provision that the registered agents shall, within the area defined, and to the extent authorised, take de-

livery of potatoes from growers or sell or distribute that commodity on behalf of the board, which will impose conditions upon the authorised agents, who will be required to perform such duties and functions on behalf of the board as it directs. What I propose to move will enable the board to register the agents and also properly to control them and impose conditions under which they will operate. I prefer amendments along those lines to the new clause submitted by the member for Nedlands.

Hon. N. KEENAN: I regret the Minister's decision because it will make the position very confusing. The interpretation clause contains a definition of agent and Clause 21 sets forth the conditions to apply to agents appointed. Every possible condition is provided for, and nobody suggests that anything stipulated there is wrong or unnecessary, but exactly the same provision is necessary for distributing agents. Apparently the Minister takes exception to the reference to "the usual trade conditions," but they will apply only where the board itself does not prescribe conditions. As the board is empowered to prescribe conditions, no exception can be taken to that provision. Then I suggest that the agents shall perform all such other duties and functions on behalf of the board as the board directs. Consequently the board will have complete control. This will not place any power or authority whatever in the hands of the distributing agents except such as the board allows them to enjoy. I hope the Minister will reconsider his decision to hack the Bill to pieces in order to produce a possible result that can be made certain by adopting my proposal.

The MINISTER FOR AGRICULTURE: Clearly the hon. member has not grasped my intention; otherwise he could not characterise my proposed action as one of hacking the Bill to pieces. I believe the Bill contains sufficient power to enable the board to appoint distributing agents and carry on the existing practice as the member for Nedlands desires. But he is not satisfied with that, so he seeks to make certain additions to the Bill with specific provision for licensed distributors. If the Bill is not sufficiently explicit, I submit that the right way is to enlarge the definition of agents so that it will also cover distributors, and then make the conditions that were to apply to receiving agents apply also to selling and distributing agents.

Hon. N. Keenan: What is the objection to my proposal?

The MINISTER FOR AGRICULTURE: The hon. member has not repeated for licensed distributors all the provisions applying to agents.

Hon. N. Keenan: Which one is omitted?

Tht MINISTER FOR AGRICULTURE: The proposed new Subclause (6) has been altered. I want the provisions for agents, whether distributing or receiving agents to be the same. Give the board the same power and put the same obligations on all the agents without distinction! Then the board will have authority to direct each agent whether he be a receiving or a distributing agent. Why re-say all those things that are already in the Bill and make some slight alteration to one of them? Why not adopt the more concise way of enlarging the definition? I consider mine is the better way to do it. With all due deference to the member for Nedlands in thinking out this method of making specific provision for licensed distributors, I submit the other way is the better way to do it, and I do not think it is hacking the Bill about.

New clause put and negatived.

Title—agreed to.

Bill reported with amendments.

## BILL—WHEAT INDUSTRY STABILISATION.

*Second Reading.*

Debate resumed from the 15th October.

**MR. McDONALD** (West Perth) [8.42]: This is a Bill of very great importance. It seeks to stabilise the wheat market of Australia over a term of years and to provide for what is called a guaranteed price. I do not propose to traverse the history of wheat marketing in this State. We are all familiar with the fact that between World War 1 and World War 2 the Australian crop was marketed oversea by pri-

vate buying and selling agencies and, to some extent, through voluntary pools organised by the producers. When World War 2 broke out in 1939 the wheat market was depressed. The possibilities of transport of wheat oversea were, at the best, problematical; and it became obvious that the proper course was to adopt special measures, which were accomplished under the National Security Regulations in that year.

The whole of the wheat crop of Australia was acquired compulsorily by the Commonwealth Government acting under its defence power, and the Australian Wheat Board was set up as the receiving and marketing agent to dispose of the wheat both internally and by external sales. It is obvious that when the acquisition and marketing scheme of 1939 came into force under the National Security Regulations, the idea was in the first place to protect the industry by a guaranteed price, which at that time was 3s. 10d. a bushel f.o.b. ports; and in the second place to market the Australian crop internally and externally to the best advantage. It was clear from the framework of the wheat acquisition scheme, as enunciated at the outbreak of the war, that while the farmer had a guaranteed price, if the receipts from the sale of the crop fell below that guaranteed price the loss would be borne by the general taxpayer.

On the other hand, the wheat was to be sold in the interests of the producers. Although the wheat was acquired by the Commonwealth compulsorily under the defence power in the Constitution, the basis was a marketing scheme under which the Commonwealth instrumentality—the Australian Wheat Board—would market the wheat to the best advantage, deduct from the proceeds the administrative costs of the board and return the balance, or net receipts, to the farmers according to their deliveries to the board. With that scheme the farmers on the whole were content. It is true that by the flour tax legislation there was, in the case of wheat to be used for flour in Australia, a price of 5s. 2d. f.o.r. ports, and it might well be that in the course of time wheat might have a greater value when export prices rose. But the farmers were always willing to make their contribution, within reason, to a stabilised price for bread for the consumption of the people of Australia.

Apart, however, from the flour tax legislation, which provided the guaranteed price of 5s. 2d. for wheat manufactured into flour for internal consumption, the wheatgrowers of Australia expected to receive the benefit of any additional price that might come their way through a rise in export values. The scheme worked with reasonable satisfaction to all concerned at the start and in the anticipation by the producers that the Government would utilise its marketing arrangements as a means of selling the wheat and distributing to the producers the net return from the wheat which was disposed of. The difficulty commenced to arise, however, after the war had proceeded two or three years by reason of the action of the Australian Wheat Board in selling wheat below world parity.

In 1944 prices began to rise on the world market; and if the wheat had been sold for export at those prices, the farmers or producers would have been entitled to receive an amount of some size above the Australian price for wheat to be consumed as flour. The Australian Wheat Board, instead of being a marketing agency on behalf of producers; instead of being an agent or trustee to secure for producers the best returns it could by sales apart from the limitations imposed by the flour tax legislation, sold the farmers' wheat to various people at concession rates. That is to say, outside the flour tax legislation, which was a statutory enactment binding on the producers and accepted by them, the Wheat Board, instead of disposing of the wheat not required for flour for internal use by selling it on the oversea market or selling it for local use at the export value by an administrative act, and not by statutory authority, sold quantities of the farmers' wheat at concession rates to various consumers inside Australia, those consumers being stock feeders, breakfast-food manufacturers and others, and even manufacturers of dog-biscuits; and the amount that was lost to the producers by those concession sales from Nos. 5, 6 and 7 pools, was over £16,000,000.

