

**Legislative Assembly,***Thursday, 6th December, 1934.*

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

**QUESTION—RELIEF WORKERS.**

Mr. LATHAM asked the Minister for Employment: 1, How many Government relief workers received treatment for injuries at the Harvey, Yarloop, and Pinjarra hospitals respectively during the past six months? 2, How many claims were received for compensation under the Workers' Compensation Act? 3, How many claims were paid?

The MINISTER FOR EMPLOYMENT replied: 1, Not available. 2, Seventy-two. 3, Sixty-six.

**QUESTION—APPRENTICES.**

Mr. SAMPSON asked the Minister for Employment: 1, Has he read the report of, and the resolutions adopted at, the conference of the Employers' Federation held in Sydney recently, as reported in the "West Australian" of the 4th December? 2, Does he realise the special problems faced by youths in their desire to learn a trade and the insurmountable difficulties of arbitration awards which definitely limit the number of apprentices permitted? 3, Will he give consideration to the recommendations in the report, particularly those under the heading "Youths in Industry"? 4, Will he, as a preliminary measure, take steps to make it mandatory on the part of employers to engage as many apprentices as awards permit? 5, In view of the unduly limited number, will he assist the Employers' Federation in its de-

sire to increase the quota of apprentices and thus relieve present conditions, the effect of which presses so hardly upon the Western Australian boy who desires to learn a trade?

The MINISTER FOR EMPLOYMENT replied: 1, Yes. 2, The question of apprenticeship in this State is dealt with by a tribunal fully competent to consider the best interests of the youths concerned, and it is not intended to interfere with the functions of the tribunal established by law for this purpose. 3, 4, and 5, Answered by No. 2. Incidentally, the statement in No. 4 directly refutes the contention put forward in No. 2.

**BILL—ELECTORAL ACT AMENDMENT (No. 2).**

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

**MOTION—STATE FORESTS.**

*To Revoke Dedication.*

THE ACTING PREMIER (Hon. A. McCallum—South Fremantle) [4.35]: I move—

That the proposal for the partial revocation of State Forests Nos. 4, 15, 20, 22, 27, 28, 36, 37, and 38 laid on the Table of the Legislative Assembly by command of His Excellency the Lieutenant-Governor on 5th day of December, 1934, be carried out.

This is the usual motion that comes down each session. It embraces portion of forest country that has been excised and transferred to agriculture. It is mandatory that the Governor shall lay on the Table of the House the revocation order, which has to be endorsed by both Houses. This particular order comprises a number of small lots which have been applied for by adjoining settlers in almost every case. Altogether 11 areas are involved, comprising 2,043 acres. The Conservator of Forests has certified that these areas are not required for forestry, and are suitable for agriculture. The first area is at Collie-Cardiff, comprising 26½ acres; the second lot is 2½ miles east of Worsley, comprising 30 acres; the third is one mile north-east of Greenbushes, comprising 1½ acres; the fourth is three miles south-east of Byford, comprising 23 acres; the fifth is two miles south-east of Dardanup, comprising 1,630 acres; the sixth

is 11 miles south-west of Kirup, comprising 13 acres; the seventh is eight miles south-west of Jardee, comprising 20 acres; the eighth is four miles south-west of Jardee, comprising 170 acres; the ninth is 18 miles east of Manjimup, comprising 47 acres; the tenth is 16 miles east of Jardee, comprising 78 acres; and the eleventh is 13 miles south-east of Manjimup, comprising five acres. These motions are generally regarded as formal. The areas are to be released from the Forests Department and made available for agriculture.

**HON. C. G. LATHAM** (York) [4.38]: I should like some information with regard to No. 27, which contains 1,630 acres and is situated two miles south-east of Dardanup. The area seems a large one. What is proposed to be done with it? I believe it is a strip of tuart country. Is it proposed to subdivide the land? I understand it is not the intention of the Government to go in for any further settlement at the moment. Apart from this, I do not see why the motion should not be carried.

**THE ACTING PREMIER** (Hon. A. McCallum—South Fremantle—in reply) [4.39]: This area is described mainly as sandy flat country. It is not required for State forestry purposes, and portion of it has been applied for by a local resident. The Forests Department are releasing it. There is no idea that the whole lot shall be given to one settler.

Mr. J. H. Smith: The department will not release anything with timber on it.

The **ACTING PREMIER**: That is the general idea. If land is any good for forestry purposes, the department likes to hang on to it. This is not good forest country.

Question put and passed, and a message accordingly transmitted to the Council.

## **BILL—FINANCIAL EMERGENCY TAX ASSESSMENT ACT AMENDMENT.**

### *Council's Amendments.*

Schedule of three amendments made by the Council now considered.

### *In Committee.*

Mr. Sleeman in the Chair; the Acting Premier in charge of the Bill.

No. 1.—Clause 2. Delete this clause:

The **ACTING PREMIER**: When the Bill left this Chamber the exemption provided for was £3 12s. per week, a figure which was fixed to cover the basic wage. Another place has altered that to £3 10s., thus fixing the figure as it was last year. This means that the men on the basic wage will have to pay the tax. I understand the objection of another place to our proposal was that whilst it exempted men on the basic wage in the metropolis, on the coast and in the South-West, it did not exempt men on the goldfields and in other parts where the basic wage is higher. Our basic wage is £3 11s. and £3 11s. 6d. in the metropolis and in the South-West. Our figure of £3 12s. exempted men on the basic rate, but on the goldfields, where the rate is £4 2s., it did not exempt them, nor did it exempt men in the North-West. I understand that was considered objectionable, and the Council amended the Bill accordingly. From the inception we would have liked to exempt the basic wage workers throughout the State, but when it came to fixing different figures, the question of the legality of such a procedure arose. It is doubtful whether Parliament has any power under the Constitution to do that. We canvassed the situation to find out if we could get over the difficulty. We had no desire to apply the tax to one section of the basic wage earners while leaving another section of the basic wage earners out. It was only the legal difficulty that restrained us from exempting basic wage earners generally at an earlier stage. However, we discussed the problem with the Crown Law authorities, and the amendment I propose to move to the Council's amendment will overcome the difficulty. My amendment will have the effect of granting exemptions up to the basic wage in each part of the State. That will mean that the basic wage worker, irrespective of where he may live, will have the benefit of the same class of exemption, and that appears to be the only equitable way by which the difficulty can be overcome. If the cost of living varies, the basis of the exemption should have relation to the varied figure. My amendment proposes that in each district the basic wage as fixed at the 30th December, 1934, will constitute the exemption. At present the basic wage rates are £3 11s. in the metropolitan area, £3 11s. 6d. in the South-West, and

£4 2s. on the goldfields. The respective rates, as fixed at the 30th December next, will apply to the 30th June next. The basic wage fluctuates quarterly, but we do not propose that the exemptions shall fluctuate correspondingly. Then the exemption from the 30th June onwards shall be at the figure declared by the Arbitration Court to be the basic wage at that date. If the basic wage increases, the exemption will increase correspondingly for the ensuing six months. As regards incomes, they are dealt with by means of returns that are sent in annually. In those circumstances it is impossible to provide any other than annual adjustments, and the exemption for incomes will be the basic wage for the district in which the taxpayer resides as at the 30th June. It will be patent to everyone that no variations effected during the year could apply to incomes because there can be no check on the amount of the income earned during the first half of the year and that earned during the second half. With regard to incomes of persons residing outside the State, the exemption will be on the basis of the basic wage fixed for the city of Perth. I do not anticipate that there will be many taxpayers affected under that heading. The effect of the amendment will be to place all sections throughout the State on a common level. I move—

That the Council's amendment be amended by striking out "delete" and inserting in lieu the word "amend."

Amendment on the Council's amendment put and passed.

The ACTING PREMIER: I move—

That after "clause," in the Council's amendment as amended, the following words be added:—"by striking out paragraphs (a) and (b) and inserting in lieu thereof paragraphs as follows:—

(a) by deleting paragraph (d) and inserting in lieu thereof a paragraph as follows:—

(d) in receipt of salary or wages in the amount of thirty shillings per week or more but less than the amount of the weekly basic wage, and having no other source of income, or in receipt of income including salary or wages in the amount of seventy-eight pounds per annum or more but less than an amount per annum ascertained by multiplying by fifty-two the amount of the weekly basic wage aforesaid, who prove to the satisfaction of the Commissioner that they are regularly maintaining or contributing to the maintenance of one or more members of their

family who is or are resident and domiciled in Western Australia; or

(b) by adding to the section a subsection as follows:—

(2) For the purposes of paragraph (d) of subsection (1) hereof, the words "the amount of the weekly basic wage" shall mean the amount of the weekly basic wage as declared under and in accordance with the provision of the Industrial Arbitration Act, 1912-1925, which is ruling on the dates hereinafter mentioned respectively in the district or locality in which the person (being a person earning salary or wages) is for the time being earning such salary or wages, or in which the person (being a person deriving income) has his permanent home on the 30th day of June ending the year in which such income is derived (as the case may be), that is to say:—

(a) on the thirty-first day of December, one thousand nine hundred and thirty-four insofar as relates to the tax payable or to be assessed in respect of the period commencing on the first day of January, one thousand nine hundred and thirty-five, and ending on the thirtieth day of June next following; and

(b) on the preceding thirtieth day of June in each and every year insofar as relates to any period of twelve months ending on the thirtieth day of June in any year after the said thirtieth day of June, one thousand nine hundred and thirty-five:

Provided that—

(i) In the case of a person (being a person earning salary or wages) any variation by way of increase made in the amount of the weekly basic wage to operate in any year after the thirtieth day of June, one thousand nine hundred and thirty-five, as from the thirty-first day of December in that year shall be applied so as to extend the exemption under this paragraph for the benefit of such person for the balance of such year; and

(ii) In the case of a person resident outside of the State of Western Australia the amount of the weekly basic wage applicable to such person shall be the amount of the weekly basic wage aforesaid ruling in Perth on the appropriate date aforesaid.

Hon. C. G. LATHAM: The Acting Premier's amendment is a new departure and his proposal is outside the scope of the Bill. The effect of it is to amend the Act, not the Bill.

The Acting Premier: No.

Hon. C. G. LATHAM: That is how I read it. There is no paragraph (d) in the Bill.

The Acting Premier: We desire to amend the clause in a different way, that is all.

Hon. C. G. LATHAM: I draw the attention of the Chairman of Committees to the fact that the proposal is not to amend the Bill but to amend the Act by a provision that is completely outside the scope of the Bill as dealt with in Committee. The measure was returned to us by the Council with amendments, and now we are asked to amend the Act.

The Acting Premier: The whole clause is in the melting pot.

Hon. C. G. LATHAM: I do not know whether the Acting Premier's proposal will overcome the difficulty that was apparent in the Legislative Council. The new proposal is to exempt all those in receipt of less than the basic wage and to make provision for an exemption in favour of income tax payers to the amount of the basic wage. Probably that is a more fair way of dealing with the matter, although the Acting Premier has not told the Committee what this exemption will cost the State. Certainly it will cost more than the original proposal.

The Acting Premier: I do not think it will.

Hon. C. G. LATHAM: It must, if we exempt a greater number.

The ACTING PREMIER: I think the goldfields people have a wrong conception of the position. They understand that everyone enjoyed an exemption to the amount of the basic wage. They did not understand that everyone in receipt of more than the basic wage had to pay tax on the full amount of his wage or salary.

Hon. C. G. LATHAM: I do not suppose it will make much difference. I have not had opportunity to study this closely, for until this afternoon I was not aware that there was any proposed modification. We have here an amendment to the Act, which is outside the provisions contained in the Bill.

Hon. N. KEENAN: I doubt whether another place will not take exception to this on the grounds of procedure. In Committee they made certain amendments to the Bill, and sent them to this place for agreement. Now we say we cannot concur in the Council's amendments, but suggest a different method of amending the principal Act. It may very well be that a question of procedure will arise in another place, and if this amendment be ruled out on a point of order the whole Bill will go.

The Acting Premier: This procedure is quite common.

Hon. N. KEENAN: Where have you known it before?

The Acting Premier: It occurs nearly every session.

Hon. N. KEENAN: But this amendment amounts to an entire change in the proposal of the Council.

The Acting Premier: It is a common practice to submit alternative proposals to the Council.

Hon. N. KEENAN: However, it is the Minister's responsibility, and so it is only necessary to call attention to the fact that if this amendment be ruled out of order in another place the Bill will go out also. As to the merits of the amendment before us, I am told it will make exceedingly little difference, in that it will affect but a small number of those employed in the industrial life of the goldfields.

The ACTING PREMIER: I should like to point out to the Leader of the Opposition that the Bill proposed to amend Section 4 of the Act, which is all that is set out here. So there is nothing in the point raised, that in this amendment we are dealing with something not contained in the Bill. I assure the member for Nedlands that it is a common practice to submit an alternative proposal, and so it cannot be challenged.

Hon. C. G. Latham: This is far more than an amendment on the Council's amendment.

The ACTING PREMIER: It is an alternative proposal.

Hon. C. G. Latham: We fixed the sum at £3 12s.

The ACTING PREMIER: This is another way of expressing it. There was no point in the figure of £3 12s., unless it was intended to exempt the basic wage earner. The figure stated by the Council is the basic wage of last year, so the whole case has been built on the basic wage, and no new principle is being introduced. Now, instead of using the figure, we state it in words, and extend the principle from one area to the whole State. I can call to mind a number of instances in which this procedure has been followed. I am putting this amendment forward as a way out of the difficulty, and I believe it will be more equitable than the previous proposal. If this

is agreed to, we shall have everybody on the same basis.

Hon. C. G. LATHAM: The Minister has to accept responsibility for the Bill, and so I will not delay its passing, but there is a question of principle involved and the principle is being altered. Previously we were dealing with a definite figure, whereas now we are introducing the principle of the basic wage.

