In Kalgoorlie, for instance, each man working in the goldmining industry maintains four more persons in other forms of employment. There are shop assistants, clerks, accountants, tram conductors, barmen in hotels, bookmakers and many others engaged in all sorts of industries respecting whom the payments for workers' compensation insurance are immaterial to cover the risks taken by the employees. As a result of the risk taken by the workers in the goldmining industry many other forms of employment are made available—and so it is throughout the whole State. I trust this question of workers' compensation will be thoroughly re-considered, particularly with regard to the premiums paid. I trust that this absurd idea of regulating premiums in accordance with the risks associated with particular industries will be seriously reviewed. If there is any portion of our social system in Western Australia that is independent it is industry, and I consider that, in order that this matter should be placed on a scientific basis so that the workers may be provided with some hope of receiving reasonable compensation in the future, industry generally should have to bear the cost of a flat rate of premiums.

On motion by Mrs. Cardell-Oliver, debate adjourned.

*House adjourned at 9.25 p.m.*

# Legislative Council.

*Thursday, 24th August, 1944.*



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

## QUESTIONS (3).

### APPLES.

*As to Importation.*

**Hon. C. F. BAXTER** asked the Chief Secretary:—

(i) Is it a fact that a large shipment of apples from another State has recently been landed in W.A.?

(ii) If so—(a) What quantity of cases were landed; and (b) for what reason?

The CHIEF SECRETARY replied:

(i) No.

(ii) (a) Recently four cases of apples, part of a shipment of Tasmanian apples to Adelaide were carried on and landed at Fremantle. They were immediately detected and reloaded on the vessel concerned.

(b) Answered by (ii) (a).

### COMMONWEALTH HOUSING SCHEME.

*As to Plans and Costs.*

Hon. A. THOMSON asked the Chief Secretary:—

When will copies of plans and estimates of a wooden and brick house, being erected by the State Government under the Federal Housing Scheme, be laid upon the Table of the House?

The CHIEF SECRETARY replied:

Copies of plans and estimates of a wooden and brick house, as are being erected by the State Government under the Federal Housing Scheme, will be available to be laid upon the Table of the House in the near future.

### YAMPI SOUND IRON ORE.

*As to Power for Treatment.*

Hon. G. W. MILES asked the Chief Secretary:

Further to my question, and the answer thereto, of the 18th November, 1941—In view of the necessity of peopling and developing North Australia in the post-war reconstruction period, has the Government further investigated the economic possibility of harnessing the tide (where there is a rise and fall from 20 to 36 feet) for the purpose of generating electrical power?

The CHIEF SECRETARY replied:

A preliminary investigation of the economics has been made.

## ADDRESS-IN-REPLY.

*Eighth Day.*

Debate resumed from the previous day.

**HON. SIR HAL COLEBATCH** (Metropolitan) [4.35]: At the risk of repeating some of the things that have been said by previous speakers, I feel impelled to devote

more than passing attention to the Referendum taken on Saturday last because I believe that it must inevitably exercise a great influence on the political life of Australia. Our own Parliament has met this week in an atmosphere entirely different from that with which it would have been surrounded had the vote gone in a contrary direction. Without being in any way harsh or unfair, it may be said that the vote was one of want of confidence in the Commonwealth Government. The Government said to the people, "Unless we are given these powers, we cannot carry out this task of post-war reconstruction." The people of Australia said, "You shall not have those powers." It is significant that in those places closest to the seat of the Commonwealth Government, those places where the Government may be presumed to be best known, the rejection of the proposals was most emphatic. The feeling in Dr. Evatt's own electorate is highly suggestive.

The vote also means the rejection of the Labour Party's two pet schemes of unification and the nationalisation of the means of production, distribution and exchange. I venture to say that the rejection was secured in circumstances in which the dice were loaded against the "Noes." There was extravagant expenditure of public money on behalf of the Commonwealth Government itself. I have heard it suggested that it was a pity the proposal should have been regarded as a party question. How could it have been regarded otherwise? There was a case, in Melbourne I think, in which a man was relieved—I believe that is the term used—of membership of a union because he ventured to say something contrary to the policy put forward.

Hon. C. B. Williams: That is so.

Hon. Sir HAL COLEBATCH: The same party has been asking for compulsory unionism. Where would that lead us? It would mean that a man could not get a job or earn a living unless he was a member of the union, and he could not be a member of the union unless he was prepared to speak in consonance with the union. That is the way in which freedom of speech is interpreted in certain quarters. We are chiefly interested, I think, in the implication of this vote as it affects ourselves, as it affects the Legislative Council of Western Australia. Had the questions been submitted to the people as they should have been, as individual questions, the result would have been a complete vindication of the action of this Parliament. I venture to say that not one of the points which this Council rejected would have been approved by the people, and I dare say that most of those of which this Council approved in the Bill transferring the powers to the Commonwealth would have been approved by the people. Why were not these questions placed singly? Was it that the Commonwealth Government did not give the electors credit for sufficient intelligence to vote on them individually? If that was the case, the Referendum should not have been held at all.