But the Commonwealth Government made some acknowledgement of the injustice which its administrative acts had been inflicting on the wheatgrowers by making good to the Australian Wheat Board's funds about two-thirds of that £16,000,000 which the pro-

ducers in Australia would otherwise have lost out of the Nos. 5, 6 and 7 pools. It is true, and it should be mentioned in justice to the general position, that there was a time when the 5s. 2d. a bushel fixed price to farmers for wheat consumed for flour in Australia was above the export value and the farmers acquired a benefit from that of approximately £5,000,000. But when the external price rose and export wheat could be disposed of at a sum above the 5s. 2d. fixed by flour tax legislation—and even to some extent, I think, before that period—concession sales were a steady diminution of the amount that the farmers should have received as the real value of the wheat they had produced. The result of those operations was that the producers of wheat in Australia lost confidence in the operations of the Australian Wheat Board—very justifiably, I think.

The mere fact that the Australian Government made a refund of two-thirds to the board's funds of the £16,000,000 that otherwise would have been lost through concessional sales in Australia, was an admission that the board had not been conserving the interests of the producers and accounting to them for the true value of the product they had been compelled to deliver to the board. The matter has a further significance, because the board acquired the wheat compulsorily under the terms of the Commonwealth Constitution, and it became liable to pay to growers the just price of the wheat that it received; or, in terms of the Constitution, it could only acquire the wheat of the farmers on just terms. There seems very little doubt that "just terms," as a phrase in the Constitution, would oblige the Australian Wheat Board, as the instrumentality of the Commonwealth Government, to pay to the farmers from time to time the market value of their wheat as it would be arrived at having regard to the prices that could be received from the sales on the world market—always bearing in mind and accepting with regard to part of the Australian wheat the limitations imposed and accepted by the terms of the flour tax legislation in respect of wheat consumed as flour by the Australian people.

We approach the matter of the marketing of the Australian wheat crop last year and this year with a realisation that there was dissatisfaction and distrust which appeared to be not without very substantial grounds in the minds of the Australian wheatgrowers with regard to the activities of the Australian Wheat Board. In justice to the members of the board it is to be said that the administrative acts by which wheat was sold at concession rates to certain people in Australia were directions by the Commonwealth Government or the Minister in charge of that department in the Commonwealth Government. There is clearest evidence of that in documentary form in relation to the sale of wheat for dog-biscuits that the board had declined to sell at concession rates, but which they were directed to sell at such rates by a specific order in writing of the Commonwealth Minister under whom the Australian Wheat Board was functioning. In those circumstances, the Commonwealth and the wheat industry approached the position as it would be at the end of the war, and in those circumstances, too, the power under which the Commonwealth had exercised its right to acquire wheat would disappear because the defence power would no longer be operative for that purpose.

It then became necessary and desirable to arrive at a new framework for the marketing of the Australian wheat crop, and this was embodied in the Act which passed the Commonwealth Parliament this year—the Wheat Stabilisation Act. I do not propose to traverse the terms of that measure and intend to make only a passing reference to the fact that it was retrospective in its terms and included in the stabilisation scheme the proceeds of the 1945-46 harvest which was the subject of what is known as the No. 9 pool. The wheat which is the subject of the No. 9 pool—or, in other words, the wheat which was the product of the 1945-46 harvest—was a commodity for which there was an extremely powerful demand oversea, and the price which was obtainable for it ranged, in round figures, from 10s. to 12s. or 13s. This 1945-46 harvest wheat was acquired, independently of the Commonwealth Wheat Stabilisation Act, under the authority of National Security Regulations, and it became the property of the Commonwealth Government, quite apart from any operations of the Wheat Stabilisation Act of this year.

It is claimed, and I think with complete foundation, that on the acquisition of the proceeds of that harvest, the producers became entitled to the just price for the wheat, and that price was the one at which the Australian Wheat Board could have sold on the export market at export parity, except for the wheat which was disposable for flour for internal use at the price of 5s. 2d. a bushel under the flour tax legislation. Apart from the quota required for flour it seems, to my mind, that the producers were entitled to the export value of the wheat. I think they are so entitled, irrespective of the Commonwealth Wheat Stabilisation Act, but this is a matter as to which judicial proceeding are pending; it is to be determined by the High Court very shortly. I believe it was to have been dealt with this month, but it seems that the High Court hearing will take place in the next two or three weeks and the decision might possibly be given before the end of this year. Under the Commonwealth Wheat Stabilisation Act, the proceeds of the 1945-46 harvest were to be brought into the scheme, and a substantial part of the proceeds would have been directed into the stabilisation fund for the purpose of meeting any fall in price which might occur in future years.

I pause at this point to say that there has been strong exception taken by many wheatgrowers to the inclusion, retrospectively and without the consent of the growers, of the 1945-46 harvest in the Commonwealth Stabilisation Scheme. It is true that the Commonwealth Government claims, and a large section of the producers deny, that consent or approval was given by a certain organisation representative of some wheatgrowers. The fact remains, however, that no means were taken to obtain the consent of the wheatgrowers themselves, either individually or in an authoritative way. A majority of the wheatgrowers, therefore, claims—and they number 65,000 throughout Australia—that the 1945-46 harvest should not be included in the stabilisation scheme but that, having been acquired under National Security Regulations, the producers of that harvest are entitled to be paid the full export value for their wheat, except that portion which was properly taken for flour consumption within Australia under the flour tax legislation.

We approach this scheme, therefore, with a strong sense of grievance on the part of many of our wheatgrowers. To those of us who are not growers of wheat and may claim to look at the matter without any bias, it does seem extraordinary that the Commonwealth Government should have been so ill-advised as to endeavour to include, retrospectively, the 1945-46 harvest in the scheme, even although, admittedly, the diversion of a large portion of the proceeds of that year's harvest would have had some effect in promoting the strength of the stabilisation fund. We are now faced in this House with a Bill to implement the Commonwealth Wheat Stabilisation Act. The States are the sovereign authorities with regard to production, restriction of acreage, licensing of growers and matters of that description. It seems clear enough that the Commonwealth Stabilisation Scheme, although the subject of a Federal Act of Parliament, cannot constitutionally operate unless supported by legislation passed by the different States of Australia. By the Bill now before us, this Parliament is called upon to endorse, on behalf of the wheat-farmers of this State, the Commonwealth Wheat Stabilisation Scheme.

The first difficulty with which Parliament is confronted is one to which I have referred, namely, that we are called upon to uphold a scheme—which includes the 1945-46 harvest—that, in the opinion of many farmers, repudiates a contract that had been made with them under the National Security Regulations. We are called upon to endorse a scheme under which money that the farmers were entitled to, in my opinion, by virtue of the National Security Regulations under which their crop was acquired in 1944-45, is to be taken from their pockets, without their consent, and placed in the stabilisation fund to be created under the Commonwealth stabilisation scheme. So we cannot escape a sense of responsibility in considering legislation which is open to so much objection by the producers, when these objections seem to many of us to be based on strong grounds. That is difficulty No. 1 in relation to a consideration of the Bill.