Amendment on the Council's amendment put and passed.

No. 2, Clause 3—Delete paragraph (a):

The ACTING PREMIER: I move an amendment—

Strike out paragraph (a) of Clause 3, and insert in lieu thereof a paragraph, as follows:—

(a) by deleting Subsection (6), and inserting in lieu thereof a subsection as follows:—

(6.) If during the period commencing on the first day of January, one thousand nine hundred and thirty-five, and ending on the thirtieth day of June, one thousand nine hundred and thirty-five, any person shall pay tax under this section in respect of his salary or wages and at the expiration of such period he proves to the satisfaction of the Commissioner that the amount of the salary or wages together with any other income received by him during such period is such that the average monthly proportion thereof for the period multiplied by twelve would be less than seventy-eight pounds in the case of a taxpayer other than a person who is entitled to exemption under paragraph (d) of subsection (1) of section four of this Act or less than an amount ascertained by multiplying by twenty-six the amount of the weekly basic wage (as defined in and applicable under subsection (2) of the said section four) in the case of a person who is entitled to exemption under paragraph (d) of subsection (1) of the said section four, and if, after the said thirtieth day of June, one thousand nine hundred and thirty-five, during any period of twelve months ending on the thirtieth day of June in any year any person shall pay tax under this section in respect of his salary or wages, and at the expiration of such period of twelve months he proves to the satisfaction of the Commissioner that the amount of the salary or wages together with any other income received by him during such period is less than seventy-eight pounds in the aggregate in the case of a taxpayer other than a person who is entitled to exemption under paragraph (d) of subsection (1) of section four of this Act, or less than an amount ascertained by multiplying by fifty-two the amount of the weekly basic wage (as defined in and applicable under subsection (2) of the said sec-

tion four) in the case of a person who is entitled to exemption under paragraph (d) of subsection (1) of section four aforesaid then any such person in either of the cases aforesaid may apply for and the Commissioner shall make to such person a refund of the amount of the tax so paid by such person and received by the Commissioner during the respective periods aforesaid.

Amendment on the Council's amendment, put and passed.

No. 3, Title—Delete the words "four and" in the first line:

The ACTING PREMIER: I move—

That the amendment be not agreed to.

Question put and passed; the Council's amendment not agreed to.

Resolutions reported and the report adopted. A committee consisting of Hons. A. McCallum, J. C. Willecock, and C. G. Latham drew up reasons for disagreeing to the Council's amendments. Reasons adopted and a message accordingly returned to the Council.

## BILL—FINANCIAL EMERGENCY ACT AMENDMENT.

### *Council's Amendments.*

Schedule of two amendments made by the Council now considered.

#### *In Committee.*

Mr. Sleeman in the Chair; the Acting Premier in charge of the Bill.

No. 1. Clause 6—Delete this clause:

The ACTING PREMIER: When a difficulty occurred between the two Chambers last year, a compromise was effected by inserting a provision to permit employers affected by agreements or awards to apply to the Arbitration Court within one month to have the decision of the court reviewed. The provision operated for one month only. It is now a dead letter, having ceased to operate 11 months ago and being incapable of application now. The Council, however, desire to retain the provision, though its retention can serve no useful purpose. I cannot understand why the Council should have asked for its retention. I move—

That the amendment be not agreed to.

Question put and passed; the Council's amendment not agreed to.

No. 2. Title—Delete the words “and to repeal section eighteen”:

On motion by the Acting Premier, amendment consequentially not agreed to.

Resolutions reported and the report adopted. A committee consisting of Hon. A. McCallum, J. C. Willecock and C. G. Latham drew up reasons for disagreeing to the Council's amendments. Reasons adopted and a message accordingly returned to the Council.

## **BILL—PLANT DISEASES ACT AMENDMENT.**

### *Second Reading.*

### **THE MINISTER FOR AGRICULTURE**

(Hon. H. Millington—Mt. Hawthorn) [5.27] in moving the second reading said: This Bill is designed to give power to deal more effectively with the fruit fly pest. During the last 12 months fruit fly has been more prevalent and more widely distributed through the State and has done greater damage than in any similar period since its introduction into Western Australia. When the pest was first discovered here and for a considerable time afterwards, it was regarded mainly as a pest of stone fruits, and the area of its operations was confined to districts with warm climatic conditions during the summer and with winter fruits forming a continual carry-over from season to season. Many fruits which in the early days were thought to be, if not immune, at any rate highly resistant, are now being found subject to attack, and even growers of export apples and grapes have reason to view the position seriously. Fruit-growers throughout the State are deeply concerned. Meetings have been held in many fruit centres to discuss ways and means to combat the pest, and as a result it was decided to appoint an advisory committee to suggest what action should be taken to control, if not to eradicate, this scourge. In order that effect might be given to the suggestions, this Bill has been introduced. The Bill is not intended to tax fruitgrowers, many of whom are already experiencing difficulty to make ends meet on the prices being obtained for fruit sold overseas. It is considered essential that the department should be in a position to know every place where fruit trees are grown, not only com-

mercially, but also in what might be termed backyard orchards. So as to ensure that this information shall be available, provision is made in the Bill for the registration of all places where one or more fruit trees or vines are grown. It will be noticed that the registration fee has been fixed at 1s., and the amount obtained by this means will be put into a special fund and used solely for the purpose of controlling the pest.

Hon. W. D. Johnson: What do you estimate the revenue under the Bill will be?

The MINISTER FOR AGRICULTURE: It is practically impossible to estimate that, as we have not information concerning the number of backyard orchards, on which factor the revenue will depend. Registration is essential not only because of the revenue that will be obtained, but also because we will then have a knowledge of where all orchards are situated, and of their areas: and this will undoubtedly assist in the campaign for the destruction of the pest. At this stage I wish to point out that it is the responsibility of all fruitgrowers to take action to free their orchards of the pest; and it is proposed in their own interests, if the steps required by the department are not taken, to prosecute without fear or favour, and also without giving notice that such action is proposed. Highly important and extremely necessary powers are provided in the Bill for the purpose of declaring any area in the State infested, so that orchardists within that area, even though their orchards are non-infested, shall be bound to take steps to prevent the spread of the disease. It can be readily understood that in large fruitgrowing areas in the South-West, where fruitfly has up to the present appeared in only a limited number of orchards, and where under the present regulations the disease must be found by an inspector before instructions can be given to the owner or occupier to take action, the pest might easily increase and multiply before either the owners of the properties or the inspectors are aware of its presence. With the powers provided in the Bill, the owners or occupiers of orchards in any district declared infested must take the necessary measures to control the pest and prevent its spread. It is certain that the action which it will be necessary for growers to take under the Bill will have the effect of preventing the spread of the pest into what are now practically clean

centres. Owing to the great damage caused by fruitfly in recent years, the time is not only ripe, but opportune, for taking concerted vigorous action, because, as a result of the advertisement which the pest has received through the Press and from public meetings, not only the commercial orchardist, but the non-commercial man and the one-tree or one-vine grower, have developed a conscience; and there is a marked disposition on the part of all to help to scotch the plague, provided some assurance is felt by all that no one is neglecting his responsibilities. The powers provided in the Bill are for the purpose of preventing such neglect. As hon. members are aware, for some time past an agitation has been afoot, and urgent representations have been made, that increased powers should be taken in order to deal with the pest effectually. The difficulty is that some growers who have done their duty by keeping their orchards clean, have found themselves handicapped by the neglect of others to do so. There has also been marked carelessness on the part of those who are termed backyard orchardists, non-commercial growers, who do not realise the danger to the industry from their neglect to clean their orchards. The difficulty occurs in the carry-over period, when the regulation should be vigorously enforced and attempts made to eradicate the pest. Oranges, for instance, are noted carriers of fruitfly. Even now, thus early in the season, the fruitfly appears in some of the stone fruit that is being marketed. In spite of what has been done by commercial orchardists, we have the pest with us at the beginning of the season. When it is realised that the pest actually means the presence of maggots in the fruit, people can appreciate what the danger is. Unless the pest is eradicated, it will be impossible to carry on the industry. The Government were negotiating with an advisory committee, whose first suggestion was that there should be a registration fee, and also a tax on all orchardists upon an acreage basis. This did not meet with the Government's approval, because we recognised that the responsibility must be placed on the orchardist, whether in a large or in a small way, to eradicate the pest himself. We could not employ a sufficient army of inspectors to keep the orchards clean. If even a small tax were imposed, the orchardist, and particularly the backyard orchardist, might assume that it

was the duty of the department to keep the orchards clean. By means of registration we hope to set up an organisation which will make every orchardist responsible for combating the pest. Any orchardist who fails to do so, should have proceedings taken against him. The small registration fee proposed will not provide funds for sufficient inspectors to go round and plead with orchardists, but there will be enough funds to enable orchardists to be advised how orchards can be cleaned. Mainly it is a question of cleaning up fruit that has fallen, and of finding the necessary sprays. Information on those subjects is available in the department. There should be vigorous propaganda to make orchardists realise that it is their duty, in the interests of the industry, to keep their orchards clean. For orchardists who have spent considerable amounts of money towards this end it must be simply heart-breaking to find that their orchards again become infested because of the failure of other orchardists to do their duty. During quite recent years the pest has spread. I understand it is now as far south as Bridgetown, in the apple districts. Apples are a fruit affected by the fly. Thus even our export trade will be endangered, if we do not cope with the pest. The fly has not yet reached the Mt. Barker district; but at their recent conference the Mt. Barker growers were so concerned at the danger, and so seized with the importance of the matter, that they expressed their readiness to enter into any general scheme devised for the eradication of the pest. No one is safe. It may be urged that the mere charging of a registration fee will not provide sufficient funds. That would be so if an army of inspectors were required, but I do not regard that as necessary. It will be a simple matter to discover the commercial orchardist, who is already registered. There is a penalty for non-registration. The first requirement now is for the department to become aware of those who have backyard orchards. I think that if we can satisfy even the backyard orchardist of the seriousness of the position, he, as a citizen, will spontaneously do what is necessary in this respect, just as he observes health laws without being continuously reminded of them by health inspectors. If we can set up an organisation, the combating of the pest will become a public responsibility, as I think it should be. Each

grower must recognise that he has to do his part. Either he must keep his orchard clean, or steps will be taken to instruct him on the subject and to see that he does destroy the pest. Failing this, his orchard must be destroyed. No half measures will be of any use. Although in certain cases the Bill may prove unpopular, we shall have to face that unpopularity. The position is sufficiently desperate. No prohibitive fee is imposed.

Mr. J. H. Smith: I fear you will find that your registration fee is too low.

**The MINISTER FOR AGRICULTURE:** I do not know that the registration fee will make much difference. We shall have a record of all orchardists, and that is the principle behind the Bill. We have to impress on all orchardists that it is their responsibility to keep their orchards clean. If they fail to do so voluntarily, they will be made to do so. Those who do not stand up to the requirements of the measure will be prosecuted, and exemplary fines will be asked for. I think we are justified in asking for public co-operation in this matter, and with that co-operation the measure will have a wonderful effect as regards the cleaning up of orchards. I believe too, that it will have the effect of enabling orchardists to co-operate by employing a competent man to treat their orchards. A man in the city who is well up in the business would probably secure many clients who would pay him a few shillings, according to the number of trees, to clean their orchards. Such a man could work up a business in the country there is community spraying.

Mr. Sampson: If that were compulsory, it would solve the problem.

**The MINISTER FOR AGRICULTURE:** I should say that the commercial orchardist, if sufficiently impressed with the seriousness of the danger, would join in community spraying. That is a matter which will have to be taken up. If orchardists themselves are not sufficiently concerned for their own livelihood, they cannot expect that concern to be shown by Government officials. The department will be able to employ a few more inspectors who will do their best to advise orchardists.

Hon. P. D. Ferguson: What is the registration fee under Clause 4?

**The MINISTER FOR AGRICULTURE:** I have had that corrected three or four

times. The Bill states distinctly that the registration fee shall be one shilling. The resultant fund will be earmarked. Clause 4 provides for other registration.

Mr. Thorn: Will there be additional registration fees?

Hon. W. D. Johnson: The addition will be this 1s.

**The MINISTER FOR AGRICULTURE:** The only fee imposed for registration under this Bill—the other still stands—is the 1s. and it will be used for a particular purpose, and kept separate.

Hon. P. D. Ferguson: It is not intended to impose any more than 1s. for this purpose?

**The MINISTER FOR AGRICULTURE:** No, definitely.

Mr Thorn: I am not concerned about the extra registration fee: all I have to say is that the fee at present is too low.

**The MINISTER FOR AGRICULTURE:** The hon. member will have an opportunity later of saying whether he thinks this will be effective. I can understand that the commercial orchardists would be prepared to go further into this, but we must rake in everybody who has an orchard, and all will have to pay the 1s. and keep the orchards clean. Then we hope to be on the road to cleaning up the pest. I believe this is so serious that we are entitled to get the full co-operation of the public in carrying out the intention of the measure. Although the department will not be able to employ many more inspectors, we shall avail ourselves of the services of those we have and then, if there is a more vigorous administration of the Act, people will know they have to submit, and the effect desired will be attained. If a large sum of money were at the disposal of the officials much could be done, but without the co-operation of the public, and a realisation of what this really means, we shall do no good. With the public and the organisation behind us, as well as determination on the part of the department, we can achieve the object we have in view. I move—

That the Bill be now read a second time.

On motion by Mr. Thorn, debate adjourned.

## BILL—FARMERS' DEBTS ADJUSTMENT ACT AMENDMENT.

### *Second Reading.*

Debate resumed from the 29th November.