It may be said that the number of informal votes suggests that there would have been still greater trouble had the questions been submitted individually, but I do not agree with that attitude at all. I think it almost certain that nine-tenths of the informal votes were deliberately made informal and for good reason. The voter said, "No. I am compelled under threat of a fine to go and vote. I am also compelled to choose between voting for something I do not want or voting against something that I do want." In such circumstances, to my mind, it is rather astonishing that the number of informal votes was not much larger than it actually was. But I would repeat that had the questions been put individually, as they should have been, then there would have been found to be no difference between the decision of this Council on the Bill which was submitted to us a little while ago and the verdict of the people.

What of the Legislative Council of the other States? In South Australia, had the questions been put individually, the attitude of the Legislative Council of South Australia would have been confirmed. The attitude of the Victorian Parliament generally has been upheld. Tasmania, although returning a majority of Labour members both in the Legislative Assembly and in the House of Representatives, emphatically endorsed the decision of the Legislative Council of that State. I think it only reasonable to suppose that a great many of the Tasmanian votes were influenced by Dr. Gaha's denunciation of Canberra as the seat of government, partly because of its remoteness and partly because Ministers can seldom be in their offices and therefore all the inclinations towards bureaucratic government must be constantly present. Dr. Gaha has made that statement two

or three times, and he is a Labour member of the House of Representatives and had for a long time been a member of the Tasmanian Government. Having sat in the Senate in Canberra for four years, I entirely confirm his view that Canberra is an impossible place as the seat of government for Australia.

Then we come to New South Wales and Queensland. The Parliaments of both those States swallowed Dr. Evatt's proposals whole, almost without discussion, and yet the people of those two States emphatically rejected them. New South Wales has a Legislative Council, but it is a Council elected under a peculiar system, elected from time to time by the votes of the members of the two Houses. The Legislative Assembly having a majority of votes, the whole tendency is for the Legislative Council to drift towards the ideas of the Legislative Assembly and therefore it loses its proper standing as a House of Review or as an independent House of Review. It is inclined to grow closer and closer to the Legislative Assembly and to be governed by the same party considerations as the Legislative Assembly.

Queensland had a Legislative Council, but it was a nominee House. Some years ago a referendum was put to the people for its abolition and the people turned the proposal down. They wanted to continue their Legislative Council, unsatisfactory as it was. The Government then nominated a sufficient number of members to abolish the Legislative Council. Nevertheless the people emphatically rejected the decision of the Legislative Assembly. Altogether, I think the Referendum must be regarded as a complete vindication of the Legislative Councils of Australia generally.

Hon. A. Thomson: Hear, hear!

Hon. Sir HAL COLEBATCH: And not only of this State. The same cannot be said for the Senate of the Commonwealth, which seems to have lost sight of the functions which it was intended to exercise. It can no longer be regarded as a House for the protection of the States which it represents or as a Chamber of Review. That was forcibly impressed upon me during the four years I was a Senator. It had become purely a party House, quite in opposition to the intention of the framers of the Constitution.

Just a word about this twin policy of unification and nationalisation. The whole history of liberty is the history of the limitation of the powers of government. It may be said that the State Government already has these powers. Quite so, but the State Government is so close to the people that there has never been any danger of its seriously interfering with the liberties of the people. I do not speak out of any high regard for our present State Government. I am not afraid of the State Government because I do not think it could do anything that would seriously interfere with the liberties of the people of Western Australia. The Government is too close to the people, but the same cannot be said about the Government situated in Canberra.

Coming to the question of nationalisation and wholesale planning, such as was proposed, we find that over a long period in democratic countries reliance has been placed upon private enterprise, stimulated largely by the profit motive, to meet the requirements of the people and gradually improve the conditions of every country. When people talk disparagingly of private enterprise and its reliance on the profit motive, I am reminded of the fact that the two big countries that have to the greatest extent placed their reliance upon that motive—Great Britain and the United States—are the countries in which the people have enjoyed the greatest liberty and in which their conditions have advanced more rapidly than anywhere else; they are also the two countries that have provided incomparably the greatest strength in the destruction of the totalitarian powers. If the profit motive that has animated private enterprise be abolished, what is to be put in its place?

I believe the Labour Party fears—or feared before the Referendum—that many "No" votes would be cast because of the dread of some form of industrial conscription. It was a dread for which there was very good ground. I do not care how many members of the House of Representatives signed a pledge that they would never be parties to industrial conscription. I do contend that we cannot get away from the private profit motive and put in its place planning and ordering without industrial conscription. There are only two alternatives to the profit motive. One is stagnation, when things are not done, and the other is force. All history shows that. The Commonwealth Government's policy of ordering and controlling industry could not have been carried out without the employment of force.