I now pass to another difficulty and it is this: The scheme proposes a guaranteed price of 5s. 2d. f.o.r. at Williamstown for bagged-wheat, and the equivalent of 4s. 11d. for bulk wheat. When the necessary deductions are made for administrative expenses, railage and other outgoings, the figure to be received by the farmer on a

siding basis in this State will not be much more than 4s. It is true that if the export parity remains high and if there is not an undue wastage of receipts through concessional sales by administrative act of the Australian Wheat Board or its successor, the position of the farmer may be benefited by the excess of the export price over the price of 5s. 2d. f.o.r. Williamstown, but the farmer has to look at the matter from a long-distance view over the whole period of the stabilisation scheme, and has to bear in mind that export values may fall, and that the crop may be so small that the quantity available for export may represent a very small proportion of the total crop, and in fact that is what is taking place today.

We all know that, despite the more optimistic estimates of the Australian wheat crop, the figure for the marketable volume today is reckoned to be possibly under 100,000,000 bushels, and in view of the failure of the wheat crop in New South Wales the proportion that will be available for export oversea, and therefore available to receive the higher value of present export parity, will be comparatively small, and the excess that will come from export parity sales will not have a great effect in bringing the siding price to the farmer up to a figure that he can regard as reasonable to meet his outgoings, and to give him a fair margin of profit.

The price at which wheat can be grown in any area to cover costs of production and give a fair margin of profit has been debated over many years, but for the sake of the present discussion I think the figure arrived at by the responsible committee of the Primary Producers' Association a few months ago, 5s. 5½d. per bushel, may be taken as being not far from the mark, and certainly with rising prices, such as we are experiencing today, it will be very near the mark, if not under it, before very long, judging by the experience of this scheme. So our second difficulty is that the scheme provides for a guaranteed price which the farmers justly apprehend may be insufficient to meet their costs of production and allow them a margin on which to live. In other words, the price is not a fair or economic one.

The third matter of difficulty is the authority of the acquiring and disposing body, the Australian Wheat Board. I endeavoured to explain that when the scheme first came into force at the beginning of the war there was a clear idea in the minds of producers—and I think of the Australian Wheat Board and everybody else—that the duty and obligation of the board was to market the farmers' wheat to the best possible advantage, subject only to the restricted price of wheat required for internal flour consumption. I went on to explain that by administrative acts the board departed from that principle and sold the farmers' wheat, by various concessional sales inside Australia, at prices less than could have been acquired for it had it been marketed in the ordinary way. The farmers have arrived at the stage where they feel that the future of their industry will not be safe unless there is some protection from arbitrary actions by the board, at the direction of the Minister, in making concessional sales at less than the price that is obtainable for the wheat held by the board. They feel—and I think it is inescapable—that the Government has used, through the board, the wheat it acquired for sale from the producers of Australia, to subsidise other industries. By that means there has been imposed on the producers a special tax in aid of other industries, beyond the ordinary taxes imposed by Parliament on the people as a whole.

This discrimination is something that cannot possibly be justified and it fully explains the anxiety of the farmers as to what may happen in the future. Their anxiety is sharpened by the fact that in the Commonwealth Wheat Stabilisation Scheme and Act there is continued the basis for payment to producers that was contained in the National Security Regulations. Therefore the Commonwealth Government has proposed to secure to itself under the new stabilisation scheme the very power which it used to make concessional sales at the cost of the wheat producers in favour of certain sectional interests inside Australia. The true basis or principle for any acquisition scheme should be that, apart from wheat which by law is to be sold for a fixed price under flour tax legislation, all other wheat should be sold by the Australian Wheat Board to the best possible advantage in the interests of the farmer, who should receive from the board the whole of the proceeds, less only

administrative expenses. Instead of that—and this is the third difficulty—the farmer sees in this new scheme the same means as was contained in the National Security Regulations for perpetuating a system under which concessional sales may be made to specified Australian consuming interests at the expense of the proceeds of his crop.

There are therefore three major difficulties that confront the passing of this Bill. It contains weaknesses which have become apparent through the administration of National Security Regulations in the past war years, and the farmer naturally, and I think properly, feels that the legislation contains such serious objections that it should be withdrawn and replaced by a scheme more in accordance with the actual situation, which would give greater safeguards to the farmers and protect, with more certainty, the stability of their industry. In addition, that basis of the scheme seems to me to be at present entirely in the air. It has been alleged, I believe, by the Commonwealth Government that the inclusion of the 1945-46 harvest was required for the financial stability of the scheme; yet, in the opinion of many people well qualified to speak, it is almost certain the 1945-46 harvest proceeds must be paid to the producers in full without any diversion to the stabilisation fund and at the full market value of the wheat from that harvest. If what was suggested before is correct, it seems possible that within two or three weeks the inherent weakness or administrative difficulties in connection with the scheme may cause the Commonwealth to recast the whole project.

We are, therefore, speaking to a Bill that does not appear to rest upon any secure foundation. All State Governments, as far as I can learn, together with State Parliaments find great difficulty in approaching this matter for the reasons I have mentioned and for others as well. It was proposed in the Commonwealth Parliament that before the Bill became law a poll should be taken of the Australian wheatgrowers. That appears to me to be a very reasonable and proper proposal. It was certainly all the more proper because it would have asked a majority of the wheatgrowers to sanction the diversion from their pockets of the proceeds of the 1945-46 harvest, which they had been entitled to receive in full under the National Security Regulations.

I have placed on the notice paper a proposal by way of an amendment setting out that before this Bill becomes law a poll should be taken of the wheatgrowers in order to determine whether they approve of the legislation or not. That seems to me a just and reasonable step for Parliament and the Government to take. I have noticed, since I put that amendment on the notice paper, that a similar step has been taken by the South Australian Government. Its Bill contains a provision that the measure shall not become law unless a majority of the South Australian wheatgrowers approve of the scheme. When the Bill is dealt with in Committee I intend to suggest that we adopt the procedure of holding a poll. Yesterday I received a copy of the South Australian Bill and, for the sake of uniformity, I intend to suggest that we include in our Bill a clause similar to that appearing in the South Australian legislation.

I have no information yet—in fact, I do not think any intimation has been received on the point so far—as to the result of the proposal by the South Australian Government that a poll of the wheatgrowers in that State should be taken. All political parties in the Commonwealth Parliament and, I think, in the State Parliaments as well are agreed upon stabilisation as a principle. We all believe, in my opinion, that the wheat industry is of such value to Australia for the employment it provides, for the wealth it produces and for the value of its proceeds in meeting our external obligations, that it is vital to Australia's economy that we ensure its stability and continuance. I do not think that stability can be assured except on the basis of a guaranteed minimum price. I also agree with what has been said by the Minister on occasions that if we have a guaranteed price we must, whether we like it or not, exercise control over production.