**MR. PIESSE** (Katanning) [5.50]: The speech of the Minister for Lands on the second reading of the Bill can very well be considered as a satisfactory and interesting disclosure of the past year's operations of the Act. Praise is due to the director, his officers and creditors and debtors alike. I congratulate the Minister upon this further instalment of legislation in fulfilment of his promise of last session. It can be said, and I am sorry to say it, that notwithstanding all we have done in the past by way of legislation with regard to farmers' disabilities, Western Australia has been lacking in the way of farmers' relief legislation, and has been very much behind the Eastern States in providing necessary funds to carry on many necessitous cases.

**Hon. C. G. Latham**: We have increased our wheat yield to a greater extent than have the other States.

**Mr. PIESSE**: Figures will show that we have perhaps not been unmindful in the past of the position of the farmers, but we have not acted as promptly as we might have done. The depression has now lasted three or four years, and in many respects legislatively we are very much behind what has been done elsewhere. We have not provided the legislation to permit of the carrying on of those farmers who found it difficult to secure the necessary funds to enable them to continue their operations. The Agricultural Bank Bill which has passed this Chamber is a good effort and a first step towards adjusting the debts of the Bank and the farmers, and consolidating the affairs of the Bank, and its provisions relating to debt adjustments must be read with the Bill we are now considering in respect of the writing down of the debts of necessitous farmers. While I appreciate what the Bill now purports to do by trying generally to relieve farmers of their present disabilities, I am disappointed that more provision has not been made to meet the case of the very necessitous and worthy farmers who have failed to obtain seasonal credit. I do not mean that the

Government should be prepared to make advances for general seasonal credit, but that they should help in special cases. As time goes on it will be found that something of that nature will have to be done to carry on any of those farmers who to-day have gone to the wall. Various schemes were submitted to the Royal Commission by the Wheatgrowers' Union and the Primary Producers' Association. The farmers' debts director also submitted a plan for the consideration of the commission which inquired into farmers' disabilities about two years ago. I do not know whether members have studied those schemes, but they are well worthy of being looked into since they are the result of much deliberation by both the organisations mentioned. To my mind they are a practical gesture put forward on behalf of the farmers to meet the situation. I am sorry the Minister has not been able to give effect more fully to most of those recommendations, but I hope it will not be long before we shall have further legislation embracing some of the propositions that were put forward. We can say to all members, especially those who represent agricultural constituencies, that the millstones of depression have been grinding slowly but surely to destruction. Many of our farmers, if given the opportunity of obtaining funds from the relief board similar to that which exists in the Eastern States could have been saved. I estimate that at least 50 per cent. of the 1,215 reverted farms could have been placed on a safe basis, and further, that of the 170 Farmers' Debts Act stay orders which lapsed, together with the 310 additional farmers who applied for stay orders but had unsuccessful meetings—less 33 who were able to carry on—making a total of 447 unsuccessful applicants under the Farmers' Debts Adjustment Act, 20 per cent. of the whole of those who applied, could have been saved. Full credit must be given to the administration of the Farmers' Debts Adjustment Act for the successful carrying on of 80 per cent. of those who applied to be carried on. Credit is also due to the Agricultural Bank and merchants and others for the seasonal credit provided, and at the same time we must not forget the courage and fortitude of the farmers who were compelled to seek statutory protection and assistance. But what of the 1,215 reversions to the Agricultural Bank and the 447 of

that total who found no legislative machinery to help them, and perhaps many more of whom we have not heard? No doubt financial considerations were in the way, and without Federal aid the position became difficult. To-day there is a brighter vision. After four years of uncertainty for most farmers there is a greater ray of hope, seeing that the Federal Government intend to come into the picture in a practical manner. The proposed wheat bounty and interest-free loan for debt adjustment should encourage and spur on State Government, and the farmer and his creditors, to enter wholeheartedly on a practical scheme for the permanent rehabilitation of the farming industry. This applies not only to those seeking relief by statutory authority, but to many others who have kept the wolf from the door and maintained their best traditions during an unprecedented run of low and unprofitable prices. Neither this Bill nor the Agricultural Bank Bill go far enough to meet the needs of the situation or to provide a practical solution of the problem. I do not know whether the Minister for Lands will return from the Eastern States before the House rises.

The Acting Premier: I hope he will be back by Monday next.

Mr. PIESSE: I am pleased to hear that. It has been a rush for him. It is fortunate the Minister was able to make the trip. I am sure farmers are very grateful to him for attending the proceedings over there at such short notice. If he is able to return on Monday we shall look forward to hearing something from him as to the proposed supplementary legislation or amendments to the Bill before us. I advise members to read carefully pages 66 to 77 of the report of the Royal Commission on the Agricultural Bank. When we read this report we must be grateful and thankful to the commission for giving a full synopsis of the various Acts operating in the other States in the matter of debt adjustment and the carrying on of farms. The Royal Commission recommended, in addition to the reconstruction of the Agricultural Bank, further legislation for debt adjustment. They recommended the appointment of a board to provide seasonal credit, and to carry into effect the provisions of part 3 of the Farmers' Assistance Act, 1933, of South Australia. That Act

has worked successfully in that State. The recommendations to this effect will be found on page 69 of the report. In addition to passing this amending Bill it will be necessary to make provision for extending the legislation on this subject and appointing a credit board. The director administering the Act could be the chairman. The board would have to be supplied with limited funds to provide sustenance and machinery parts in necessitous cases. It will be absolutely necessary in many instances to provide new machinery or machinery renewals, to give some farmers a reasonable hope of carrying on. We have been somewhat neglectful in this respect. We have delayed two years too long. I am anxious to hear what has been done in the Eastern States in such cases, and what the Minister for Lands will do to help the farmers in this way. A rehabilitation of the industry by debt adjustment can only be partially successful unless the necessary legislation is passed for the provision of the requisite funds. South Australia experienced a drought years before the depression started. For the last three or four years that State has passed special legislation dealing with this very question, and later on New South Wales and Victoria did the same thing. That legislation dealt with the same set of conditions concerning which I have pointed out our own neglect in this State.

Mr. Patrick: South Australia suffered for many years from drought.

Mr. PIESSE: South Australia passed special legislation to meet the drought conditions, which extended over a period of five or six years. That was before the ordinary depression in prices set in. Each year the South Australian Parliament has passed amendments to the Acts in force. One of the main provisions of this legislation was for the necessary funds with which to carry on farmers who were unable to obtain credit through the ordinary channels. Apart from the praise that is due to the Agricultural Bank, let us not forget the assistance that has been rendered to our farmers by the Associated Banks, the merchants and others during the past three or four years. Our first consideration must be to put our farmers on their feet. Some explanation, however, will be required concerning second and third mortgages. This matter was clearly placed before the Chamber by the member for West Perth.

The situation is a difficult one, and I should be pleased indeed if a solution were to be found for it. Any rehabilitation scheme that will relieve the farmer even of part of the accumulation of debt will give him fresh light and hope, especially in the case of those who have patiently struggled against every adversity, low prices and high costs. Parliament, and the Federal Parliament in particular, does owe something to those farmers who have manfully paid their way under most difficult and trying conditions. To do this they have had to deny themselves of a great deal. They have had to allow permanent improvements to go back, their machinery to become almost worn out, and yet under this Bill unless they make application for assistance they will probably receive no help. A large proportion of the farmers outside the Agricultural Bank will need some financial assistance to put them in a safe and sound position. They have been able to do very little fresh developmental work. Their fences have had to be kept up, their dams kept clean, their water supplies kept in good order, and the suckers kept down, so that the farm in general may be maintained in good condition. At present prices very little is left for extensions in any direction. The next step that must be taken is in the direction of providing for these farmers. A board of supervision should be appointed in the case of those who wish to make application for relief other than to the Agricultural Bank, to secure data concerning them. There should be some organised department or board of that nature to make close investigation, and find out to what extent those farmers who are likely to come under the Farmers' Debt Adjustment Act can be assisted financially. The Agricultural Bank is ready to do its part, but during the last two years very little has been advanced for developmental work. Many settlers who were in a sound position with the Agricultural Bank have, for want of further assistance, reached a dead-end. It is a matter of urgency that their cases should be looked into and provided for. The man who has been hanging on and fighting against the depression, who has kept his name good and paid his way as far as he could, should be encouraged by being placed in the position of getting credit on the best possible terms and at the lowest possible rates of interest.

He should be given some assistance, which under the Bill he is not likely to receive. With the help of the wheat bonus this year, and the fertiliser bonus to aid other primary industries, and with the hope of a permanent debt adjustment plan for compounding the farmers' debts on a reasonable basis, there is a little more light ahead of us. I am sure that a large proportion of the unsecured creditors will agree to a reasonable compounding of debts. I hope this Bill and any other supplementary legislation that will follow will receive the unanimous support of members. During the past three years there has been a great deal of writing down of debts in various necessitous cases that we know nothing about. The situation could have been met much earlier if legislation of this kind had gone a little further. We are very grateful for what has been accomplished, but feel that a great deal of time has been lost. Many farmers have gone to the wall, and have no hope of making a recovery. They have left their land and handed it back to the Bank. If only this assistance had been forthcoming from the Federal authorities—and it is long overdue—the industry would have been in a much more secure position than it is to-day.

The Acting Premier: If the Minister for Lands brings back with him £12,000,000 we shall be all right.

Mr. PIESSE: We need make no apology in asking the Federal Government for assistance. They have been unreasonably slow and neglectful concerning the farming industry, particularly that associated with wheat growing.

*Sitting suspended from 6.15 to 7.30 p.m.*

Mr. PIESSE: I was pointing out that although we are hopeful that the belated Federal loan of £12,000,000 to rehabilitate the farmers and assist in compounding the debts of many farmers who are in necessitous circumstances, will prove beneficial, we must all agree that the Federal Government have indeed been slow in coming to the rescue of the farming industry. Particularly is that so when we take into consideration the fact that the farmers of Australia made definite and serious losses because of the sudden collapse in the price of wheat in 1930. Following upon that there was a succession of low prices for their commodity. On top of that there was, with

the exception of last year, an unpayable price for wool. In view of the fact that the Federal Government asked the farmers to grow more wheat in 1930, which resulted in greater losses being experienced than if smaller areas had been cropped, we could have expected the Federal Government to have proffered assistance at a much earlier date. From time to time wheat bonuses assisted the farmers partially to cover their losses and we are delighted to know that this year £4,000,000 has been allocated for special assistance during the present season on the basis of current wheat production. The Federal Government have a big responsibility to the wool-growers. Apart from the fertiliser subsidy last year and the provision of like assistance this year, little financial help has been rendered to the wool-growers. The wheat-growers are not alone in their financial difficulties. Many of the small wool-growers are in as parlous a condition. It has been suggested that, as the result of last year's prices, wool-growers should have recovered sufficiently to enable them to carry on for two or three years. On the other hand, the same trouble regarding earlier losses on production in 1930, 1931 and 1932 placed the wool-growers in much the same position as the wheat-growers. In many instances—this applied particularly to small wool-growers—the producers bought their stock at high prices and it took them two or three years to condition their accounts with the people who financed them. That accounts to a large extent for the accumulated debts to the Agricultural Bank, merchants and others. I do not wish to repeat what I said formerly regarding the necessity for Parliament and the people generally to realise that something more must be done than is evident in the Agricultural Bank Bill and the measure now under discussion. I merely stress that point upon the Government, seeing that the commissioners of the Agricultural Bank, when appointed, will resort to the use of the Industries Assistance Board for the purpose of carrying on many of the farmers. I believe the Government will find that the provisions of the legislation—our experience in the past tends to bear it out—will not fulfil what is expected and they will realise that what I predict is absolutely necessary, namely, the appointment of a relief board, the members of which will work in conjunction with those charged with the adminis-

tration of the Farmers' Debts Adjustment Act. That will be necessary in order to carry the farmers on, especially during the current season when crop failures have been reported in various parts of the State. In the eastern parts of the Katanning electorate, although the prospects in the early part of the season were bright, the later rains resulted in the land becoming boggy and, in many instances, failures have resulted. From what I have observed when travelling through the district, there will be many disappointments with regard to this season's wheat production. The settlers of Nyabing have invited me and the members of the Legislative Council representing the Province to discuss their plight with them on Sunday next. I desire to refer to a paragraph that appeared in the leading article in the "West Australian" dealing with the problem of carrying on. We are greatly indebted to the "West Australian" for the prominence it has given to the position of the farmers and to particulars of the rehabilitation plan during the past week or so. We have looked anxiously daily for further news and we owe a great debt to the "West Australian" for keeping the public so well informed, and enabling an expression of opinion to be voiced regarding the necessity for such a policy. In the course of the leading article in the issue of the 30th November the following appeared:—

The first objection to the Commonwealth scheme as it stands is that it apparently makes no provision for money with which to enable farmers to diversify their production or to tide them over while changes are being made. Nor does it appear to take into consideration the fact that extensive further credits, running perhaps into millions, will shortly be essential for bringing farming plant up to standard and up-to-date.