Russia furnishes an interesting example. So long as Russia stuck to the old Communistic idea, "From each according to his capacity; to each according to his needs," there were all sorts of trouble and all sorts of difficulty. But in 1936, recognising the position, Russia amended its constitution and altered it in many respects. The essential amendment, however, was in the ground work of the policy, and it was made, "From each according to his capacity,"—excellent principle—"to each according to the work done." It was then that Russia began to advance by leaps and bounds. I am quite sure that after this war there will be the necessity for continued price control, and it will be desirable that the greatest possible co-operation shall be exercised between the Commonwealth and the State Governments, and between the Commonwealth and the State Parliaments in order that this control may be effective. Something of the kind will be necessary in every country.

But the position in Australia will be intensified by the false methods of finance that have been adopted. Would it not appear to an ordinary school child as ridiculous that in a time of war when wealth production is brought down to a minimum—down below the normal daily requirements of people—everyone should have more money than in times of peace? Dr. Hislop made one point very clear when speaking on the question of infantile mortality. I desire to make this point clear: Since the war started the money savings of the people of Australia have increased by over £100,000,000 per annum. It is by no means improbable that these increases, together with the back pay of soldiers and other things—and I insist that that money has very little relationship to real wealth—will amount to something like £100 per head for every man, woman and child in the community. That will have come about in a time of war when our wealth production has dwindled to an unhappy, but perhaps unavoidable, extent.

So I say that our position in regard to the necessity for continued price-fixing is more intense than it should be because of the manner in which the country has been financed; because the people have been led to believe that in a time of war they can fare better than in times of peace. At present we have a type of inflation, but it is by no means new. It is well understood the world over. By means of rationing and price control things have been so managed that each person can purchase with a percentage of his money not quite as much as in ordinary years, but to within 25 or 30 per cent. But the remainder of his money is locked up and cannot be used. It has no immediate value.

The problem to be faced is this: How can that money be made available by the creation of real wealth on which it can be spent? That can only be done by hard work and by sound finance. I think that one reason why people who have consideration for this phase of the question turned down the Referendum proposals was that the Commonwealth Government proposed to add to this spate of money by spending £200,000,000 on this and £200,000,000 on that, and other unlimited amounts, without any consideration as to where it was to come from. Such a policy would increase, every month, our present currency. The expansion of currency has been world-wide. It is inevitable in times of war. We cannot pay for destruction without that expansion. Because the problem is world-wide, it is a certainty that only a world-wide solution will meet it.

I am disappointed that the Commonwealth Government shows great disinclination—not active opposition, but great disinclination—to go wholeheartedly into this world-wide scheme of post-war reconstruction. We are told by the Commonwealth Government, "No, we will not agree to any currency stability that may interfere with our capacity to cure unemployment by the means of additional currency here." To my mind, that is a stupid attitude to adopt. It is as ridiculous to think that Australia could, without the aid of Great Britain, America, Russia and China, have defeated the Axis powers. Australia is not big enough; in fact, no country is strong enough to stand alone in such a case. I am quite sure that the very great problem of post-war finance can only be met by the widest international co-operation.

Another matter that probably influenced a good many voters was the continued prevalence of strikes, particularly in the coal-mining industry, and the suggestion that the Government was unable to control the situation and protect the interests of the public of Australia. We have the same sort of thing occurring in this State in a

limited form. I do not know, and I do not think any of us do, very much about the construction going on in our shipbuilding yards. We do not know much about those yards. We do not know how many ships are being built, what their quality is or their cost.

But it is apparent—and if I am wrong the Chief Secretary will correct me—that the Government has consented, at the cost of a very large sum of money to the taxpayers—either to the taxpayers of the State or of the Commonwealth—to pay wages which all authorities agree it is not entitled to pay. But even that, apparently, has not gone far enough because one private employer insisted on sticking to what the authorities said was the right amount, and the men will not go to work even for those who are prepared to give them something in excess. This sort of thing has embarrassed Australia's war effort, and unless we are very careful it will be worse in the future because the people, having become accustomed to getting big money, will not be inclined to go back to normal.

How could it have been avoided? There is only one way in which it could have been avoided and that was by the formation, at the outset of the war, of a National Government representative of all parties so that it would have been strong enough to enforce what was right. I suppose it is too late for anything of that sort now. I think it is a great pity that the opportunity was missed. I want to say a few words about the housing policy. I am glad to notice that the Fremantle Municipal Council is entering upon a scheme of its own. I think local control is the best in cases of this kind. As a metropolitan member I am inclined to deprecate the idea of the taxpayers' money being spent to provide cheap housing accommodation in the city.

I would gladly see money spent to provide cheap housing accommodation in country towns and rural areas generally, but I do think that the amenities of city life are such that private enterprise can be relied upon to meet its needs; and, at any rate, priority should be given, not to the city, but to the country. The present shortage of houses in Perth and the suburbs is largely artificial. It is due in a great measure to the drift from the country, entirely consequent upon the war; and one of our major problems will be to find some way to get those people back to the country, and not how to give them cheap houses in the metropolitan area. We should be prepared to give something more than lip service to the policy of decentralisation, which we all profess.