We are all agreed in principle that there should be stabilisation of the wheat industry and that there should be a minimum price; and I think we are all agreed, even if it has not been followed out in practice, that a minimum price must be fixed that will enable the farmer to pay the cost of production and enjoy a reasonable Australian

standard of living. If, therefore, the Bill should not find favour in this House or a poll should be taken and the wheatgrowers reject the scheme, then, as far as I can see, no hardship can or should result to the wheatgrowing industry of Australia, seeing that the growers would receive in full, I believe, the proceeds of the 1945-46 harvest. In those circumstances they will have more money in their pockets for belated repairs and continuing their industry than they would have under the scheme. As all parties are agreed regarding the necessity of preserving the wheat industry with a stabilisation scheme and a guaranteed price, then if this scheme should fail through inherent weakness it is to be expected that at the earliest possible moment it will be replaced by Commonwealth and State legislation providing a scheme that would be more equitable and sounder, thereby ensuring more protection for the wheat industry and stabilisation and an adequate minimum price.

We are in some doubt, as far as I can obtain information, as to what progress there has been, if any such progress has been made, in connection with any international arrangement for the marketing of wheat. We know of the Washington Wheat Convention of 1942, which was to be the pattern for a post-war scheme between the exporting and importing countries, and there were some of us who hoped that by some such permanent measure we would have a marketing system between the importing and exporting countries that would be an assurance against violent fluctuations in the price of wheat and would ensure a price fair to producer and consumer alike, in which event a stabilisation scheme such as that proposed would be unnecessary, or at all events that it would have been more workable and not liable to make any undue demand on the taxpayers of the countries in which it operated. As far as I can learn, there has been little or no progress made with regard to the implementing of the decisions of the Washington Wheat Convention and we are therefore compelled to proceed with any measure we can for the protection of the wheat industry, on the basis that any such international arrangement may not eventuate or at any rate may not eventuate for a good many years.

I listened with attention to the observations of the Leader of the Opposition on the legal position that might arise by this Parliament's passing the Bill. The Leader of the Opposition pointed out that any weakness in Commonwealth powers for the acquisition of wheat might be cured by the exercise of the sovereign power in this Parliament through this legislation. In other words, the Commonwealth might not be able to commandeer the wheat of the 1945-46 harvest or any later harvest and this Parliament by intervention and the exercise of its sovereign power would cure any weakness which might exist in Commonwealth constitutional power. I thought there might be something in that view, but on looking into it, I feel a little uncertain. This Bill deals with wheat owned by the grower. The operative portion says—

> A person who owns wheat shall sell and deliver that wheat to the board and shall not sell and deliver that wheat to any person other than the board.

The Bill therefore applies to people who own wheat and, as far as I can see, by virtue of the acquisition powers under the National Security Regulations, no farmer in fact does own wheat from the 1945-46 harvest. That wheat is now owned by the Commonwealth. This Bill would therefore apply, I think, to wheat for years subsequent to the 1945-46 harvest.

I wish now shortly to refer to one or two aspects of the measure to which the Minister might be good enough to make some reference in the course of his reply. The Bill in broad terms, appears to me to freeze the production of the commodity as was the case last year. In other words, nobody will be able to produce wheat in future, apart from those who have been producers up to the present, with one exception. Those who do produce wheat may be allowed by the board to produce more wheat, but no new farmers may come into production with the exception I am about to mention. The exception is that which is referred to as a "temporary wheat farm"—

> "Temporary wheat farm" means any farm (not being a wheat farm) on which wheat is, under this Act, permitted to be grown.

That definition, I confess, seems to me to be as clear as the proverbial mud, but this might be unavoidable and might be meant to be turbid and uninformative. I am not blaming the draftsman, but there is nothing to say on what basis a temporary wheat farm may be created, how long it is to exist except that it is not to

be permanent, and who may get the permit. It appears to be a kind of safety valve under which active production may be provided for in any particular year or years without encroaching upon the preserves of those fortunate vested interests that have been the owners of wheat farms. It may be that there is no other way of giving the guaranteed price and maintaining control of production except by restricting the wheatgrowing industry for all time, apart from temporary farms, to the number of farms that now exist, but it is a somewhat alarming prospect. In fact, to me it appears so alarming that I hope I am wrong in my view of the measure, and I speak subject to correction by the Minister, who has given the subject more study than I have. However, in view of migration and development, I believe the time will come when more elasticity in the number of wheat farms may have to be made by some amendment of the scheme.

The Bill follows the usual pattern under which the proposed board will not be a board, but will be a special department of the Public Service. The board will be there merely as a facade; it will be there to be the recipient of complaints and criticism; it will be a creature with substance, and without power. It will be entirely in the hands of the Minister and, while I am prepared to acquiesce in some Ministerial direction, I would be happier if we had no board but simply provided that this matter shall be in the hands of the Minister to do as he pleases within the purview of the measure. The board will certainly have an advisory function, but it will be a subordinate function and, apart from that, it apparently will be a creature of shadowy and doubtful substance.

The measure is one that is aimed at a principle with which we all agree. Stabilisation for the wheat industry is something that under current conditions must come and ought to come. A minimum price must be provided and should be provided and can be provided. The scheme, however, has inherent weaknesses, so much so that I should feel great difficulty in voting for the measure if it came to a vote on the authority and responsibility of members of Parliament without any direction from the growers. The growers are the people most vitally concerned, and I suggest that they should have an opportunity to express their opinion in an authoritative way. If they are prepared to accept the Bill with all its weaknesses and with the objections to which I have referred and which have been so strongly voiced by producers themselves, then that responsibility will rest upon them. If, however, the scheme should be referred to them and they should, by a majority, say that the proposal is unacceptable, I think it would be the duty of this Parliament to join with the Commonwealth Parliament in reviewing the whole position and evolving a new stabilisation scheme which would more reasonably and equitably meet what is required and afford a stronger basis of security for the industry.

**MR. SEWARD** (*Pingelly*) [9.40]: I was somewhat surprised, after having listened very attentively to the member for West Perth, to hear that he had any doubts as to which way he would cast his vote on this Bill. In fact, I think he made out a very good case for its rejection and I hope, when he comes to vote, it will be in order to reject the Bill. This is another of those Bills that we are unfortunately getting so many of in this House—Bills passed on to us by the Commonwealth Parliament, Bills which we have to accept without dotting an "i" or crossing a "t," or reject. In other words, we cannot make any amendment to suit the particular conditions applying to this State and consequently this Parliament, in considering such Bills, is reduced to a farce. In this case I shall have no hesitation in saying that I shall vote to throw it out. As far as a poll of growers is concerned, I think I am able to give some indication that there has already been a very decided expression of opinion on their part.