In its earlier stages the Industries Assistance Board rendered wonderful service to the State but of late years the institution has become obsolete. I would prefer to see a new board established, the members of which would possess new ideas and adopt fresh methods: perhaps some guidance could be secured from the experiences of other States. Perhaps we could evolve a suitable scheme for ourselves, one more in keeping with local conditions. We should keep in mind the fact that we must encourage farmers to continue their operations and provide them with financial assistance

to enable them to go in for new lines of production. They should not depend upon one line only. During the past 12 months or so that phase has been stressed. The Agricultural Bank Commission reported along similar lines and suggested that many farmers in the wheat belt should swing over to mixed production. There is no provision in the Agricultural Bank Bill or in the Bill now before us that would assist in that direction, except that the farmers may apply to be placed under the Industries Assistance Board. There are many farmers who will have as much objection to such an application as to one to the Bankruptcy Court or one to bring them under the scope of the Farmers' Debts Adjustment Act. Some other fund should be provided, as obtains in the other States. I do not desire the Government to be philanthropists. I appreciate the difficulty regarding finance. On the other hand, I am pointing out a matter of sheer necessity. Something more must be done this year than ever before, because of crop failures in the North and in other parts of the wheat belt. Owing to the excessive rain, many crops have almost vanished. The provision of £12,000,000 will not assist much in that direction because it is to be used largely in the reduction of existing debts. The wheat bonus of £4,000,000 will certainly be of material assistance, but in view of the smaller crops and smaller yields that will be experienced, most of the money will be spent on conditioning advances for putting in last year's harvest. When the Minister for Lands returns from the conference in the East, I hope he will be convinced that something more will be required along those lines. In their report for the year ended the 30th June, 1934, the Industries Assistance Board state:—

During the year possession was taken of 52 properties, carrying a liability of £74,144 1s. 7d. During the same period 24 were sold, entailing a loss of £29,958 11s. The number of properties on the hands of the board at the close of the year was 255, carrying an indebtedness of £418,848 14s. 8d. The interest on those debts has been treated as irrecoverable.

To ask that board, obsessed as the members are with the almost hopeless position of the farmers, to step in now, does not seem advisable to me, unless the board is reconstituted or revived with fresh ideas. I cannot see how the existing board can meet

the present situation, particularly in view of the fact that they have been practically non-existent during the past two years. One means suggested by which the farmers can be helped with regard to the compounding or liquidation of their indebtedness is the partial surrendering of holdings. The small pastoralist was induced to take up large areas of land, because it was said he must have from 3,000 to 5,000 acres before he could hope to make a reasonable income. That policy was established by the late Mr. William Paterson, for many years the managing director of the Agricultural Bank. But Mr. Paterson did not take into consideration that a lot of that country of which he thought 5,000 acres would be sufficient, was most difficult to keep under cultivation because, as it got into the heavier rainfall areas, the suckers and seedlings were a constant source of expense. Having regard to these cases, it would be very wise to enter into an arrangement, or to come to some understanding which would be profitable both to the small pastoralist and to his creditors; as, for instance, to arrange for a reduction of area, but leaving the balance free of debt. That is a recommendation which has been made to the Federal Government, and I hope it will be included in this measure. I can assure the Government that we on this side will be only too willing to help them in their endeavours to handle the present unfortunate situation. I am very much indebted to the Minister for Lands for the courtesy with which he has always received any applications I have put before him, and I am sure that, with the knowledge the Minister will gain in the Eastern States, he, on his return, will be seized with the necessity for making provisions that are essential to the carrying on of the farming industry. I will support the second reading.

**MR. WARNER** (Mt. Marshall) [7.48]: I do not intend to speak at any length, nor have I a desire to repeat the many points brought forward by the member who has just resumed his seat. I am sorry there should be necessity for this Bill, but I believe most of the amendments contained in it will be of advantage to the farmers. I am convinced that the Minister intends this measure to work in with the Land Bill, and to come within the purview of the Agricultural Bank commissioners I had

expected to see in the Bill some provision dealing with the enormous amount of money that has been paid to the trustees. I am anxious to see that large amount greatly reduced, for it is making rich men more wealthy at the expense of the farming community. I know the ambition of the Minister for Employment is to find something that will provide work for the many unemployed, such as accountants and clerks, who had never done anything more laborious than pushing a pen, but who are now engaged at clearing land and chopping wood. And, according to the report of the Royal Commission that inquired into the Agricultural Bank, there is a possibility that some more men may have to leave clerical positions when the new Agricultural Bank Bill comes into operation. Most of the men in the Agricultural Bank are returned soldiers, and possibly some of them may be forced from their jobs. It should be practicable for the Government to set up a board and let them take the part of the trustees and utilise the present useless labour in doing some of the work of Agricultural Bank clients. Then, instead of money going into the hands of the trustees, who have made a harvest out of the depression, that money may be allowed to remain in its proper channel. It would be quite possible for a board of this sort to be started under the guidance of the administrator of the Bill, for Mr. White has had a very extensive knowledge of farmers' debts and probably under his control something could be done. At all events, it would be a sprag in the wheels of those who have been living for too long on a broken-down industry. I will support the second reading, and I trust the Minister will think over what I have said and see if something cannot be done to find work for the unemployed I have referred to.

**MR. NORTH** (Claremont) [7.52:] I desire to make a few remarks, not on behalf of the farmers, of whom there are very few in my district, although we manage to raise some very fine pigs down there. There is another point of view from which this measure can be regarded, which is, how these costs to be released from the farmers are to be met. The people of Claremont are concerned to know how we are to meet the liabilities of the farmers. It is of no use members of Parliament making suggestions,

because they are never listened to by the authorities, but it is of interest to follow what the authorities themselves are thinking and see how they intend to meet these liabilities which they are going to remove from the farmers. The present situation must mean further taxation, because if we are going to lift the debts of the farmers, then the rest of the community are going to be further taxed to meet those liabilities. We cannot stand that, for we all know that taxation has reached the limit. Therefore there must be some other way. I have been reading carefully Professor Copland, who was the author of the Premiers' Plan, and I find the professor has changed his views. The other day, in Melbourne, he made the following short statement—

There was great risk in leaving things as they are, and waiting for prosperity to restore itself. He believed that the whole problem of credit, production and industry must now be regarded from a new angle.

Following on that, a most interesting speech was made by the chairman of directors of the Bank of New South Wales at the recent annual meeting, showing an entirely new outlook on the depression. These remarks were published on the 30th November, 1934, only a few days ago. This is what the chairman said—

We, in Australia, in common with people in every other part of the world, are still very far from having reached the average level of real income which the progress of science entitles us to expect. Australia and New Zealand can look forward with confidence to a prosperity surpassing anything we have ever known in the past, and based upon more favourable foundations.

That does not quite tally with the idea that we are going to raise millions of pounds from the taxpayers of Australia to meet the farmers' debts and so get farther into the mire. There must be some new alchemy of debts being manufactured. I see by the paper that Professor Copland went even farther yesterday, when he said—

Criticism of the growth of Australia's internal debts is pointless. The world wants an increase in debts more than anything else, to obtain recovery.

The position, therefore, is that Professor Copland is advocating some new form of prosperity—some of Professor Copland's social debts—to get us out of our difficulties. But I am much more concerned with the remarks of the chairman of the Bank of New

South Wales because that institution, with its knowledge and experience and its influence in the country, holds that Australia and New Zealand can look forward with confidence to a prosperity surpassing anything we have ever known in the past, and that we have not yet reached the average level of real income, that we have to loosen the belt instead of tightening it. That is all fresh to me.

Mr. F. C. L. Smith: When does he say it will arrive?

Mr. NORTH: He does not say, but the report suggests that Australia has to go right off exporting in the large sense, develop all secondary industries and produce our own luxuries. One of the chairman's sentences reads as follows—

That we, in Australia, cannot any longer remain hewers of wood and drawers of water, that we have now to enter into the manufacture of various commodities and luxuries.

Hon. C. G. Latham: Is that from the report of the Bank of New South Wales?

Mr. NORTH: Yes. It was a speech delivered by the chairman, but I do not guarantee that he wrote the report. The actual words were—

If our standard of living is to rise, as increasing proportion of our capital and labour must be employed in the industries which are appropriate to the production of things which people with rising real incomes will want to buy . . . . It is no longer rational to think exclusively in terms of extending our agricultural and pastoral production.

What is the method that is proposed to be employed? How can the people of Australia meet all those millions of pounds by taxation? One member said that £12,000,000 was not enough to assist the farmers. Of course it is not. We know that the burden of debt on the shoulders of the farmers of Australia is approximately £140,000,000.

Hon. W. D. Johnson: Where do you get the idea of paying it back through taxation?

Mr. NORTH: Professor Copland said the world is lacking in debts; it needs an increase of debts more than anything else to bring recovery. There must be some new idea in the minds of authorities and experts, and the time has come when the House is entitled to know it, because it cannot be met out of taxation. I support the Bill.

MR. PATRICK (Greenough) [8.2]: I do not intend to follow the member for Claremont in the interesting points he has raised, although I believe that in quoting the President of the Bank of New South Wales, he did not tell the whole story. The passing of the Agricultural Bank Bill necessitated amending legislation of this kind. Members may recall that provision was rightly made in that Bill that before the Agricultural Bank could write down the value of its securities, outside creditors should also be required to write down theirs. Presumably one of the reasons why this Bill has been introduced is to provide machinery for that purpose. There are a large number of creditors entirely outside the Agricultural Bank, and it is proposed by this Bill to deal with them. During the past four years Governments, farmers and creditors have all been Micawbers, waiting for something to turn up, but unfortunately they are still waiting, and meanwhile the industry, as the figures of crop returns show, has been steadily and surely declining. Farmers have been referred to as the spoon-fed part of the community, but what are the facts? During the last five seasons the farmers have grown or been assisted to grow five crops. In the producing of those five crops they have worked long hours and worn out a considerable amount of machinery, and the net result has been that they have sunk further into debt. In the production of those crops, however, they have provided a considerable amount of profitable work for thousands of other members of the community. The community of Australia generally has saved millions of pounds by obtaining foodstuffs at considerably less than the cost of production; in fact, one might say that the farmer has been the mug all the time. Had he put in no crop at all during the last five seasons, had he taken a holiday, he would have been infinitely better off than he is to-day, although the State itself would have been in a rather dreadful position. Two years ago, the Premier, in the course of a speech, said—

Within two years the area under crop will be decreased by not less than 50 per cent.

It is a tribute to the tenacity of the farmers that that prophecy has not come true. Although the area under crop has decreased,

it has not decreased to that extent. The Premier continued—

I ask the people of Western Australia to picture the condition of things in this State, with all our responsibilities and liabilities, when wheatgrowing has decreased to the extent of 50 per cent.

Of course the Premier was quite right in that remark. In spite of the losses in this industry, the State cannot afford to let it go. Hence I think I am justified in saying, when told that this legislation is to assist the farmers, that it is also to assist the State. The State is not going to get out of its difficulties without assisting the farmers, and therefore we may say that this is legislation also to assist the State. The member for West Perth (Mr. McDonald) said that somewhat the same relief as is proposed under this Bill could have been obtained under the Federal Bankruptcy Act. There is a considerable opinion amongst the farmers that it would be a good thing if they adopted what is called massed bankruptcy. Some of them have been advocating that. If we did have massed bankruptcy, considering the way in which the securities held by secured creditors have fallen in value, I think there would be mighty little for the unsecured creditors. Once the value owing to secured creditors were deducted, there would be mighty little, if anything, left for unsecured creditors. In a number of the States of America there has been adopted a system under which farmers meet their creditors—a voluntary system. The farmer meets a committee of his creditors; they investigate every detail of his accounts, ascertain what his prospects are, and then take a settlement of their debts. That entirely disposes of all unsecured debts, such as grocery and machinery accounts, etc. The major problem there, as it is here, is that of the secured debts. This matter has not been successfully met in the United States from the standpoint of writing down. I think the farthest they have gone is to give a moratorium for two years in the matter of interest payments, but they still insist upon payment of the principal. It is rather peculiar also that in the States which have dealt with the matter, a moratorium as regards interest does not apply to amounts owing to the State. The attitude adopted is that the farmer must pay what he owes to the State, or get out, and fairly severe

measures have been adopted to put some of the farmers out. By means of troops, 1,500 farmers who could not pay their debts to the State were forcibly ejected. The policy there has been mainly to endeavour to effect a composition of debts outside of those owing to the State. The Agricultural Bank Bill provides for the reduction of secured debts where the State is the holder of the security. That is a better policy than the one pursued in those States of America. Personally I am not convinced that the passing of the Bill will have much effect in bringing about a reduction of the debts of secured creditors other than the State. We have made provision for the State to reduce the value of its securities, but there does not seem to be much provision for dealing with the secured debts of creditors other than the State. No doubt the financial institutions took a risk, just as everyone else in the community did, by gambling on a continuance of high prices, with the result that they financed the purchase of high-priced properties. They also undoubtedly made over-advances to clients. One is justified in saying that the financial institutions, apart from the State, are entitled to reduce the debts under their securities. In fact, they would be justified in applying portion of their reserves to write down the value of securities. Two or three years ago a very conservative financial journal in the Eastern States said it was better to do now what would have to be done in any case, and write down securities before clients became demoralised. If that was true then, it is even more true to-day. If that is to be done, it would be wise to do it quickly. Reference has been made to Federal assistance. I am not quite clear whether the payment is to be made merely as a payment in reduction of debts. The best idea, I consider, would be to try to clear the unsecured debts right off. There is no doubt that many creditors would prefer, as creditors in America are preferring, to take what they could get in settlement rather than risk the probability of getting nothing at all by hanging on. Suppose that by next year debts had been written off and secured debts written down, what then? The major problem would still remain to be dealt with, namely, providing farmers with credit to carry on. Debts having been adjusted, what incentive would there be at present prices either for farmers to carry

on or for creditors to finance them to carry on. This Micawber business must end; it cannot continue. The member for Guildford-Midland (Hon. W. D. Johnson) two or three years ago stated that unless the farmer was guaranteed a fixed price, he should not put in any crop at all. I think that was a much wiser stand to take than that taken by some of refusing to deliver the wheat once it was produced. The farmers were entitled to ask a guaranteed price to cover the cost of production before they put in a crop. An assured price would have given heart to the farmers, and solved all their credit difficulties. In my opinion, the people of Australia must be prepared to pay a fair price for produce of this kind. Much poorer wage communities than those of Australia, such as France, are paying a great deal higher price, although the people of France consume 50 per cent. more wheat per head than do the people of Australia. In Australia people are getting wheat at about half-a-crown a bushel and consuming five bushels per head of population; the people of France consume over seven bushels per head of population and have to pay up to 7s. or 8s. per bushel.