We must be willing to do something practical. Each of us must be willing to say, "I do not mind, as a metropolitan resident, being taxed so that better housing accommodation can be afforded in the country. I do not mind being taxed so that the amenities of country life can be brought to the standard of city life." Unless we are prepared to do that, then let us stop talking about decentralisation. I do not, from the city point of view, suggest this as an act of generosity, but as a matter of high policy because it is a certainty that the city cannot prosper excepting by the wealth produced in the country.

I received the other day a circular headed "Home Help Scheme," a scheme for obviating the drudgery in the home. It was an admirable circular and contained a great many splendid suggestions. There was one feature that I think might have received more attention. Why cannot we use our best endeavours to abolish household drudgery? The Diesel engine will very soon have completely done away with the inhumanity of the stokehold. If we are prepared to take from other countries those amenities of the house which they are producing and buy them cheaply without restriction—we shall be buying, too, from people upon whom we rely as customers for our own surplus products—if we are prepared to do that then the drudgery of the house may be reduced to a minimum.

Perhaps I speak with more exact knowledge of the matter than is usual for a mere male, because I have had a long period of batching under the conditions that prevailed half a century ago and under the conditions of today. I say that we cannot take any other single step that will improve the conditions of the home equal to the introduction of those amenities that science is today producing in different countries, and which we ought to be able to purchase at the cost of production—not, as was the case before the war, when we paid for our refrigerators, for example, two or three times the cost at which they were being manufactured in the countries that were producing them.

I think the result of the Referendum is most welcome because it shows the general soundness of the minds of the Australian

people. They refused to be intimidated by threats or seduced by promises. Perhaps most important of all, they were not prepared to regard Governments as the source of wealth. Our troubles have come chiefly through people thinking that our Governments are the source of wealth, whereas they cannot be anything of the kind. There are only three methods by which Governments can obtain money for any proposals, social services, public works, or anything else of the kind. The first and the best method is taxation, because by that means it soon gets into the mind of the people that they cannot get something for nothing—and the sooner the people come to learn that the better. The second method is that of borrowing.

There is need for borrowing, but, except during the war when it is forced upon us for purposes of destruction—and the cost of protecting our freedom is beyond all price —I say that, except during a war period, all borrowing should be confined to reproductive work. A long time ago I read a very fine book in justification of interest. This was the argument used. A sum of £100 on the 1st January becomes £105 on the 31st December, if it is spent in production and only if it is spent in production. Apart from being driven to it for purposes of war, we should not borrow money except for reproductive undertakings. I remember Lord Forrest, then Sir John Forrest and the Premier of Western Australia, frequently saying when introducing the Budget, "If I have any surplus out of ordinary revenue I will spend it here or spend it there, and will not be too particular whether it is of a strictly reproductive nature; and if I think it is for the good of the community, away it goes."

But when we borrow money and fail to see that that money is spent in reproductive work, we are laying up a heavy burden for the future. Mr. Seddon made a good point in connection with the depression which followed the last war. He said that, largely due to the depression being of a worldwide character, it was no longer possible for Australia to borrow, and therefore men had to be discharged from public works. He might have gone further. It was not that we could not borrow money because when Australia raised loans either in England or the United States not one penny came to Australia; it was the goods that came. It was because we could not borrow goods or real wealth that the depression was intensified.

For that reason it would be futile for advocates of bank credit to say after the war, as they are saying, that we need not borrow outside because we can print our own notes. That will not give us the goods we require. We shall have to borrow abroad if we are to develop this country. We shall have to take means to re-establish confidence in Australia so that people abroad will lend to us or invest with us. We do not want them to lend us money but goods, real wealth with which to aid in our development. The third method of raising money is Commonwealth Bank credit, the printing of notes. In its initial stages that simply means filching the savings of the people whether in the form of insurance policies, bank deposits, Government loans or other securities. The purchasing power of the money that is got out of insurance policies becomes reduced in value.

Not long ago it was possible to build a good worker's home for £450, whereas the cost today is about £1,000. An estimate was given recently by a leading banker that the value of the Australian £1 was about 8s., and he is probably not far short of the mark. That is what happens when the printing of notes is carried out to a comparatively small extent, but when it goes further it means collapse. I think it is well to throw out a warning. Although things seem all right now, I know exactly what happened in every European country where the practice was followed. The people lost confidence in the currency—and then came the smash.

I repeat that the only means by which we can avoid that trouble, which is a worldwide trouble—we have not made it, although we have intensified it—is by intelligent international co-operation. Finally, I suggest that a complete collapse such as has occurred in many European countries, causing national bankruptcy which made the present war inevitable, can only be met by co-operation with the peoples of other countries. Have we learned the lesson? Are we ready now to base our public policy on the principles that can alone secure peace, progress and security, the principles of international understanding, international co-operation and international trade?