There are special circumstances which we have to take into account when considering this Bill. We have to consider the composition of the Parliament in which it originated. If the interests of the various States in that Parliament were all on a par we might not have to be so careful, but when we bear in mind that the Bill is framed by a Parliament wherein this State has but five members out of 75, it can quite easily be seen that the interests of Western Australia might suffer. In fact, as I think was indicated by the Leader of the Liberal Party, the interests of this State were lost sight of, at all events in the framing of this measure. One might think that a Bill of this nature,

dealing with the wheatgrowing industry, would have similar application to all parts of Australia, that what was good for the wheatgrowing industry in Western Australia would be good for the wheatgrowing industry in New South Wales. In some respects that might be so, but there is a provision in the Bill which I think subordinates the interests of Western Australia to those of the Eastern States. That provision alone would justify us in rejecting the Bill. That matter, which was mentioned by the Leader of the Liberal Party, is the first I want to deal with. The Bill provides for the licensing of wheat farms, and that nobody may grow wheat unless he holds a license issued under it. The Bill defines a wheat farm as follows:—

> "Wheat farm" means a farm on which, at any time during the period commencing on the first day of October, 1938, and terminating on the first day of Apri, 1941, wheat has been harvested as grain, and includes any farm—
>
> (a) which the committee is satisfied was, prior to the first day of January, 1941, prepared or fallowed for the purpose of sowing wheat for grain thereon during the year commencing on that date; or
>
> (b) concerning which the committee is satisfied that special circumstances exist which make it just that the farm should be treated as being a wheat farm within the meaning of this definition . . .

That, of course, in my opinion limits the wheatgrowing prospects of this State, and for that reason alone we should reject the measure. As I have pointed out on various occasions, this State is more particularly suited to wheatgrowing than are many of the Eastern States. By that I mean that the Eastern States, owing to the make-up of their land, are better suited for other forms of agriculture than they are for wheatgrowing. They can therefore more readily transfer from wheatgrowing to those other branches of agriculture; but Western Australia is not in that happy position. Generally, in Western Australia wheatgrowing is the more natural form of agriculture than are any of the other branches. We can only lead up to the other branches through the wheatgrowing industry. Therefore, special precautions should, in my opinion, be taken to ensure that Western Australia gets a preference as regards wheatgrowing, so that we can gradually go out of wheatgrowing as the promotion of pastures becomes possible through continued cultivation.

Unfortunately, during the war years wheatgrowing in this State declined considerably. It declined from 3,500,000 acres to 1,500,000 acres, a decline of 2,000,000 acres. If Western Australia had on the body that will be in control of this wheat scheme equal representation to that of the Eastern States, that shrinkage in area would not be of such concern; but we must consider that the policy of wheatgrowing will be laid down by the Australian Wheat Board, on which Western Australia has one representative out of nine. This serious shrinkage then becomes of far greater importance to Western Australia, because that board will allot the future wheatgrowing for Australia. During the war period, or during recent years, Western Australia has been allotted 500,000 additional acres for wheatgrowing, but New South Wales has been allotted over 1,000,000 acres extra. That increase is altogether disproportionate to the increase in the other States. Consequently, to hand over the future of the industry to a board on which Western Australia has but one representative out of nine is, in my opinion, not in the interests of this State.

As I mentioned earlier, under the definition which I quoted new licenses can be procured only for some farm which is growing wheat at the present time. That will not encourage the development of our vacant lands and so it will be a very serious matter. It will mean that many young fellows—and I have had many instances brought to my notice—desiring to commence farming who have applied for land on which wheat was grown before 1938, but which was not licensed subsequently, cannot get a license for those properties. That is, as I say, a very serious matter for this State and it is not much of a prospect for our men returning from the War. Then again, a stabilisation committee, which is to be appointed by the Minister, will be set up. It will practically be under the dictates of the Minister. That is a kind of committee which I shall always oppose. If a committee is to take charge of this matter and if it is to have the confidence of the growers, it should be elected by the growers. It would then become their special committee and have their confidence, instead of being elected by the Minister to act under his direction.

Under the terms of this Bill, the grower is to receive a guaranteed price of 5s. 2d. a bushel at ports which, as previous speakers

have mentioned, means 4s. 2d., or even 4s. at siding, with a 4½d. freight. That is his guarantee. He may receive more but his guarantee is 4s. 2d. a bushel. The inadequacy of that guarantee becomes apparent when we consider the price of wheat at present. From the latest advice I received today, wheat has been sold recently by a European country to India at 14s. 6d. a bushel, and a price was recently received by the Australian Wheat Board of 13s. 6d. a bushel. Then there was a recent contract made by Great Britain and Canada under which the Canadian grower is guaranteed 7s. 5¾d. per bushel for his wheat at his home siding. For a period of four years, Great Britain has contracted to take about 114,000,000 bushels at that guaranteed price; but that was below the price at which wheat was then being sold to other than a favoured nation. It was a concessional price and works out at about 155 cents per bushel; whereas wheat was selling at 180 cents. But the wheatgrower is going to be compensated. He will receive a certain certificate which at present is worth about 5 cents. He is going to get an amount outside of the price of 7s. 5¾d. under the contract to Great Britain. On the lowest basis, the Canadian wheatgrower will get 3s. a bushel more than the wheatgrower in this country is guaranteed, and that is a further reason for opposing this Bill.

There is another reason why I would be very chary about giving further authority to the Commonwealth Government. I place much more blame on the Commonwealth Government than on the board. Unfortunately, under the Australian Wheat Board legislation, the board is subservient to the Federal Minister; and we have had the rather calamitous case of the Federal Minister intervening and going over the head of the Wheat Board and acting without authority from it. In other words, he conducted a sale of wheat without the knowledge of the board. It was published in the papers that the board did have knowledge of the sale. It may have had such knowledge, but I venture to say that the Wheat Board did not concur in the sale. I am speaking of the sale to New Zealand. The Minister agreed to sell a certain amount of wheat to that Dominion for the next four or five years at the price of 5s. 9d. f.o.r. Australian ports, which will bring it down to 5s. at sidings. Even that price is not definite; because there is a clause in the contract providing that if there is a decline in the world value of wheat during the period of the agreement, New Zealand is to get the benefit of it, the cost being reduced in proportion as the price in the world market declines.

That arrangement was made without the concurrence of the Wheat Board. Yet under this alleged stabilisation plan, we are asked to hand over control of wheat to the Commonwealth Government. I am not going to give anything to the Commonwealth Government if I can avoid it. I have not sufficient confidence in it. We have been told some astonishing things about what will happen if we do not pass this Bill. We have been informed that there will be chaos; that private buyers will come in and the bottom will fall out of the market, and so on. Wonderful tales are put around on an occasion such as this. As a matter of fact, if we do not pass this Bill, nothing of the kind will happen. The Commonwealth Government would not be so callous towards the interests of the wheatgrowers and of the industry generally as to allow such a thing to happen. It has taken steps necessary to prevent such occurrences; because Dr. Evatt has introduced a Bill into the Commonwealth Parliament providing for extension of control over this industry, together with extension of other controls, beyond the 31st December, 1946. So if this Bill does not pass, the Commonwealth Government can still act under the regulations under which it has been acting for four or five years and can continue to make the necessary provisions for continuing the acquisition scheme that was in existence during the war.