Mr. Lambert: That is not twice as much.

Mr. PATRICK: I said they consumed 50 per cent. more.

The Acting Premier: They pay more than twice as much.

Mr. PATRICK: They pay three times as much. Taking it on the basis of five bushels per head at 2s. 6d. per bushel, in Australia, it represents 12s. 6d. per head, whereas in France seven bushels per head at 8s. per bushel represents 56s. per head. That is an enormous difference. I have been astounded at the squeal over the flour tax. Personally I do not favour a flour tax, but I have a different reason for being opposed to it. I agree with many members opposite who at different times have favoured the establishment of a guaranteed price for wheat. In my opinion it rather savours of hypocrisy to impose a tax on flour and at the same time support a guaranteed price for wheat, because the effect must be the same. If we fix the price of wheat at, say, 4s. 6d. per bushel, then the price of flour must inevitably go up. I therefore fail to see that there is a great deal of difference between the two proposals. In point of fact, even

at the present low price of wheat in Europe, one could not land wheat in Australia under 4s. 6d. per bushel. If the Australian farmers decided not to grow wheat, the Australian people would have to pay at least 4s. 6d. per bushel to land foreign wheat in Australia. Let me quote from the speech made by the Premier at the close of the last session—

The people have no right to expect any man to grow wheat, and produce bread, at a figure less than the cost of production. By all the canons of fair play and justice, the man who provides our daily bread ought to receive a price sufficient to cover his cost of producing the article. There can be no reasonable or logical rejoinder to that contention.

I support the Bill simply as in the nature of an instalment of rehabilitation of the farming industry, but I repeat that it will not prove a sufficient incentive to the farmer to carry on. That can be achieved only through the knowledge that a profitable price will be obtained for his crop when that crop is grown.

**HON. J. CUNNINGHAM** (Kalgoorlie) [8.17]: To my way of thinking the Bill is not wholly designed to keep the farmer on the land, but has a much wider application. If it were only a matter of conserving the interests of the farmer, perhaps there would be many people in Western Australia not altogether interested. However, financial institutions are vitally affected—not only banks, but insurance companies. Then there is the large body of workers who are also affected. Again, there is the railway system. And the Government likewise are interested. Thus we see that our interests are interdependent. For that reason the man on the land is at present receiving a fair amount of consideration. He is much talked about; and the reason why he is talked about lies in the realisation that in the event of the Government of this State not coming to his assistance, other interests will be seriously affected. I have mentioned insurance companies, but I want to draw attention to the fact that in the wheat and wool production of this country large numbers of salary and wage earners are interested. A considerable percentage of them are insured; and therefore the insurance companies are interested, inasmuch as they do not want to see those people lose their jobs, which would mean that the companies would go short of premiums. And there is a similar

application to all other industries. Merchants, storekeepers and others are necessary for the purpose of wheat production, because, after all, they render services to the wheatgrower. We recognise, therefore, that the Bill is not designed wholly to help the farmer, either individually or collectively. It has been brought down of necessity for the purpose of keeping afloat an industry in the interests of the entire community. However, I do not believe that the measure will confer any special benefit upon the farmer. One farmer now is nearly on a par with the European serf of centuries ago. Perhaps the Bill will be the means of prolonging the agony of men already bankrupt. Perhaps the farmer will be allowed to grow old in the service of the country, with very little prospect indeed of ever being able to pay his debts. The serf of long ago had his food and his housing guaranteed to him by his master; but the farmer to-day is struggling hard in order to obtain the necessities of life for himself and his family. He is at the mercy of the storekeeper and the merchant. On the other hand, the serf had his food and his shelter, such as they were, guaranteed to him. It may be said that the farmer and the serf are alike economic slaves. In fact, economic slavery is with us. We need only glance at the dole system now operating. If the serfs were worse off than are many people whom I know of in Western Australia, I shall be considerably enlightened. My reference is to the serfs of the past—not to tramps or vagabonds, but to serfs who were cared for. I do not know that the Bill confers any great favour upon the farmer. After all, the farming community are bankrupt; they are engaged in what is recognised throughout Australia as a bankrupt industry. The passing of a Bill like this will not assist the farmer materially. What is needed is a change in our economic system. I do not know that I quite agree with the member for Claremont (Mr. North); but whilst we go on as we are going, irrespective of the fact of the Premier having said that the man who grows wheat or supplies bread is entitled to a fair price for his product, the outlook is black. So far as concerns the Western Australian community, we could obtain sufficient wheat for our requirements with a substantial reduction in the number of our farmers. However, it is the in-

dustry as a whole we are concerned about. Unless an alteration obtains in the price paid to the farmer for his product, there is little hope ahead of him. Despite this legislation, unless money is made available to guarantee the farmer a fair price for his product, the farming industry must collapse. It is merely kept going now by the grace of certain financial institutions and of Governments. Very few farmers in Australia can pay their way. The industry is down and out. There is now a move in the Eastern States for Federal action in the direction of establishing a Department of Agriculture to assist the farming industry. The proposal has not come before its time. I think it will be found that just before seeding takes place again, these promises will be brought under the notice of the farming community, but that it will be much later before any money will be made available. That is the great trouble. If financial assistance is to be made available, it should be made available early next year, so as to enable not only the farmer, but also the traders and others who furnish the credit without which the farmer cannot carry on, to know just exactly what may be expected by way of return when the crop is reaped. Unless something is done on those lines, this legislation will not prove of any great help. No doubt it will tide the farmer over a short period, but it will not save him from becoming more heavily involved. It will not do anything to arrest debt enforcement. Within a short time we may find the whole industry collapsing. I trust the overtures in the Eastern States will prove fruitful, and that those who are engaged in wheat and wool growing will receive the necessary assistance. The present Bill reminds me of the bankruptcy law. The effect of the measure will not be to save the industry, but to enable individual farmers to get out of their financial difficulties if they have been honest triers. I support the second reading, for the little benefit the measure will confer on the farmer. There would be no logic in opposing it; otherwise I would oppose it. However, I know the Government of this State have interested themselves to the extent of sending a Minister to the East. It is for the conference in the East to evolve some scheme whereby the wheat industry will secure a price that will enable the farmer to live and gain some little pros-

pect of reducing the debts he has already incurred. Another point worth mentioning is the heavy debt that is being piled up by deferring rents on holdings. Undoubtedly numerous farmers have been unable to pay their land rents for quite a period. Those debts are mounting up, together with interest charges. I am inclined to think that the State must take in hand and pay due consideration to the debts owing to merchants whether they supply stock or superphosphate or machinery. Again, there is the question of capitalising the deferred rents over the remaining period of conditional purchase. Unless something of that nature is done, there is no possible chance of the Western Australian farmer ever paying his debts. Apparently he will leave his sons in a situation similar to that which obtains in India. There sons have to carry the debts of the fathers, and even of the grandfathers, for generations. That is almost comparable to the position which confronts the farmers here, and in fact throughout the Commonwealth, at all events those engaged in the wheat industry. However, I support the second reading.

Question put and passed.

Bill read a second time.

## **BILL—INDUSTRIAL ARBITRATION ACT AMENDMENT.**

*Second Reading.*

**THE MINISTER FOR EMPLOYMENT**  
(Hon. J. J. Kenneally—East Perth) [8.30]  
in moving the second reading said: This amending measure dealing with the Industrial Arbitration Act consists of three features. The first alteration it is proposed to make deals with the question of those engaged in specified industries and the method by which the organisations concerned shall alter the constitution under which they are working. Members will recollect the decision given on the 5th November last by the President of the Arbitration Court on an application by the Plumbers' Union against the Amalgamated Society of Engineers in extending their constitution by altering their rules, an alteration embracing the additional membership of those engaged in different industries. The President of the Court ruled that the constitution of an

organisation registered in the Court could not be altered in that manner. It must appeal to members that where an Act makes provision by which the constitution of an organisation shall be altered, such alteration—if an application is to be made for registration—must be made in a form that will enable the Registrar to notify the unions that will be affected by the suggested change. The object, of course, is to permit those unions to submit any opposition they might have to the alteration. Hon. members will agree that there should not be a short cut by which the constitution can be altered to embrace additional representatives in an industry. There is a proper channel provided and that must be followed. The proposal in the Bill is for the purpose of preventing any continued alteration of the constitutions of registered unions by simply altering the rules and getting the rules registered by the Registrar under the Act. If the Bill is passed it will be necessary in the case of any proposed alteration of the constitution of a registered organisation for that proposal to be submitted to the court direct as an alteration of the constitution, and to give the court power, as the President may direct, for the organisation affected by the proposed change to be notified. The decision given in connection with this matter has arrested a system that has been operating for the past few years, a system under which a number of organisations have had their constitutions altered simply by altering the rules and having the change registered.

Mr. Patrick: Without consulting the members.

**THE MINISTER FOR EMPLOYMENT:**  
The members were consulted, but the Act makes provision that before the application for registration is made, a meeting must be called and the fact published in a newspaper circulating in the district, and certain notice given to other organisations so that those organisations may have the opportunity, if they so desire, of opposing the application.

Mr. Stubbs: It is decided by a majority.

**THE MINISTER FOR EMPLOYMENT:**  
Yes, at a properly constituted meeting. Unless some action is taken to legalise the alterations made under a misconception of the existing law, a chaotic position will be created as far as industrial organisations

are concerned. The president of the court will be empowered to grant the registration of a constitution even as far back as the date on which it was originally purported to be granted subject to any conditions which the president may deem fit to impose, even to the extent of going through the whole business again so as to give other organisations the opportunity of protesting. The second amendment in the Bill refers to the registration of what is known as the Australian Workers' Union. As members know, the A.W.U. is one of the largest, if not the largest industrial organisation in this State, but because of the fact that it embraces a number of different callings, it has not up to date been able to obtain registration. That, in a State pledged to arbitration, is a very undesirable condition of affairs.

Mr. Patrick: They come under Federal jurisdiction.

The MINISTER FOR EMPLOYMENT: They are registered Federally and they can come under State agreements. But the peculiar part about it is that in order to come before the State court this large organisation has to cause a stoppage, or threaten a stoppage in industry, and under Section 140 (2) of the existing Act they can be brought before the court on a compulsory conference. The very spirit of arbitration itself is in opposition to that. That condition of affairs is not calculated to support the idea of arbitration at all. The A.W.U. has several thousand members employed on Government work such as railway construction, land clearing and roads and bridges work as well as drainage and irrigation undertakings. The organisation as members know has been the wholehearted supporter of the principle of arbitration. As a matter of fact, on many occasions the executive incurred the displeasure of certain other people in industry because it adhered wholeheartedly to the principle of arbitration. That being so, it becomes essential to see that they are given the means of functioning within the Act rather than being compelled to go outside the provisions of the law so as to have the opportunity of appearing before the court. The organisation is working under agreements and awards in connection with many works, but as the union is not registered, it is desirable that provision be made by which that registration can be accom-

plished. Another disadvantage that exists is that when the organisation referred to does go to a court, if the award is given under another section, it applies only to the particular person with whom the agreement is entered into and the trouble is that if the personnel of the company with which the agreement is entered into has changed, the agreement becomes automatically ended and a new agreement has to be negotiated to bring the industry concerned within the purview of its provisions. That is undesirable also. There have been occasions when attempts have been made to register the A.W.U. This House has previously passed legislation with that end in view, but the measure has met with a different fate in another place. We have so far advanced in thought that if sufficient safeguards can be provided to ensure that the amending legislation will not be injurious to any other organisation, we shall be able to devise ways and means by which this registration can be accomplished. The organisation is the most convenient for what is termed the nomad, such as shearers.

Hon. C. G. Latham: They are covered by an award.

The MINISTER FOR EMPLOYMENT: By a Federal award. The organisation does not live only by Federal awards. It is operating in the State, and embraces people who are not engaged in any Federal occupation.

Hon. C. G. Latham: There is a Shearers' Union.

The MINISTER FOR EMPLOYMENT: There is no shearers' union. It is all the A.W.U.

Hon. C. G. Latham: It is part of the A.W.U.

The MINISTER FOR EMPLOYMENT: No. The shearers are members of the A.W.U.

Mr. Patrick: Is it not called the pastoral section?

The MINISTER FOR EMPLOYMENT: There is a pastoral section within the union, which embraces those engaged in shearing and others who are engaged in seasonal occupations. There are men in the A.W.U. who are employed on main road work. They work in some cases for a couple of months on the roads, and then for a couple of months in the farming industry. They are always changing their occupation. The A.W.U. particularly caters for that class of worker. The fact that

this organisation has such a large membership, and that it supports the principle of arbitration, should carry weight with members when dealing with an amendment which provides for the registration of that organisation.

Mr. Stubbs: What is the membership, about 1,200?

The MINISTER FOR EMPLOYMENT: It is in the vicinity of 8,000.

Mr. Stubbs: At 25s. a head it must have an enormous revenue.

The MINISTER FOR EMPLOYMENT: In the peak period of 1929 the membership was up to 11,000.

Mr. Marshall: That is only in Western Australia.