**HON. H. L. ROCHE** (South-East): The war has reached a stage that 12 months ago none of us dared hope it would attain. As it is moving towards its conclusion, apparently, it behoves those of us who are interested in the primary industries of the State and the

welfare of the State, which is tied up so indissolubly with the primary industries, to give some thought to the future and future developments that should take place concerning those industries. Whilst conceding that some further development of economic secondary industries is desirable and should take place, I think we have to bear in mind that once the demand in this country for the products of secondary industry has been met, they then must either curtail their operations or seek markets in other countries of the world.

The finding of export markets has for a long time been a problem, one might say the bugbear of certain of our major primary industries. It is possible that that problem as regards local secondary industries, when they go into the export trade, will be accentuated. It seems to me, unless this war is being fought to no purpose, that the nations of the world will have to cooperate with some measure of success to raise the standards of living and working conditions in what may be called the below-average countries. On a population basis we can take China, India, the Netherlands East Indies and possibly Japan after the war, and I think that if their working conditions and standards of living are to be improved, industries will have to be developed in those countries.

It is obvious then, that they are likely, with their manpower resources and, in some cases, limited areas, to develop industries that will compete with such secondary industries as we will be able to establish here on any extensive scale. The difficulties facing secondary industries established here on a scale sufficient to meet the local demand will, in my opinion, be greater than those confronting our primary industries when it comes to a question of finding markets oversea. In any case I do not think that the densely populated countries of the world will permit us to hold this territory with a few active centres of secondary industry, and allow millions of acres of land, which should be growing food for the rest of the world, to remain idle.

For many years I think Western Australia will have to rely to a considerable degree on primary industry as the bulwark of its economy. If there is to be any marked animation in respect of those industries and in regard to development and increase in production, there will also have to be a marked change of outlook by Governments, by officialdom, and by the general public, in their attitude towards those industries. Our primary industries are still regarded in many quarters as they were some 30 years ago, when many people were able to take up wheat land and with a little luck, good seasons and good prices, make considerable money, and sometimes spend more than they made. The average farmer came to be looked upon as rather a wealthy individual. I think that phase has gone. It finished in the early '30's, and I do not think we shall ever see it recur.

Farming today in Western Australia has become a mode of life for those who like it, and it is being carried on, if we compare it with other vocations, under crude and harsh conditions, and with so little promise of reward in the monetary sense that it has ceased to have any attractions that it may have had in those days when the general public of this community seemed to formulate highly favourable impressions of the industry and of the conditions of those engaged in it. The land in this country is one of our greatest assets, but it only remains an asset to the State while it is producing; and we can only have it producing whilst there is a man reasonably happy and contented and prepared to remain on the land and work and do something to increase the production of the State. Once that condition ceases to exist, the land becomes a liability. It was a liability before it was developed and settled.

Hon. L. B. Bolton: Do not you think that there is a better outlook for primary industries in the future?

Hon. H. L. ROCHE: I am no prophet, and I fear that anyone who regards what has taken place over the last 20 or 30 years in this country and in the markets of the world with respect to our primary products, would be nothing but a fool if he attempted to prophesy.

Hon. L. B. Bolton: Thank you! I like to look ahead, and not 20 years back.

Hon. H. L. ROCHE: Land in its virgin state will not in the future be saleable to anyone unless some portion of the obligation to develop that land is lifted from the shoulders of the individual. Any major development in the way of considerable increase of settlement or production, it is today admitted, must come from the heavier rainfall areas, from the areas west of the

Great Southern railway and extending to the coast. However, I refer more particularly to the country east of the Darling range, as far south as Albany itself. This land offers wonderful prospects of future development. Up to date its development has been comparatively slow.

In my opinion, the main contributing factors towards that slowness have been the cost of primary development and the slowness of the financial returns. The stimulation of that development will have to be accepted by the community, that is to say, the people of Western Australia. They must accept it as a national obligation similar to the obligation that the people of this country have undertaken in respect of their main roads. We should not get any great number of people to go out into the country and spend the best years of their lives trying to develop and bring into production harsh, uninviting country as so much of that land is in its virgin state. Whilst it remains as it is, that land is merely a liability to the State. I know there will be opposition to a suggestion of that kind, arising mainly, I think, from the fear that the farmer might become wealthy. In my opinion, not even the most optimistic of those who wish to look forward to a very rosy future need have a great deal of concern on that score.

Under average conditions in the post-war period, the farmer is going to find that, with the necessity for improved living conditions and increased wages for those he employs and the increased cost of mechanisation, he will have little enough financial return to continue his farming operations and his production. In above-average seasons, I think, we can all rely on taxation taking care of any surplus. I am not one of those who cherish much hope that we shall see a radical reduction in taxation. However, whilst those men are on the land and producing, the State is gaining the advantage and that production is going into the common pool of the people of Western Australia.

For the last 30 or 40 years we have developed a social conscience that today will not allow a man to starve if he is prepared to work, but insists that if work is not readily available under reasonable conditions and at a reasonable wage, or on an established level of wages, work should be found for him. Consequently we are now placed in the position that there are fewer and fewer of our people, and of any people who come to this country, prepared to face the vicissitudes of seasonal variations, market fluctuations, and the rest of the conditions that are inherent in the development of farm lands in Western Australia. I cannot say that I blame them, and I do not anticipate, especially in the case of young people, that there will be any increase in enthusiasm among them for life on the farms of Western Australia, unless certain obligations can be lifted from the farmer in order that conditions for those who remain on the land, or those who are prepared to go on the land, are brought somewhat more into agreement with the conditions available in the cities and country towns.