Mr. Doney: Anyhow, world parity prices will not fall because this Bill does not pass.

Mr. SEWARD: That is so. I referred a little while ago to the views expressed by the growers concerning this measure. Their attitude was strikingly exemplified by the wonderful response they made to an appeal to provide funds for testing the right of the Commonwealth Government to acquire the 1945-46 harvest. It has been held—and rightly so, I should imagine, though my legal friends are better qualified to determine a

matter of that description—that the 1945-46 harvest was acquired by the Commonwealth Government under its defence powers. It was acquired at a just price. How on earth can the Government take that wheat which has already been acquired and sold—I suppose almost every grain has been disposed of—and include it in this particular scheme and declare that instead of paying growers a just price for the wheat it is going to pay 4s. 2d. for it, and half the difference that might be obtained over and above that, allowing for a contribution to the stabilisation scheme? I consider that if a contract is made for the acquisition of wheat, that contract should be fulfilled, and the wheat cannot be included in this particular scheme.

It was made plain to the growers what was going to be done, and they were invited to contribute to a fund to fight the case. They subscribed £5,000 to test the position. That shows the views of the growers concerning this Bill, because they are fighting one of the provisions of the measure. Therefore I cannot see there is any great necessity to take a poll of the growers since we have a much better proof of their opinion than would be obtained by a poll, seeing that they have subscribed hard cash to test the measure, and the decision will be made known in a short time. The member for York mentioned another point I wish to emphasise. It is so long since the debate on this measure was begun that the point may have been overlooked. If the Bill goes through and the scheme comes into operation, a grower will lose all equity in the scheme if he should relinquish wheatgrowing. The scheme is spread over a period of five years, and it may be extended.

The wheatgrower will have to pay into the scheme his contribution each year, and in course of time that may amount, depending on the size of the farmer's operations, to hundreds of pounds. It may so happen that his health will fail and he will have to give up farming. I am not going to say that his son would not be permitted to take his place and maintain equity in the pool, but if anything happens to the farmer and he should go out of wheatgrowing and has no son to succeed him—or his son is unable to do so—he will lose his equity in the scheme. If he had contributed as much as £500 or £600, he would lose the whole of that money. Nobody can tell me that is a just plan; and in view of that particular feature alone, we would be justified in rejecting the Bill, but not, of course, in discarding stabilisation.

Members must not imagine that I am not in favour of stabilisation. The Leader of the Liberal Party expressed our views when he said that we do favour stabilisation in the wheat industry. In fact, it is the only thing that can save it. But as he justly remarked, why should the wheat industry be singled out to make concessional prices to other industries? If those industries need cheaper wheat, why should the wheatgrower have to provide it? If stock feeders should get cheaper wheat then the whole community should share in making it available. So, we on these benches do stand for a scheme of stabilisation, but we want one that is equitable and fair to the wheatgrowers in all the States. We do not want to see the wheatgrower of the Eastern States getting preference, in regard to acreage or anything else, compared with the Western Australian grower. Under this scheme a wheatgrower loses the money he puts into it if he does not continue in the industry, and our farmers have been advised to get out of wheatgrowing where possible.

Suppose a man encourages the growth of pastures on his property so as to go in eventually for the production of fat lambs and abandons wheatgrowing, what is the position? He is forced to keep on growing wheat while the Bill is in currency to preserve his equity in the stabilisation scheme. That is wrong, and merits our rejection of the Bill. Another interesting admonition has been given to those who have to pass judgment on the scheme, and it is that we should agree to it and then induce the Commonwealth Government to make whatever amendments are necessary. I would not agree to that. I do not believe in passing a Bill and then relying on the tender mercies of the Commonwealth Government to make the necessary amendments. That Government would not listen to the argument, but the proposition has been circulated in the State in recent weeks in a certain paper. We should obtain the amendments first and then consider passing the Bill. By doing that we will tell

the Commonwealth Government that we do not consider the Bill is equitable, but that it requires re-modelling.

We would also demonstrate that we consider stabilisation necessary, but that we want a just scheme. We want some other Bill to meet those objectives. An attempt was made to give Western Australia two representatives on the Wheat Board, and in any scheme that we agree to we want to ensure that there will be due recognition of the importance of this State from the point of view of export wheat, because it is export wheat that will make the stabilisation scheme; the home consumption wheat is sold at a lower price I remind Western Australian growers of the position that they are faced with this year. Owing to the unfortunate season Queensland and New South Wales are going to have a lean year and will have to be supplied with Western Australian wheat, which will be sold at the home consumption price of 5s. 2d. a bushel, and not at the export price. So, in addition to the 1945-46 crop, Western Australia should view the measure with great suspicion.

This State should have adequate representation on the Wheat Board because it exports a larger percentage of its wheat oversea than does any other. We should, therefore, see that we get equitable treatment in the allotment of any wheat for export. There is evidence of wheat having been exported from the Eastern States to oversea countries, when it would have been easier, because of shorter distances, to send the wheat from this State. Therefore we cannot expect one man to represent us on a committee of nine. We should at least have the same representation as New South Wales and Victoria have, but at present we have not got it and, consequently, our interests are not sufficiently protected. For these reasons I intend to vote against the Bill.

**MR. LESLIE** (Mt. Marshall) [10.6]: Because for years I have been battling for the stabilisation of the wheat industry—and I can refer the House to articles I published as far back as 15 years ago—I approach the Bill, and the related Commonwealth measure, with an open mind. I wholeheartedly believe in stabilisation. I have said before and I repeat that the system of paying subsidies to primary, or any other industries, is merely applying a salve to cure a deep-seated sore, and it gets us nowhere. We will not stabilise any industry by cutting its throat. I was surprised to hear the Minister say that consumption will never catch up to production. If he was alluding to the wheat industry, then he has much to learn; if he was alluding to production generally he still has much to learn. Economists everywhere tell us that the world has not yet produced sufficient food and essential materials to supply the needs of every country and give to all the peoples a reasonable standard of comfort. We certainly cannot produce everything that is necessary unless the people of the world, and of Australia, are going to adopt a different attitude to the production of essentials from what they have in the last few years.

The suggestion that we are going to get somewhere by restricting production, whether on the farm or anywhere else, is entirely wrong, and it is something which will land us in a far bigger economic morass than we were in during the years of 1930 to 1933. At that time we did have the goods, but our system for distributing them broke down, but that was something that was easily altered. The road we are going now, however, will lead us to the point that we will not have the goods, no matter what system of distribution we adopt. People are going to be taught to do without merely because we have not got the brains or ingenuity—or the economists to do it for us—to devise a reasonable scheme for distributing the goods that we can produce. So it is essential that we should reach a basis of stability to encourage production, and we can only do that by ensuring to the producer a return at least equal to his costs of production plus a reasonable margin of profit. By asking for a reasonable margin of profit, I do not think they are asking for too much. Even the employee looks to a future of security, which can only be obtained by saving a surplus above his ordinary expenditure. The producer also wants something over and above his cost of living, in order to give him security in the future.