The MINISTER FOR EMPLOYMENT:

Yes. We are only referring to the membership in Western Australia. The provision I have mentioned gives protection to the interests of other organisations. There are many craft organisations that are registered. The Bill gives protection to these. The A.W.U. will be considered a union in accordance with Section 14 of the Act. I propose to add a subsection by which the A.W.U. will be legislated for as a union. Before it is registered the president of the court may require an undertaking that it will not attempt to usurp the functions of existing organisations, which cater for a particular class of person that the A.W.U. would be proposing to cater for. There is a separate section in the Act providing for the deregistration of an organisation for certain offences. I propose to add to Section 27 of the Act an additional reason for deregistration. This will apply to the A.W.U. only, and will be to the effect that this union may be deregistered if, having given an undertaking not to usurp the functions of other unions, it fails to observe that undertaking. In the case of that organisation such an offence will be a cause for deregistration. The third proposal in the Bill will deal with a decision of the magistrate when an application for the enforcement of an award is made. That relates to Section 97 of the Act. That section makes provision by which a magistrate may give a decision granting back pay in connection with any non-observance of an award. In many cases where an employer is charged with non-observance of the conditions of the award, the magistrate may possibly fine him 10s. and order him to pay £2 or £3 in back

wages which he had withheld from the applicant. In many instances it pays the unscrupulous employer not to observe the award. An employer may have employed a man for a few months and may have under-paid him to the extent of as much as £20. An application may then be made for the enforcement of the award. If a decision is given against the employer, and he is fined 10s. and the magistrate orders him to pay £2 in back wages, seeing that the employer should have paid £20, the proceedings will only have cost him £2 10s., and he will be £17 10s. better off than the man who has observed the conditions of the award.

Mr. Stubbs: Would the magistrate give such a decision if evidence was brought before him that an employer had robbed a man for two months?

The MINISTER FOR EMPLOYMENT: There are numerous cases in which magistrates have not given a verdict for the full amount of wages due, and the employer has benefited by the difference.

Mr. Doney: Surely not to the extent of the discrepancy outlined by you.

The MINISTER FOR EMPLOYMENT: Yes. The discrepancy has been very large in some cases. Subsection 5 of Section 97 says that the magistrate "may" grant this back money. I propose to alter that word to "shall." We should place all employers in such a position that there will be fair competition for all. Particularly should the unscrupulous employer be compelled to obey the law. It is simply a question of establishing fair competition between two classes of people, the one who observes the law and the other who takes advantages of those the legislature is seeking to protect.

Mr. Doney: Your statement would indicate that the magistrate must have found extenuating circumstances when he allowed such a big discrepancy as you show.

The MINISTER FOR EMPLOYMENT: Not necessarily. I do not criticise magistrates as a rule. The difficulty sometimes occurs because the magistrate is startled by the large amount involved. That is all the more to the benefit of the employer who has not observed the law. To overcome that difficulty I have made provision whereby the Act shall be amended to give the magistrate power to see that the money is paid in instalments. The employer will be given the opportunity to pay the money back over an

extended period. It is not a question whether the employer should be compelled to pay what he owes, but of offering him facilities whereby he shall be compelled to pay.

Mr. Stubbs: It would be a poor excuse to offer that he had spent the money.

The MINISTER FOR EMPLOYMENT: Some who have spent other people's money have gone to gaol.

Mr. Marshall: And others have spent it without going to gaol.

The MINISTER FOR EMPLOYMENT: Although we cannot make legislation watertight, we can do our best, when the laws are passed, to see, as with the case under review, that the employers observe the industrial conditions laid down and pay the wages that are due. It is only right that we should do our best to see that those who do not observe these conditions are not placed in a better position than those who do observe them. The Bill also provides for separating the fine that may be inflicted from the back wages that may have to be paid. The fine may be 10s. and the back pay may be £21. There are certain provisions in the Act whereby, unless the penalty exceeds £20, there is no right of appeal. The Bill sets out that the back money will not be regarded as part of the penalty. It will merely be the repayment of money that is owing. The penalty will be the fine that is inflicted for the evasion of the law. These are the three principal provisions of the Bill. I trust it will commend itself to members. I move—

That the Bill be now read a second time.

On motion by Hon. C. G. Latham, debate adjourned.

## **BILL—BREAD.**

*Second Reading.*

### **THE MINISTER FOR EMPLOYMENT**

(Hon. J. J. Kenneally—East Perth) [9.0]  
in moving the second reading said: The measure may appear to members as fairly formidable, but I ask them not to be dismayed by its bulk.

Mr. Stubbs: It will be hard to digest.

The MINISTER FOR EMPLOYMENT: Members will find that it is a consolidating measure and proposes to repeal four Acts of Parliament. When the legislation was reviewed, we found that the original meas-

ure was passed in 1903 and amending Bills were passed in 1906, 1911 and 1915. Had I persisted in my intention to embody amendments in a further amending Bill it would have been difficult for members to follow. For that reason I have had framed a consolidating measure repealing the four previous Acts and, in embodying many of their provisions, I have endeavoured to make the Bill more readily understandable by members. With that end in view, they will see that a part of the Bill is printed in large type and other parts in smaller type. The larger type represents provisions that already exist.

Hon. C. G. Latham: Then there is not much left.

The MINISTER FOR EMPLOYMENT: Those parts that are in smaller type represent the amending clauses.

Mr. Doney: Practically the whole of the Bill is in small type.

The MINISTER FOR EMPLOYMENT: That is not so; there is quite a large proportion of it in large type.

Mr. Doney: About one-tenth.

The MINISTER FOR EMPLOYMENT: A large proportion of the existing provisions are also embodied in the Bill, but as they have been framed in somewhat different language, they appear in smaller type. The question of day baking, which is dealt with in the Bill, is not new to the Parliament of this State. Although no definite decision was arrived at, Bills dealing with that phase were introduced in 1925 and 1926. The object of those measures was to prohibit night baking.

Mr. Sampson: Those Bills were dealt with fairly decisively.

The MINISTER FOR EMPLOYMENT: Those measures were passed in this House, but were defeated in the Legislative Council.

Mr. Sampson: They were passed here on party divisions.

The MINISTER FOR EMPLOYMENT: Although those Bills failed to pass in another place, they were supported by both the master bakers and the operative bakers. I propose to submit to members reasons why, although opposed to such measures in the past, they should view the question with open minds. They should take cognisance of the more advanced trend of thought on this subject, both in Australia and elsewhere. If they do that, they will alter

their opinions. I will indicate developments that have taken place elsewhere, and give information regarding the steps that have been adopted. So universal was the demand for the prohibition of night baking that it was one of the first subjects dealt with at Geneva by the International Labour Conference of the League of Nations. Those conferences are attended by representatives of employers and employees, and of all the Governments who are members of the League. A two-thirds majority is necessary before a convention can be adopted. Conventions with the object of doing away with night baking have been carried by majorities in excess of two-thirds of the delegates voting. Even if Opposition members did at one time hold certain views regarding night baking, when they find that countries that are members of the League of Nations and the employers and operatives in those particular countries, have agreed to a convention in favour of the abolition of night baking, I know they will alter their opinions on this occasion. I would point out that the Bills previously introduced to deal with this subject in this House were supported by both the master bakers' organisation and by the Operative Bakers' Union. In those circumstances, it may be said that industrial thought on both sides is in favour of the reform. In view of the representation at the conferences of the League of Nations, it will be conceded that from that standpoint the proposals are unassailable. By Article 23 of the Covenant of the League, the members undertake that they will—

Endeavour to secure and maintain fair and humane conditions of labour for men, women and children, both in their own countries and in all countries to which their commercial and industrial relations extend, and for that purpose will establish and maintain the necessary international organisation.

By means of the Bill I am submitting to members, I ask this Parliament to support that article of the League of Nations. In 1925 the International Labour Conference adopted a convention prohibiting the making of bread, pastry or other flour confectionery during the night. The prohibition applied to the work of all persons, including proprietors. I trust members will notice particularly that point. It will be realised that throughout the Bill I have included references to the proprietors of bakeries.

Mr. Doney: Is that an innovation, or is it general?

The MINISTER FOR EMPLOYMENT: It will reach even to the cottage industries. The member for Williams-Narrogin (Mr. Doney) took exception, when we were dealing with another Bill, to references to backyard industries. So far as this Bill concerns them, I will refer to the cottage baking industries that will be directly affected by it. It must be remembered that the determination by the League of Nations Conference, to which I have alluded, was arrived at by a gathering attended by representatives of Governments who are members of the League and by representatives of the employers and employees of the various countries. They included representatives of the Australian Commonwealth. The arguments advanced at the international conference in favour of the abolition of night baking were—

1. Night work is unhealthy and unnatural.
2. Night work completely disorganises home life.
3. Night work makes the baker's wife a veritable drudge.
4. Night work is ruinous in its physical and mental effects on the apprentice in his growing years.
5. Night work in the bakery trade means night work, year in and year out, not occasionally, as in other occupations.
6. Night work does not mean fresher bread for the public.
7. Night work is unnecessary and benefits neither workers, public, nor even the employers as a whole.

The employers themselves have subscribed to those arguments through their representatives. Therefore it is not for us as a legislature to say to those employers that they are mistaken, that even if alterations have been effected in other States of the Commonwealth and other countries of the world we, as members of the Parliament of Western Australia, have rejected the principle and therefore the employers who agreed to the decision of the International Conference were wrong. I ask Opposition members to bear in mind that these conferences of the League of Nations are truly representative of the Governments concerned, the employers and the workers of the various nations associated with the League. Article 2 of the convention reads as follows:—

For the purpose of this convention the term "night" signifies a period of at least

seven consecutive hours. The beginning and end of this period shall be fixed by the competent authority in each country after consultation with the organisations of employers and workers concerned, and the period shall include the interval between 11 o'clock in the evening and 5 o'clock in the morning; when it is required by the climate or season, the interval between 10 o'clock in the evening and 4 o'clock in the morning may be substituted for the interval between 11 o'clock in the evening and 5 o'clock in the morning.

That article makes provision for the competent authority—in our case, it would be the State—after consultation with the employers and employees, to deal with the question of hours. In the present instance conferences have been held with the employers and employees over a period of several months. What I am submitting in the Bill really represents an agreement reached between the employers and employees engaged in the baking industry. In those circumstances, members will agree that the proposition I submit is by no means one-sided. In the course of the conferences, each side had to give way to some extent, and the results of the determinations are to be found in the Bill. That means that an agreement has been reached regarding the hours of baking. Article 3 of the Convention reads as follows:—

After consultation with the employers and the workers' organisations concerned, the competent authority in each country may make regulations to determine (a) the permanent exceptions necessary for the execution of preparatory or complementary work as far as it must necessarily be carried on outside the normal hours of work, provided that no more than the strictly necessary number of workers, and no young persons under the age of 18, shall be employed in such work. (b) The permanent exceptions necessary for requirements arising from the particular circumstances of the baking industry in tropical countries. (c) The permanent exceptions necessary for the arrangement of the weekly rest. (d) The temporary exceptions necessary to enable an undertaking to deal with unusual pressure of work or national necessities.

Provision is made in that convention by which the authorities can confer to overcome the difficulties of exceptional cases where rigid adherence to the prescribed hours of baking would be impracticable. Article 4 of the Convention reads—

Exceptions may be made to the provisions of Article 2 in case of accident, actual or threatened, or in case of urgent work to be done to machinery or plant, or in case of force

*majeure*, but only so far as may be necessary to avoid serious interference with the ordinary working of the undertaking.

The terms of that convention have been duly observed throughout this proposal. I should like in this measure to go as far as other countries have gone in seeing that its observance is made definite: because since it was carried, other countries have adopted different ideas in regard to day baking. Later I will give a list of those countries. Whilst it might not be reasonable to expect all nations to adopt the conventions in their entirety, the considered and declared opinions of such a representative body should not be lightly set aside or disregarded. Australia rightly is a member of the League of Nations. All members of the League of Nations when gathered at the League's meetings when the conventions are agreed to, undertake to do their best to see that the countries which sent them there give effect to the conventions agreed upon. This measure simply asks the people of the State to endeavour to give effect to those conventions. It can be claimed that when legislation like this is being considered, no country can lightly set aside the determinations of the League of Nations in the aspect dealt with in this measure. In Western Australia during last year when the new award for the metropolitan area was being considered by the Arbitration Court, Mr. President Dwyer delivered a very concise and convincing judgment on the need for legislative action for the purpose of protecting the employers and the employees. I do not think I can do better than quote the following extracts from this very informative judgment:—

The matter was considered in the pastry-cooks' case which came for decision in this court in 1930, and in the course of my judgment in dealing with day baking and night baking, I stated as follows:—“The argument in favour of day work in this industry cannot, at least as regards Perth, be based on the unhealthiness of the occupation. So far as the evidence shows, and from our own observations, the occupation is a healthy one. But it is an unnatural state of things, the existence of which should only be tolerated when there is no help for it, that workers, adults and juniors, should find it necessary day in and day out, month in and month out, and from year to year to spend the whole of their working time when others are abed, and their sleeping time when others are awake. Such a condition is unsocial and against all the best interests of family and communal life. If it were possible that the work could be done in shifts, so that the workers could alternate day

work and night work each week, the objection would very largely disappear, but in the evidence before the court there is no suggestion that this can be done. This seems to me an appropriate place to add that the results of the practical tests made by the court—the parties will remember that we procured samples of bread from various bakeries with the time of withdrawal from the oven noted, and this bread was cut and examined at varying periods up to three days and more—proved conclusively to my satisfaction that there is no need for a system of continuous night baking in order that the public may be supplied with fresh, palatable, wholesome bread. The employers in advocating night baking have laid emphasis upon the inroads made into the industry by the one-man baker or partnership employing no workers under the award, and the nature of the competition with such bakeries in that they, being completely free from any of the conditions that may be imposed by this court, can bake at any hours they please and for any length of time, thereby being enabled to serve any of the public who so desire with hot bread and, particularly in the case of shops, at such a price that employers in self defence have been compelled to reduce their prices below the paying point. The position in this industry on the question of day baking points to the urgent need for legislative reform. When it is remembered that one of the fundamental principles of the Arbitration Act is the incidence of an award operating by way of common rule in an industry, it will be seen at once that the employers' complaints, whatever hours may be prescribed by this court, are well founded, and this class of competition, which has increased rather than diminished puts the employer, confined as he is to operation within the provisions of an award of this court, on unfavourable terms with the man in the same industry who is free to do what he likes. In fact, any award unless implemented by legislation will only serve to perpetuate the injustice.