Most of the people in this community of ours share in the proceeds of the products from our primary industries, and we have reached a stage where, if we are to develop those primary industries further—I think it possible to argue, even if we are to hold them where they now are—some measure of obligations also will have to be shared by the community. That there is some prospect of that belief becoming more widely held, I think we can gather from one paragraph in the report of the Royal Commission on Rural Reconstruction and Soldier Settlement. That is the Royal Commission of which Mr. Wise, our Minister for Agriculture, was chairman. Dealing with some different types of settlement in connection with the Soldier Settlement Scheme, the Commission refers to a third group. I quote paragraph 140 of the report—

> In a third group, the country was forest requiring very arduous clearing operations, e.g., in some of the dairying areas. In some of the first group a proportion of the interest on the cost of the works was loaded on the cost of the land, which made the initial charge high. It had not then been appreciated that some developmental schemes involving heavy capital expenditure must, in part at least, be regarded as a national investment. The second group, those settled on the outer margin of the wheat country, were the fruits of an over-optimism, and a failure to understand the true significance of climatic data and the effects which a decrease in both the amount and reliability of rainfall have on production costs. It is not too much to say that we should not now attempt settlement for wheat-growing on such areas, except perhaps on specially favourable soils and with a very solid guarantee of a far higher margin of prices and costs than at present seems probable. The settlement of the third group, those on heavily timbered country, failed to appreciate that the days

when men and women were prepared to battle for a lifetime with the bush under very unfavourable conditions, are past.

It is that latter portion to which I would particularly draw attention. Whilst the country to which I have referred is not as heavily timbered as that in the south-western portion of the State west of the Darling Range, the same remarks apply just as closely as they apply to the heavily timbered country. I think we can obtain further development with reasonable markets for our primary products; and by the term "reasonable markets" I do not mean excessively high prices or boom prices. But the people in general must be prepared to recognise that there is an obligation on them—not merely an obligation to find money at a certain rate of interest. That in itself is not enough. If we read the history of land settlement correctly, no one will contradict that statement.

But whilst we are prepared to accept the view that the farmer's obligation is to produce, we must bear in mind that it is the community's obligation to help him in regard to some of the more elementary development in the heavier-timbered country, and more particularly as regards clearing. Efforts will also have to be made to provide, not amenities but essentials such as water and electric light, and also drainage in those areas near Albany which are showing that with drainage and proper handling they can be made highly productive. Further—and this is of particular importance—it should be possible for the man on the land to obtain housing conditions at least up to the standard of our workers' homes in the metropolitan area and in country towns, without leaving himself loaded with a mountain of debt for borrowed money.

Further to those general remarks on the possibilities of development in land settlement and increase in production, I would like to make some observations on soldier settlement, and to read some portions of the Rural Reconstruction Commission's report on that phase of settlement in Australia, more particularly as applying to Western Australia. I trust that now the report is available, the tardiness of both the Commonwealth and the State Governments in regard to this matter will disappear, and that we will have considerably more animation in the near future in respect to soldier settlement, because if there is to be any degree of settlement of soldiers on the land in this country after the war, haste will have to be made to prepare for that eventuality. My conception of soldier settlement is, perhaps naturally, somewhat different from the conceptions of many other people, and, I am afraid, different from the views of some members of this House who have already spoken on the subject.

I believe this country should give the men the farms in a partly improved state where they can earn a living. In Western Australia, considerable areas of land are available, though admittedly not all Crown land. However, there is much land available that could be obtained, under existing conditions, at a very reasonable price. It seems to me that one soldier settler with a wife and family, happy and contented and helping to produce some of this country's wealth, is an asset to the State and, as I have tried to explain, we have to make conditions much more inviting, even for ordinary settlement. These men deserve well of Australia and we should be prepared to face up to our responsibilities and at the same time view this matter in its proper perspective.

The war is costing about £600,000,000 a year in Australia. That money is being provided for the destructive processes of war. I noticed in the Press the other day that the Commonwealth Government, in pursuance of its ideas of national works for the post-war period, has accepted, or is considering, a proposal for the first instalment of £200,000,000. I venture the opinion that £150,000,000 would establish 50,000 soldiers, who could qualify and who wish to go on the land after this war, in a far more permanently productive enterprise than any other national work would prove to be.

The average returned soldier who wishes to take up farming will have two desires—a desire for safety and a desire for security. He will desire safety from the fear that he or his children will ever be called upon to leave the homes they have chosen for themselves to take up arms in defence of the things in which they believe. He will look for security in the avocation he has chosen for himself—security from the threat of debt and impossibly impoverished conditions which will lead to the abandonment of his home. The first of those two desires we can only help in the world comity of nations to try to obtain for him. But it is in our power

to give him the second desire. As a people, we should be prepared to face that matter honestly and give him that opportunity.