I circulated copies of the Commonwealth Government's proposed scheme and of this Bill in my own electorate, which produces a

considerable proportion of this State's yearly wheat harvest. In reply I have received only one letter urging me at all costs to support the Bill. That letter came from a gentleman named Walker. I have received dozens of letters telling me that at all costs I must oppose the Bill. I have examined carefully both this measure and the Commonwealth proposal to make sure that my electors are not asking for something that is unobtainable, and that they are in the right. To me—I believe this is the reason why so many wheatgrowers are opposing the Commonwealth scheme—its aim seems to be to provide benefits for the rest of the community, without any counterbalancing benefit to the producers themselves. I think it would be better, instead of calling the Commonwealth measure a wheat stabilisation scheme, and this Bill one relating to the stabilisation of the wheat industry, that we should—as the growers and I see it—call this a "wheatgrowers' taxing scheme collusion Bill." So far as the growers see it today, and as I see it, the wheat stabilisation scheme is a wheatgrowers' taxing scheme, which gives them no promise that they are to get anything out of the tax that is to be taken from them.

Mr. Abbott: It is price-fixing.

Mr. LESLIE: It is not price-fixing. No price-fixing commissioner has gone to any factory to tell the owner that he must sell the shirt or whatever he produces for 10s. and that 2s. 6d. will be taken from him in case at some future time the commodity is to be sold for 5s., in order that the price may be stabilised at 7s. 6d. It is more than price-fixing. It is a taxing measure, which gives no guarantee that the growers will obtain any benefit from it, and because of that they do not like it. They want stabilisation, but not at this price. Other speakers have mentioned the inclusion of the 1945-46 crop, so I will refer only to the fact that the price guaranteed to the grower is insufficient to meet his cost of production. The member for York and others gave facts and figures that are irrefutable. I leave members to study those details for themselves. They will then realise that though the scheme imposes an injustice on the growers, through taxing them inequitably, it guarantees them nothing except a return for their product which is below their cost of production.

The inclusion of the 1945-46 crop is a tragedy because many wheatgrowers, with whom I have been closely associated over a long period, last year for the first time saw something like daylight ahead of them and now, when they have the most promising season in two decades, they are not to be given an opportunity to reap a reasonable benefit from it. For that reason I join with them in saying that they have right on their side and that it is up to members who are interested in securing to the growers conditions that are reasonable, when compared to those of the rest of the community, to make certain we do not pass a measure that will permit circumstances to arise such as both the Commonwealth Act and this State Bill propose. We have been told that unless this Bill passes, the Commonwealth Act, which is already law, cannot take effect. The member for Pingelly has pointed out that under the National Security Regulations the Commonwealth can still continue to handle the wheat situation as it did during the war years, but that is not what the Commonwealth Government proposes, as under those conditions it must acquire the wheat at a fair price and it desires, from what I can see, to escape that obligation in future years and to compel the grower to provide his product under unreasonable conditions.

I am not worried by the fact that if we do not pass this Bill—and the Minister has said we cannot amend it—the Commonwealth legislation will be ineffective, owing to the unsatisfactory nature of that legislation. Whether or not the Commonwealth legislation would be satisfactory to me, this Bill is not, regardless of whether it has anything to do with stabilisation, or not. I have already stated what I think should be the correct title of this Bill. One of the many things wrong with it is that it hands the wheatgrowers over, lock, stock and barrel, to control by the Commonwealth. During the three years that I have been in this House I have heard members on both sides deplore the fact that we have already sold so much of our State rights to the Commonwealth.

The Minister for Lands: The wheatgrowers want the measure.

Mr. LESLIE: They do not. I ask members to compare what it is proposed to do to the wheat industry under this measure with what they are deploring having done in the case of State finance and other matters, where control has been handed to the Commonwealth. What would we give today to

take back some of that empowering legislation? Here we are asked to repeat the mistakes of the past, and to hand our wheatgrowers, one of the three major producing industries of our State, to the Commonwealth. That will be the effect of the Bill, if passed, and that is one of the reasons why it is entirely unattractive to me. From the point of view of my own district, one of its provisions is most unsatisfactory. Years ago the Governments of the Commonwealth and the State, because they found themselves up against a brick wall in the production of wheat, adopted the policy of despair which they called a policy of expediency, whereby they decided to cut out wheatgrowing in certain areas of the State. I will not at the moment debate whether that attitude is right or wrong.

The excuse then advanced was that wheatgrowing in those districts—I refer to what are now called our stock areas—could not be carried on economically. It was claimed that the crop failures were too frequent and too regular. I give the lie direct to that statement. Over a period of years it will be found that these areas were the most stable producers of wheat in Western Australia. I will give members this year, last year and the year before that in, and I claim that these areas were the only ones in the State that, in adverse seasons, produced crops above the State average. They represent the backbone of the State's wheat production in adverse seasons. Every district at one time or another encounters periods of failure. The people in the districts I refer to failed because of the unsatisfactory prices obtainable for their commodity, not because they could not produce wheat.

As I mentioned earlier, because of our inability to distribute the wheat that came to hand, the districts were condemned, and condemned upon altogether wrong grounds. Only recently I was reminded by His Excellency the Lieut.-Governor, Sir James Mitchell, that in days gone by Kelmscott was declared a marginal area and settlers were removed from the district on the ground that they were too far away from a market. Yet Kelmscott is one of the most productive areas in the State today! The declaration of the districts I refer to as marginal areas as to going out of wheat production was merely an excuse because the Governments of the day were up against difficulties they could not handle. In declaring them marginal areas they cut them off from wheat production. Rather than get over the hurdles that confronted them, the Governments of the day removed the hurdles altogether, notwithstanding that they were serving a useful purpose. In these outer areas, wheat can be grown as cheaply as in any other part of the State and their production records are as good as districts elsewhere. I know that mistakes were made; the holdings were too small; wrong methods of farming were adopted. These things happened there, as they happened elsewhere.

Is it to be suggested that we shall remove the vegetable-growers from the Canning River areas because for two or three years their gardens have been flooded? Are we to say that the districts have proved failures from the standpoint of vegetable-growing because they have been flooded, seeing that in the drier areas that are subject to droughts they have been required to go out of production? Of course not! We do not suggest that the vegetable-growers should go out of production but we take steps to meet the situation. The Bill provides that the controlling committee that the Government proposes to set up will have power in special circumstances to direct that a farm shall be treated as a wheat farm That power is to be taken from it in connection with farms where the Government of the State, in pursuance of any scheme to prevent the production of wheat in an unsuitable district, has caused a cessation of the production of wheat. That may apply to any area where the Government has declared, as it has in the past for sound or unsound reasons, that wheat production cannot be continued. Under the Bill, the cessation of wheat production in those areas will continue forever, notwithstanding that changed circumstances may arise. A policy is attempted of controlling something by doing nothing at all, and that is definitely wrong. Too often have we heard of too little being done too late. It is better to have too little wheat in hand than to have too much.