These are the remarks of the President of the Arbitration Court, who was called upon to deal with applications under this head on various occasions. He is definite in his desire that legislative action be taken to place the court in a position to do the right thing by the industry. I propose to give later, figures showing the tremendous change that has taken place in the number of established factories subject to the Arbitration Court awards as compared with smaller factories which are not so subject. I ask the House to give serious attention to the questions where are we going and what direction we propose to take in regard to arbitration. If we continue to permit those who are not prepared to allow reasonable competition to benefit through not being included in Arbitration Court awards, we shall be simply putting a period to the time over which

Arbitration Court awards shall continue. Here is an extract from remarks made by President Dwyer on the 11th September, 1933—

I am satisfied from the evidence given that the employers in this industry have a grievance, and a genuine grievance, but it is one which can easily be removed by legislation on the lines suggested later on. The unfairness of the competition to which they are exposed may be gleaned from the following particulars. The figures have not been agreed upon by both sides, but may be taken as approximately correct:—

	1933		1927	
	No. of Bakeries.	Adult Workers.	No. of Bakeries.	Adult Workers.
Subject to Award	40	91	51	138
Not subject to Award ...	63	...	27	...
Total ...	103	91	78	138

That gives some idea of the inroads those bakeries not subject to the court's awards are making into the trade and business of those other bakeries which are subject to the award. So we have to ask ourselves are we going to legislate so as to make the industry subject to the award? If not, I say candidly to members that if they leave this section of the industrial world at the mercy of those who do not observe the laws because they keep themselves out of industrial legislation, we cannot possibly have a continuity of the industrial contentment and cannot give to the industry that protection which is essential if the arbitration system is to continue. So it becomes necessary to take the action suggested by the tribunal which has been dealing with industrial conditions in this country. The remarks of the President of the Arbitration Court continue as follows:—

In view of the fact that the Arbitration Court in this State has no binding force on those who are not workers, I would strongly urge the consideration of legislation on this subject. This is urged by me both for the sake of the employers and the workers, and in order to bring about conditions of equal competition in the industry by those engaged in it. Such legislation need not prevent any individual from entering the baking industry or carrying on that business, but it would require that he would be subject so far at least as the hours of baking bread are concerned, to the same conditions as employers of labour. In any such legislation the following points would claim consideration:—

(1) The hours within the metropolitan area (to be therein defined) within which bread for sale may be baked, with exceptions on double days and treble days and holidays; the Arbitration Court to have the power to fix hours

within those laid down. Baking outside the hours fixed should be prohibited.

(2) The hours of delivery of bread for sale a shop or upon delivery to customers, such hours.

(3) The registration of all persons dealing in bread for sale with power to cancel registration in certain circumstances; no bread to be sold except from registered bakery.

(4) Powers of entry and inspection.

(5) The fixing by a special board to be constituted and established of a price of bread for sale at shop or upon delivery to customers, such price to vary with price for flour and to be subject to revision from time to time. Board should have plenary powers of inspection of balance sheets, etc. An exception might be made in the case of large contracts.

(6) The rescission of the Bread Carters' Holiday Act. This Act was based on circumstances which do not now exist. It is now an anachronism. When the Act was passed bread carters had no holidays and worked exceptional hours. The regulation of their holidays should now be left a matter for the Court of Arbitration to decide as is the case with all other workers.

The Bill to a large extent follows along the line suggested by the President of the Arbitration Court, who said that certain legislative action was required to enable the court to function as it should.

Mr. Doney: Is it your opinion that those restrictions might tend to raise the price of bread a little?

The MINISTER FOR EMPLOYMENT: No, they should not do so. A properly organised industry and a properly-constituted board, as proposed in this measure, might easily have the opposite effect.

Mr. Patrick: If delivery were organised, the price could be reduced.

The MINISTER FOR EMPLOYMENT: That is so, and that is why we propose to give power to fix prices for delivery under certain conditions. Members who have interested themselves in the industry at all will realise that a man might start operations as a master baker with little or no capital. He makes a cut in prices for the time being and then ingloriously enters the Bankruptcy Court. For that the industry and the people are paying all the time. They have to pay because there is no regulation. That man goes out of business. Prices of bread are not controlled at present. Inquiry has been made to ascertain what takes place when the price of flour is increased. On various occasions when the price of flour has been slightly increased, the price of

bread has been raised out of all proportion. This measure will remedy that state of affairs. A price will be fixed and it will be regulated according to the rise and fall in the price of flour, with a specified system to govern the rise and fall. Under an Arbitration award (No. 1 of 1933) which operates within a radius of 25 miles of the G.P.O., the hours are as follows—

Sunday—Starting time not earlier than midnight.

Tuesday to Friday (both inclusive)—Starting time not earlier than 5 a.m. and not earlier than 8 p.m., or later than 10 p.m. on Friday evening, with a finishing time of not later than 6 p.m. on Tuesdays, Wednesdays, and Thursdays, 2 p.m. on Fridays and 8 a.m. on Saturdays. These hours do not relate to doughmakers.

The court, however, is unable to enforce those provisions as regards bakers who employ no labour. Several persons can trade as working partners and evade the restrictions placed on bona fide employers. That occurs frequently. Under award No. 16 of 1926, applying to municipalities and townships other than the metropolitan area, for all workers except doughmakers the starting time on Monday, Tuesday, Wednesday, Thursday and Friday may not be earlier than 5 a.m. and on Saturdays not earlier than 12.30 a.m. Let me explain the position in the different States of Australia and elsewhere as regards this much-vexed question. In New South Wales there is in force the Day Baking Act of 1926. This prohibits the making or baking for sale of bread as follows—

(a) Between the hours of 6 p.m. and 5 a.m. in the morning of the following day.

(b) Upon any day appointed as a holiday in any award or industrial agreement regulating the conditions of employment of operative bakers.

(c) Within the city and suburban area at any time on any Sunday.

There are exceptions in the case of double days, and, to meet certain other circumstances. The hours for the delivery of bread are also regulated by the same Act.

I ask members to pay attention to these instances because some alterations have been necessary in other States, the Legislatures of which at one time took an entirely opposite view. Queensland has no Day Baking Act, but a strict system of day baking is brought about by the provisions of the bread baking awards, which not only re-

strict the hours of workers, but also preclude the taking of bread by any persons outside of those hours. The hours are—

Brisbane district, May, June, and July, 7.30 a.m. to 5.30 p.m. The remainder of the year 7 a.m. to 5 p.m., with certain exceptions for double days, etc.

Though there is no Day Baking Act in force in Queensland, the effect of the Arbitration Act is to give to the hours fixed by the Arbitration Court, outside of which work is prohibited, the full effect of an Act of the Legislature. In the Queensland Arbitration Act, industrial matters include, inter alia, the imposing of conditions of conduct on any trade, business, industry or enterprise, and the court has jurisdiction to the extent that where an award fixes times at which employees shall commence or cease work, it shall be unlawful to work outside those hours. In South Australia day baking obtains as in New South Wales and Queensland, pursuant to the award of Mr. President Brown. Generally speaking, the hours mentioned have been adhered to, with certain modifications for double days and treble days to meet different conditions. In Victoria, night baking in a modified form is the system in operation with a starting time of midnight. In New Zealand (North Canterbury) the starting time is 4 a.m. with certain exceptions. This may be taken as an example of the hours worked generally in the provinces. Outside of Australasia, the following countries have adopted legislation making day baking compulsory—

Norway, Italy, Finland, Switzerland, Denmark, Greece, Uruguay, Germany, Czechoslovakia, France, Austria, Spain, Netherlands, Sweden, Poland, Belgium, Russia, Hungary, Bulgaria, Lithuania, Yugoslavia, Portugal, and Danzig.

Will members be content to have Western Australia trail behind those countries? Many of them are members of the League of Nations, and having subscribed to the conventions of the League, have proceeded to give effect to them. On account of past conceptions of what we should do in Western Australia it is a question whether we are now prepared to trail behind those countries for all time rather than give attention to the requirements that are essential in this connection. This statement does not profess to be an exhaustive one. There may be other countries where day baking is now the rule or practice, either as a result of

custom or legislation. These countries may have escaped me when I made my investigation within the limited time at my disposal. The latest information I have with regard to the practice in foreign countries I will give in brief form. The authority I quote is the International Labour Office Year Book for 1933. I will first instance Portugal—

The Ministry of Commerce, Industry, and Agriculture published a draft decree to amend that of the 1st October, 1929, concerning the hours of work of bakeries. The new decree will apply to the whole country, whereas the present one was at first limited to the province of Lisbon, and extended to other towns in 1931. The period of interruption will fall between 6 p.m. and 5 a.m. instead of 8 p.m. and 5 a.m., as at present.

This Bill does not attempt anything so fine as that. It proposes that on certain days baking shall not be indulged in before 4 a.m. I will now quote the position in the Netherlands—

On the 13th October, 1933, the second Chamber of the States General passed the Bill mentioned in the last edition of the Year Book to permit all bakeries to begin work at 5 a.m., irrespective of the number of workers employed. Under present legislation, only establishments employing at least six workers may begin work at 5 a.m., smaller establishments not being allowed to begin until 6 a.m.

The position in Italy is as follows—

A difference of opinion in respect of night work has arisen between the workers' and employers' organisations. The Council of the National Fascist Federation of Master Bakers which met in Rome in March, 1933, expressed the view that over-strict enforcement of the Act of the 22nd March, 1908, prohibiting night work was seriously detrimental to the quality of the bread. These objections were reported to the confederation of commerce with the request that it should approach the competent Ministers and ask them to consider the possibility of repealing the Act or at least effecting the necessary amendments. The master bakers contend that the period of seven or five hours (9 p.m. to 4 a.m. and, in some cases 9 p.m. to 2 a.m.) during which work is prohibited and the dough consequently remains unattended, is too long, and is detrimental to any kind of flour. On the other hand, the workers' representatives declared at Bologna in September, 1933, that the 1908 Act could not be held responsible for the inferior quality of bread, which might be improved by amending the Act concerning the kinds of flour to be used, by adopting a better system of blending flours and yeasts, and again by gradually abolishing the re-selling shops which had the effect of raising prices and requiring more

and more rapid production. The workers' representatives considered that the Act prohibiting night work safeguarded both the economic interests of the consumer and the physical and moral welfare of the bakery workers.

The following information relates to France—

The 15th Congress of the Federation of Workers in the Food and Drink Industries (September, 1933) examined the difficulties met with in applying the Act to abolish night work in bakeries, which arise for the most part from the fact that the prohibition still does not cover the master baker himself, although awaiting the decision of the Senate. The Congress called on the Government to ratify the international convention.

That is what is being done in France, and I am asking the House to help us to do the same thing in Western Australia. I now come to Danzig—

Under an order of the 11th November, 1932, and the relevant administrative Decree of the 20th December, 1932, work in bakeries is prohibited between 9 p.m. and 4 a.m. In order to strengthen the provisions prohibiting night work, the Senate may also prohibit the delivery of bakers' wares before 7 a.m. It may permit the period of interruption to be shifted by one hour, and authorise master bakers working alone to do subsidiary work until 10 p.m. Exceptions are provided for in cases of emergency or public interest in respect of the repair of apparatus and guarding of premises, and on fair and market days. Breaches of the order are punishable with fines not exceeding 3,000 gulden, or imprisonment in case of non-payment.

The next country I will deal with is Czechoslovakia—

The workers' organisation has submitted a memorandum to the Government, the members of Parliament and the provincial authorities pointing out the consequences of night work, and calling for the ratification of the relevant international convention. It may be recalled that following an unsuccessful attempt to find a basis of agreement between the master bakers who wished to be able to begin work at 3 a.m. and their workers, who were opposed to this, the Minister for Social Welfare issued an order on the 7th May, 1927, providing for actual work in bakeries to begin at 4 a.m.

Strange to say, that is the hour I am asking for it to begin here.

The workers' organisations then appealed to the supreme administrative court on the plea that this order was an infringement of the provisions of the Eight-Hour Day Act, which prohibits work between 10 p.m. and 5 a.m., except in certain cases that do not apply to bakeries. On the 9th June, 1933, the Supreme

Court annulled the order of 7th May, 1927, on the ground that it was not in accordance with the form required by law, and had not been published in the statutes.

The International Labour Office Year Book also gives information with regard to Austria, in which country the principles involved are extended to the employer. In asking that this measure be extended to embrace the employer, I am not asking for anything new. I am asking for that which has been in operation for some time in other countries where they realise the difficulties which have already been pointed out by the President of the Arbitration here, that, if we do not embrace the employer, we shall never be able to control the industry. If Western Australia cannot lead other countries in that respect, surely we should be willing joyfully to trail behind those who have shown the way. As regards Austria, I quote the following—

Austria.—An order on the 2nd June, 1933, advanced the period during which night work is prohibited by one hour, making it 3 p.m. to 4 a.m. instead of 9 p.m. to 5 a.m. The order also extends the prohibition to the employer, who was previously exempted. Necessary preparatory or supplementary work may be performed during the night, but the sale and delivery of bakery wares are prohibited before 5.30 a.m., except in the case of rye bread baked on the previous day. The factory inspection service may allow exceptions in respect of night work for not more than 60 days in the year, and where these are not considered sufficient, the Minister for Social Welfare may extend them for specified establishments . . . All night work must be paid for at the rate of time and a half.

That last sentence does not apply here, and is not provided for in the measure. We leave that matter to the Arbitration Court. Now I wish to give a little up-to-date information with regard to a measure introduced in Germany. I quote from "International Labour Office Information," under date of the 22nd October, 1934, page 103—

Night work in bakeries in Germany.—A German Act of the 26th September, 1934, which came into force on the 1st October, regulates hours of work and sales hours in bakeries. The new Act states that work may not begin before 4.30 a.m., even preliminary work, which could hitherto be started at 4 a.m.