Moreover, I believe it would represent an asset to the State, because it is not suggested in any authoritative quarter that the right to become a soldier settler should be extended to everyone but rather that those men who are granted farms under any scheme should first satisfy the authorities that they can qualify as farmers. In that regard there is a suggested provision in the Commission's report. The Commission refers to "A1" men, that is, men suitable to assume farm ownership without further experience; "A2" men, suitable to assume farm ownership but for whom a short specialised course in business or other aspects of farming is desirable; "B" class men, suitable for farm employment but for whom further experience and training are necessary before they are qualified to assume farm ownership; and "C" class men, suitable for farm employment as trainees. So there should be little question of farms being given to men who will not be reasonably competent farmers.

We hear considerable talk of losses on these schemes, but I must confess that that talk makes very little impression on me. I believe that the State's profit is in added production. As I said earlier, everyone, or almost everyone, shares in that production, either in the processes of the production or in its distribution, and the profit of recoupment for money spent by the State in the provision of partly improved farms for these men under reasonable conditions will come in the production added to the common pool. I would like to add my small meed of praise to the Rural Reconstruction Commission for certain of its conclusions and recommendations, and its exhaustive survey of soldier settlement of the last war. I qualify that in respect of one of the recommendations, but I must say that the report represents, so far as I am aware, about the first justification from an official source of the soldier settlers of the last war. A few years ago, some of us became very used to, and tired of, hearing of the failures of soldiers and the amount of blame attachable to them.

Hon. C. B. Williams: You have made a success of your farm, haven't you?

Hon. H. L. ROCHE: That may be a matter of opinion. We shall know better in another 20 years! Dealing with the report, there are one or two small paragraphs which I trust will have general recognition before there is too much question of the losses on future settlement due to unsuitability. The report states—

> The problem of rehabilitation of returned soldiers at the conclusion of a war is as old as large-scale campaigns. The solution of that problem by encouraging the men to turn their hands from weapons to the use of agricultural implements has been adopted after every big war. Although such schemes have solved an awkward political problem, the results have seldom been satisfactory to the soldiers.

I think that soldier settlement after the last war certainly solved what might have been a most difficult political problem. Later, dealing with losses, the Commission says:—

> The second is that they must not be interpreted as a reflection on soldiers as settlers when compared with other types of settler. Losses would have been inevitable for any type of settler in similar circumstances, although the urgent demand for immediate repatriation of the soldiers probably increased the losses unduly in certain ways. It is also important to note that these figures relate only to losses suffered by the Crown and by no means represent the total sums involved in financing soldier settlement. Some returned men had money of their own, while the losses incurred by storekeepers and merchants were very heavy.

So, if somewhat belatedly, we now have a certain justification for the type of man settled on the land after the last war. I take the view that, having regard to the necessity for checking on a man's qualifications as a farmer, the need to see that, so far as it can be ensured, these men are likely to be successful in their avocation, the returned soldier who wishes to farm should be permitted to do so. I am afraid the Commission is somewhat fearful of the losses occasioned after the last war, and is rather inclined to look for what we might regard as the millennium, although I dare say the paragraph I am about to read was inserted more as a warning. On page 13, where the Commission deprecates any public agitation for settlement, it is stated—

> The public must be informed and kept informed that it is useless thinking in terms of "here is a soldier seeking a farm; let us create one for him at once," and that successful settlement cannot be forced against the dictates of long-term market requirements and prices, suitability and availability of land to produce for those markets, and general conditions relating to farm finance, farm economics and social conditions.

If we wait until we can bring all those features into strict relationship, we shall have reached the millennium, and I do not think that would be in time for the soldier returning from this war. So far as I am concerned, portion of this report utterly nullifies what I might call its virtues. That portion is the one dealing with the financing and supervision of soldier settlement. It seems to me that the suggestion for control and regimentation—that is what it amounts to—would never have been included in the report of the Commission if the Commonwealth Government had not made what I always regard as an error and from which the State Government also is not immune. I refer to the fact that when the personnel is chosen for appointment to a Royal Commission or a committee or a board to deal with the rural industry or rural production, at least one man with a practical knowledge of the agricultural industry as it is today is not included.

I do not approve of the portion of the report to which I take exception, and I believe any scheme of soldier settlement will be damned if it includes this provision. It would certainly not have been included in the report of the Commission, in my opinion, if one of the members had been a practical farmer. This, to my mind, is the most important portion of the report for consideration by those who will be charged with guarding the welfare of the soldiers who will go on the land at the conclusion of the present war. At one stage the Commission says—

> It is considered imperative on this occasion that the settlers should be under very close technical and financial supervision until their successful establishment is assured.