If we have restrictive legislation controlling production and Providence should provide us with unsuitable seasons so that

we have not the wheat we require, what will happen? Will the Government say that there will be a free-for-all policy for the next year in the hope that Providence will be more bountiful? Is it not better to tell the farmers to grow the wheat and then arrange for the distribution of the harvest? A reasonable system of control is to regulate the quantity a man can produce in certain directions. If we suggest to each grower not the area to be sown under license but the maximum that he can deliver to the wheat board, we will get somewhere. We could tell him that he could sow what quantity he liked and enable him to deal with the surplus wheat as required, so long as he delivered only the specified maximum to the wheat board. In those circumstances, if there were a bad season the State would have something to go on. If a farmer were to sow a crop in anticipation of a return of 2,000 tons and reaped only 1,000 tons, that would be all right. If the season opened badly, he could plant again or work his farming operations to his own liking. On the other hand, to tell a farmer that he must limit his acreage under production is an entirely wrong policy. Rather should we license the farmer to grow a certain quantity and not limit the acreage.

To limit the acreage under production is a definitely wrong policy. Wheat is not a wasting commodity to the extent that we need worry about conserving it. Surplus stocks of wheat are held every year and have proved a godsend to this State and to countries elsewhere. Because this legislation proposes to license the acreage to be put under production and not the quantity of wheat that a grower can deliver to the wheat board, I say that the Bill is unsatisfactory and unsound in principle from the point of view of the national economy. The Bill also provides that licenses shall expire on the 1st March next following the granting of the license. That means that wheatgrowers who rely on a three-year programme of production will be restricted to an annual license. Could there be anything more ridiculous? A man has to fallow his land before he can sow the crop in the succeeding year, yet he will not know whether he will be able to secure a license for the following year! Is it to be expected that the farmer will sow his crop on virgin land? If he were to do that and a failure resulted, there would be a moan because he could not produce a reasonable crop and we would hear talk about inefficient farming. Possibly there would be another rural reconstruction commission appointed to investigate the position.

Mr. Seward: There was one instance of a farmer receiving his license to put in his crop when he was actually harvesting it.

Mr. LESLIE: That is so. The whole Bill is wrong, and I wonder whether the man who drafted it had any knowledge at all of what goes on in agricultural districts. Most successful farmers operate over a three-year period on the rotation system. The man on the land wants to work so that he will know what he can expect to do the next year, weather permitting. That is the only doubtful consideration regarding his activities. Now the farmers will be in doubt as to whether they will be permitted to put in the acreage they require to crop. Right throughout the Bill there are most unsatisfactory features.

Mr. Cross: Never satisfied!

Mr. LESLIE: I will never be satisfied with anything like this Bill, which will cut right through the operations of a major industry of our State. The question was raised as to the position of new farms. I see in the Bill no provision whatever for the man who wants to go in for wheatgrowing. Is it intended to restrict the grower to present areas, or what is he to go on? This Bill reeks of a policy of despair. It seems to indicate that the Commonwealth Government and the Governments of other States that pass such legislation have run up against something they cannot cope with. Our economists are defeated. Here is something that is a confession of failure at a time of world starvation. At a time when people in the world are starving, we are asked to agree to a system that will restrict the production of food supplies that are urgently needed. I am going to oppose the Bill tooth and nail. The wheat industry is too big and of too much importance to Western Australia to be fooled around in this way.

Question put and a division taken with the following result:—

| | |
|---|---|
| Ayes .. .. .. | 22 |
| Noes .. .. .. | 16 |
| Majority for .. .. | 6 |

AYES.

| | |
|---|---|
| Mr. Coverley | Mr. Panton |
| Mr. Fox | Mr. Rodoreda |
| Mr. J. Hegney | Mr. Smith |
| Mr. W. Hegney | Mr. Styants |
| Mr. Hoar | Mr. Telfer |
| Mr. Kelly | Mr. Tonkin |
| Mr. Leahy | Mr. Triat |
| Mr. Marshall | Mr. Wilson |
| Mr. Millington | Mr. Wise |
| Mr. Needham | Mr. Withers |
| Mr. Nulsen | Mr. Cross |
| | (*Teller.*) |

NOES.

| | |
|---|---|
| Mr. Abbott | Mr. McDonald |
| Mr. Brand | Mr. McLarty |
| Mrs. Cardell-Oliver | Mr. North |
| Mr. Doney | Mr. Perkins |
| Mr. Hill | Mr. Thorn |
| Mr. Keenan | Mr. Watts |
| Mr. Leslie | Mr. Willmott |
| Mr. Mann | Mr. Seward |
| | (*Teller.*) |

Question thus passed.

Bill read a second time.

*House adjourned at 10.34 p.m.*

# Legislative Council.

*Wednesday, 27th November, 1946.*


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

## CHAIRMAN OF COMMITTEES.

**THE CHIEF SECRETARY** (Hon. W. H. Kitson—West): Consequent upon your elevation to the position of President, Sir, a vacancy occrs in the office of Chairman of Committees. I move—

That Hon. J. A. Dimmitt be elected as Chairman of Committees.

**HON. H. S. W. PARKER** (Metropolitan-Suburban): I have much pleasure in seconding the motion.

Question put and passed.

**HON. J. A. DIMMITT** (Metropolitan-Suburban): I desire, through you, Sir, to thank members for the honour they have conferred upon me. What measure of success I shall achieve will be largely dependent upon the help, co-operation and consideration which I hope to receive from all members and from the officers of the House.

## ASSENT TO BILLS.

Message from the Lieut.-Governor received and read notifying assent to the following Bills:—

1, Daylight Saving.

2, Marketing of Barley (No. 2).

## BILL—STATE HOUSING.

Read a third time and returned to the Assembly with amendments.

## BILL—VERMIN ACT AMENDMENT.

Reports of Committee adopted.

## BILL—WESTERN AUSTRALIAN TROTTING ASSOCIATION.

*Recommittal.*

On motion by the Chief Secretary, Bill recommitted for the further consideration of Clause 16 and the First Schedule.

*In Committee.*

Hon. G. Fraser in the Chair; the Chief Secretary in charge of the Bill.

Clause 16—Minister may establish country clubs' benefit fund:

Hon. A. L. LOTON: I move an amendment.—

That in line 1 the word "may" be struck out and the word "shall" inserted in lieu.

Nowhere in the Bill is there any mention of how the funds are to be provided for