I commend that information to hon. members, especially as we hear so many tales about the industrial position of Germany, and all the hours worked there in order to

compete with other nations. It should have a double effect on the minds of members who take notice of those reports. The Bill asks for a starting time half an hour later than that obtaining in Germany.

Selling to customers is authorised from 6.30 a.m., and delivery to retailers at 6.15 (instead of 6 and 5.45 respectively).

The measure forbidding night baking under certain conditions and during certain hours has been in operation in Germany for some time, and Germany is not even thinking of repealing that law. On the contrary, she has increased the number of hours during which baking is prohibited. In this measure I do not even ask that Western Australia shall act up to what Germany is already doing. Possibly Germany takes her position as a member of the League of Nations somewhat seriously.

Hon. C. G. Latham: She is not a member of the League of Nations now.

The MINISTER FOR EMPLOYMENT: No; but she was a member of the League of Nations when this convention was agreed upon.

Hon. C. G. Latham: You said she took her position seriously.

The MINISTER FOR EMPLOYMENT: So she did. She had the honesty of purpose to endeavour to give effect to something to which she had agreed.

Hon. C. G. Latham: Why are you angry with me?

The MINISTER FOR EMPLOYMENT: I am not angry at all. I want, if possible, to convert the hon. member by pointing out that Germany, when she was a member of the League of Nations, subscribed to the convention for the abolition of night baking, and, having subscribed to that convention, had the courage to give legislative effect to it. I am not even asking members of this Assembly to go as far as Germany has gone in that matter. The hours during which I ask that baking shall be prohibited do not extend so far as in the case of Germany and other Continental countries. Next I shall deal with night work in bakeries in Argentina, quoting from "Industrial and Labour Information," under date of the 19th March, 1934, page 396—

On the 16th January, 1934, the Argentine Minister of the Interior issued two decrees concerning the administration of the Act prohibiting night work in bakeries. One of the

decrees authorises the National Labour Department, and the provincial authorities in charge of the administration of the Act, to issue temporary permits for breadmaking during the interval between 9 p.m. and 5 a.m. Between midnight and 5 a.m., only three workers may remain at the workplace; and these may only be employed on preparatory work. The Factory Inspection Service may authorise the presence of a larger number of workers if the size of the undertaking justifies such a course. Employers are allowed a period of 30 days in which to organise work in conformity with these provisions.

I have endeavoured to show that there are no extraordinary new provisions in the Bill as regards hours of baking. If the measure is passed, we shall not by any means lead in connection with day baking; rather, we shall still be trailing behind other countries. At times we glibly call those other countries backward countries; but as regards many of the reforms advocated by the League of Nations, some of those countries lead us. By this measure I am simply asking that we shall bring Western Australia up-to-date in that respect. The Bill is drafted to a large extent on requests submitted by the Arbitration Court, the Master Bakers' Association, the Operative Bakers' Union, and the Bread Carters' Union. It provides for the constitution of a board to regulate the industry and to fix prices within a 50-mile radius of the General Post Office, Perth.

Hon. C. G. Latham: Why limit it to 50 miles?

The MINISTER FOR EMPLOYMENT: Because of the fact that the great bulk of the bakeries are established within that area. I am proposing certain other conditions with regard to bakeries outside the radius. I can easily understand the Leader of the Opposition being anxious that the radius should be extended to embrace at least the district of York.

Hon. C. G. Latham: You do suffer from imagination! Still, if you are going to fix the price of bread in the metropolitan area, you might fix it in the country districts too. But I do not think you need pick York out.

The MINISTER FOR EMPLOYMENT: I can readily understand that York does not require any price-fixing legislation whatever.

Hon. C. G. Latham: In point of fact, I think bread is cheaper there than anywhere else in the State.

**The MINISTER FOR EMPLOYMENT:** In that case, York does not require any price-fixing legislation. Still, I would be prepared to consider favourably an application by the hon. member to extend the application of the measure to York. The board I refer to is to consist of three members, who are to be appointed by the Governor.

Hon. C. G. Latham: Another board!

**The MINISTER FOR EMPLOYMENT:** Another board, and one that I think will do a vast amount of good. The bakers within the described area will be called upon to register with the board, and the registration fee will be an amount of not less than £2 2s. As regards increase, the fee will be variable so as to bring in sufficient money to meet the full charges of the administration of the measure. I do not propose that the cost of administering shall be a charge upon Consolidated Revenue. It is estimated that there are about 158 bakeries within a 50-mile radius of the General Post Office, Perth. The board will have the usual powers of granting, refusing, and cancelling that are given to boards constituted under similar measures. Any baker whose registration is refused or cancelled will have the right of appeal to a stipendiary magistrate. The board will be required to fix the actual prices at which bread must be sold at the bakehouse or shop, or if delivered to the home or place of business, or to a depot for transport. The prices so fixed will not apply to bread sold by contract or wholesale. That means that the board will fix the price at which bread must be sold—not the minimum or the maximum, but the actual price. The reason for that will be obvious to members. If we were to fix a maximum price, as has been done in other price-fixing legislation, that would permit a person to manufacture under unfair conditions and so take away the trade from those who observe the ordinary conditions appertaining to the industry. While it may be asked why bread is specially selected for price-fixing legislation, it is appropriate to remember that bread is the most important item of national diet and the protection of its quality and the continuity of its supply are of paramount importance. In a judgment delivered in 1933 by Mr. President Dwyer of the State Arbitration

Court, he stressed the fact that the industry should not be allowed to continue in its present unsatisfactory and unregulated condition, and strongly urged the appointment of a price-fixing authority. It is common knowledge that whenever the price of bread is raised by the master bakers, there is always a public outcry. The present method of fixing the price is not satisfactory from the public standpoint, and also places the master bakers in a rather invidious position, even when their actions may be quite justified. At the time the last increase in price was made, the Premier, Hon. P. Collier, instructed that the matter be reviewed by the Department of Agriculture, and the following report was submitted by the Director of Agriculture, Mr. Sutton:—

Regarding the attached minute from the Hon. the Premier relative to bread prices, I wish to supply the following information:—In 1933, with flour at £7 10s. per ton, bread was sold in this State at 4d. per 2lb. loaf. The following table has been drawn up on the assumption that the baker obtains 1,340 loaves per ton of flour. This is considered a fair basis as from the best flour it is believed that 1,400 loaves can be obtained from the ton, and from the worst 1,270 loaves. In any case, it is considered that the majority of bakers will secure the highest quality flour:—

Price Flour per ton.	Price per 2lb. loaf.	Flour—Cost per loaf.	Increased Cost per loaf, due to increased price of flour.	Actual In- crease* over 1933. Price of 4d. per loaf.
£7 10s.	d.	d.	d.	d.
£11 15s. (with flour tax imposed)	4	1.45	...	...
£10 12s. 6d. (13th August, 1934; £10 17s. 6d., less 5s. for cash)	5	2.10	0.76*	1.0
£9 10s. (21st August, 1934; £9 15s., less 5s. for cash)	5	1.90	0.50*	1.0
	5	1.70	0.30*	1.0

\* No interest has been allowed on the increase in the cost of flour.

The position when prices were raised on the 13th August was that, even allowing a small charge for interest on the increased flour cost, a price of 4.75d. per loaf (2lb.) was more profitable than was the price of 4d., which obtained last year when flour was £7 10s. per ton. That is, of course, on the assumption that costs, other than flour prices, have not risen in the meantime. It is doubtful whether reliable information in this connection can be obtained without statutory powers.

Appended is a table showing flour prices and the selling prices of the 2lb. loaf in Perth, Sydney, Melbourne, Adelaide, and Brisbane in August, 1934. It is not possible to make a

reasonable comparison because quoted prices for bread are not on the same basis:—

Town.	Cost of Flour per ton.	Price per 2lb. loaf.
Perth ...	£10 17s. 6d. (less 5s. for cash)	5d. cart-delivered; 4½d. shops.
Sydney ...	£8 15s. 0d.	4d.-4½d., cash over counter; some bakers cutting prices.
Melbourne ...	£8 10s. 0d.	4d.; 3d. in some suburbs.
Adelaide ...	£9 10s. 0d.	4d., cash over counter.
Brisbane ...	£10 10s. 0d.	4½d. cash, cart delivery.

This report was obtained in order to ascertain whether the extra charge for bread in this State was justifiable at the time. The system under which the prices are fixed by the master bakers has not proved altogether satisfactory and if we could get a competent and reliable price-fixing board to undertake that task, I believe that even the master bakers themselves would be satisfied it was better than the existing system. The desire of the Government is that this most important item of food shall be sold to the consumers at as low a price as possible, consistent with a fair deal to all connected with the industry. It is contended that if the Bill be passed, it will constitute an effective check on the present destructive and unfair competition, and create competition on a basis of quality and service. The only Australian State where the price of bread is fixed by an independent authority is Queensland, where the latest prices declared are those quoted in the report I read previously. The provisions of the present Bread Act regarding weighing, and so forth, are retained in the Bill and will have State-wide application. It is provided that baking hours within the 50-mile radius shall not be earlier than 4 a.m. on week days, with the necessary exceptions for double and treble days, etc., and not earlier than 1 a.m. for the baking of Vienna bread, which has to be baked under conditions differing from ordinary bread. Baking hours outside the 50-mile radius are not to start earlier than 5 a.m., and the question of the Saturday or Sunday holiday is to be decided by a majority of the registered bakers within the municipality or road district. General provisions are included for regulating the hours of sale and delivery throughout the State. With regard to holidays for bread carters within the 50-mile radius, the monthly Wednesday holiday, granted under the 1906 Bread Act Amendment Act, has been abolished. When that measure was passed, the carters had no holidays and

worked exceptionally long hours. The Carters' Union and the Master Bakers' Association have come to an arrangement whereby the carters will get eight specified holidays, plus six consecutive days' leave per annum, representing a total of 14 days, instead of as at present a total of 17 days spread throughout the year. Members may be conversant with the fact that the latter holidays were provided when there was no award governing the conditions of the employees. Since then an award has been issued and provision made for certain holidays. The proposal in the Bill represents an arrangement that has been made between the parties concerned, who regard the provision for 14 days as fair in the circumstances. The Bill has been introduced in the hope that we may be able to achieve some slight advance on the present conditions obtaining throughout the industry. Provision is made for competition that will be on an equal basis. It is useless to legislate along these lines if we make the measure applicable only to those who are governed by Arbitration Court awards. If we do that, it means that to the extent we apply such legislation, we provide an opportunity to those not so governed to take advantage of existing conditions and, by working any hours they like and ignoring the ordinary conditions that obtain in the industry, to put out of business those who obey the provisions of the award. I hope the figures I have submitted to the House regarding the reduction in the number of bakeries employing labour will be noted. In 1927 there were 51 bakeries, the proprietors of which employed labour and were subject to industrial awards. That number has decreased to 40, while bakeries that do not employ labour have increased during the same period from 27 to 63. In view of those results, members will agree it is time we sat up and took notice of the position. If we do not do that, if the same ratio of increase in those not observing awards, and the same ratio of decrease in those observing awards continue, there is a possibility of there being no master bakers here employing labour at all. It is to avoid this that the Government have authorised me to bring down this measure. I move—

That the Bill be now read a second time.

On motion by Mr. North, debate adjourned.

# **BILL—FREMANTLE MUNICIPAL TRAMWAYS AND ELECTRIC LIGHTING ACT AMENDMENT.**

## *Second Reading.*

Debate resumed from the previous day.

**THE MINISTER FOR RAILWAYS** (Hon. J. C. Willecock—Geraldton) [10.11]: I have looked into the provisions of the Bill. I thought at first perhaps it might be necessary to move a small amendment to clarify the position. The Fremantle Tramways Board have jurisdiction to supply current within five miles from the Fremantle Town Hall, and to its own local authorities. The Bill is necessary, because the Rockingham Road Board is not adjacent to the Fremantle Town Hall, and so the Fremantle Tramway Board seeks authority to supply current to a road board not within the terms of the Act. All that the Bill seeks is authority for the Fremantle Tramways Board to supply current to the Rockingham Road Board; it does not restrict the right of any other electrical undertaking to supply current to the same local authority. To prevent misunderstanding, it is just as well to make it clear that the measure does not give the Fremantle Tramway Board the exclusive right to supply current to Rockingham. In those circumstances I have no objection to the Bill.

Question put and passed.

Bill read a second time.

## *In Committee.*

Bill passed through Committee without debate, reported without amendment, and the report adopted.

## *Third Reading.*

On motion by Mr. Sleeman, Bill read a third time and transmitted to the Council.

*House adjourned at 10.16 p.m.*

# **Legislative Council,**

*Tuesday, 11th December, 1931.*

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

## **QUESTION—AGRICULTURAL BANK.**

### *Sale of Abandoned Properties.*

Hon. E. H. H. HALL asked the Chief Secretary: 1, What was the cost of advertising Agricultural Bank properties for sale during the 12 months ended the 30th June, 1931? 2, How many properties were sold during that period?

The CHIEF SECRETARY replied: 1, £1,269 8s. 3d. 2, 299.

## **QUESTION—UNEMPLOYED AT GERALDTON.**

Hon. E. H. H. HALL asked the Chief Secretary: 1, What is the number of unemployed at present in Geraldton. 2, What action will be taken to provide work for them before Christmas?

The CHIEF SECRETARY replied: 1, Work has been provided for those who have proved their eligibility for Government relief. 2, Answered by No. 1.

## **QUESTION—RAILWAYS.**

### *Clackline Station Crossing.*

Hon. V. HAMERSLEY asked the Chief Secretary: 1, Upon which body lies the responsibility for keeping in order the railway crossing over the main road at the Clackline station? 2, As it has been in a deplor-