Again, the report sets out—

> It should be required of an applicant to give an undertaking, when financial assistance has been provided, that he will pay all moneys received by him in the course of carrying on his farm business or otherwise payable to him into a bank account, and to make all payments therefrom by cheque; and that he will give access, when required, to the Financing Authority to examine the pass-book and other records relating to his financial transactions; and further, as required by the Financing Authority, he will submit a full statement of crop and farm returns and information as to expenditure made over any given period together with a full statement of all his liabilities and of his proposals for financing his operations. The Commission contemplates that the Commonwealth Financing Authority will use discretion in the administration of these requirements.

I should think that such discretion would certainly be required. To continue—

> The normal procedure in any year should be that plans for farm operations, capital and working expenditure should be budgeted before assistance is granted and that capital purchases should be approved and passed by the field officer before money is paid over.

In addition, the report further states—

> Advances should be made on the security of a mortgage over land or interest in land, with such further security by way of mortgage over stock and/or bill of sale over chattels or other security as the Commonwealth Financing Authority determines.

Possibly that will include the farmer's wife's false teeth—although that is not indicated! All this presages the worst features of the administration under Section 51 of the Agricultural Bank Act. It will develop all the worst features of the earlier administration of group settlement. I do not believe that soldier settlement, if that type of provision is to obtain, will have any measure of success whatever. It will be restricted, because the genuine farmer type will not undertake the task. It will be a farce or perhaps it will result in as big a tragedy to the soldiers and to the State as the original Group Settlement Scheme. That will be so because civil servants cannot run farms. Neither can one run a farm to a pattern.

The average man who goes on a farm is first and foremost an individualist. If he is qualified to go on the land as a settler—and he should be qualified and able to live up to the provisions set out in the Rural Reconstruction Commission's report before he is allowed to become a settler—then we should allow him to farm his farm. We cannot expect success if the man endeavours to farm at the dictation of officialdom, clothed with as much authority as the Commission's report suggests. I hope that such a provision as that to which I allude will not be made part and parcel of any scheme of soldier settlement. I trust the R.S.L., not only in this State but in the Federal sphere, will strive to ensure that no such provision is included.

If men are competent to become farmers—they will not be allowed to go on the land unless they are competent—then we should allow them to farm and we should not force them into the position suggested by the Commission in its report. No man who

is an individualist could farm at the beck and call of authority all the time. If they were men such as some turned out to be after the 1914-18 war, they might rush into participation in soldier settlement for the mere sake of a home and some temporary occupation. As we saw in connection with the last war, when such individuals found that work on the land was not all milk and honey, they went elsewhere. That is what may happen this time if we have this type of soldier settlement. Although I hope that the long view will prevail with respect to the settlement of soldiers on the land, I cannot say that I hope, with any degree of confidence, that it will eventually prevail.

With a proper, sensible approach to the problem, much could be achieved of advantage to the country as a whole. I do not want it to be thought that I do not appreciate much that is embodied in the report of the Rural Reconstruction Commission, because I do. The weakness in the report, as I see it, is inevitable because it appears to make finance and supervision paramount. The members of the Commission have viewed the industry largely from an office chair, and I consider that, with more consideration and practical knowledge applied to the problems, the difficulties could be overcome. Before I conclude there is one other hope I would like to express and it is that now that the Referendum has been disposed of—I think we can take it that it has been disposed of—the State Government will depart from its attitude, or from what has appeared to be its attitude ever since I have been a member of Parliament, of abrogating practically all its responsibilities and allowing the State Parliament to drift along while all its authority is passed to the Commonwealth Government in respect of practically everything that comes before the Legislature.

Now that the expressed opinion of the people of Australia has been obtained—it must be realised that it was an expression of opinion respecting unification as well as in respect of the 17 specific points—the State Government will provide us, to a considerably greater degree than heretofore, with legislation to consider and work to do to advance the welfare and development of Western Australia, and that the activities of the State Parliament will not be confined quite so much to a bit of tinkering with existing legislation, largely industrial, as our experience has been during the last few years.

On motion by Hon. W. J. Mann, debate adjourned.

*House adjourned at 5.55 p.m.*

# Legislative Assembly.

*Thursday, 24th August, 1944.*



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

## QUESTIONS (2).

### BIRTH RATE.

*As to Encouraging Increase.*

Mr. NORTH asked the Premier:

(1) Is the national need for larger families being handled exclusively by the Federal Cabinet?

(2) If not, has the State Government worked out any plans as yet?

(3) Has the State Treasurer analysed the possible public reaction to stiff taxation on prosperous bachelors and childless couples (as a post-war policy) for the benefit of parents with more than three children?

(4) Are State recommendations for altering taxation barred while uniform taxation is in force?

The MINISTER FOR WORKS replied:

(1) Not exclusively.

(2) The State Government has developed plans in connection with housing, water supplies and other essential undertakings for the purpose of increasing development and improving living conditions generally within the State.

(3) No, but it is thought the reaction would be very mixed.

(4) No.

### CIVIL DEFENCE.

*As to Terminating A.R.P. Services.*

Mr. GRAHAM asked the Minister for Mines:

(1) Whether he will consider giving instructions in order to ensure that A.R.P. per-