

receive consideration and be included here as objectionable. The same remarks apply to firewood carting. One sees great lorry loads of firewood travelling the roads of the metropolitan area into the city on Sundays.

Member: All day Sunday.

Mr. WITHERS: Yes; those people are great offenders. I can understand a person who has been working all the week possibly going out on Sunday morning and cutting a load of wood, and then getting someone to cart it home for him. There is not much objection to that. The objection is to people in trade who are working Sunday after Sunday. Something should be done to stop that. As the member for West Perth (Mr. McDonald) pointed out in connection with the building trade, a start must be made. The fact that control has not been exercised in the past is the cause of some person doing a little extra on Sunday, then another person doing a little more, until ultimately we reach the stage where the Sabbath is absolutely ignored. The Sabbath is a day we all look upon as a day set apart for the whole community. I trust the Bill will receive the support of the House.

On motion by Mr. Sampson, debate adjourned.

BILLS (3)—RETURNED.

- 1, Noxious Weeds Act Amendment.
With an amendment.
- 2, Transfer of Land Act Amendment.
- 3, Dentists.
Without amendment.

House adjourned at 10.18 p.m.

Legislative Council,

Wednesday, 15th November, 1939.

	Page
Question: Youth employment, training for skilled positions	1934
Bills: Traffic Act Amendment (No. 1), recon.	1934
Main Roads Act Amendment, 1R.	1942
War Funds Regulation, returned	1942
Firearms and Guns Act Amendment, 2R.	1942
Dairy Industry Act Amendment, 2R., Com.	1943

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

QUESTION—YOUTH EMPLOYMENT.

Training for Skilled Positions.

Hon. A. THOMSON asked the Chief Secretary:—1, Has the Government's attention been drawn to a statement appearing in the "West Australian" newspaper on the 11th November, which states that Mr. Holt, Federal Assistant Minister for Supply, has appointed Mr. E. P. Eltham, of Victoria, as a director of training youths for skilled positions? 2, Has the Government given consideration to co-operating with the Federal Government in its desire to train our unskilled youths for skilled positions? 3, Will the Government consider making the facilities in the Midland Railway Workshops available so that Western Australian youths may qualify for skilled positions?

The CHIEF SECRETARY replied: 1, Yes. 2, Yes. We are in communication with the Prime Minister on this matter. 3, The Midland Junction Workshops are now being utilised for this purpose.

BILL—TRAFFIC ACT AMENDMENT (No. 1).

Recommittal.

On motion by Hon. C. F. Baxter, Bill recommitted for the further consideration of Clause 9 and the consideration of a proposed new clause.

In Committee.

Hon. J. Cornell in the Chair; the Honorary Minister in charge of the Bill.

Clause 9—Insertion of new Part IVA:

The CHAIRMAN: Yesterday Mr. Parker moved an amendment to the definition of "uninsured motor vehicle" in the proposed

new Section 55 (1). Does the hon. member wish to proceed with it?

Hon. H. S. W. PARKER: I understood that application would be made for adjournment of consideration till tomorrow. The definition should be amended.

The CHAIRMAN: Yesterday the Honorary Minister moved to strike out all the words after "which" in line 2 and insert the words "there is not existing and in force a contract of insurance under this part." Mr. Parker moved to amend the amendment by adding the words "but shall not include a motor vehicle owned by the Commonwealth or State Governments or any Government instrumentality." The hon. member, by leave, withdrew his amendment on the amendment, and the Honorary Minister's amendment was agreed to.

Hon. H. S. W. PARKER: I move an amendment—

That the following words be added:—"but shall not include a motor vehicle owned by the Commonwealth Government or instrumentality."

Subsection (3) of the proposed new section provides for insurance by the State Government, and so it is only necessary to make provision regarding the Commonwealth.

The HONORARY MINISTER: On this point the Crown Solicitor, Mr. Walker, writes as follows:—

The Traffic Act of the State is not binding upon the Crown in right of the Commonwealth, and Subsection (3) of proposed new Section 55 on page 6 of the Bill provides that the new Part IV A shall not render it obligatory to insure any motor vehicle owned by the Crown and used solely in the public business of the State.

Thus, as the proposed Section 55 now stands, Government owned motor vehicles which are used only in the public business of the State do not require to be insured at all. Therefore as regards those vehicles there is no need to make any reference to them in the definition of "uninsured motor vehicle" because that definition covers only those vehicles in relation to which the owner is required by Part IV A to obtain the necessary contract of insurance.

Apparently Mr. Parker's amendment is intended to exempt approved insurers from their liability in respect of injuries to persons suffered by the use of uninsured motor vehicles under proposed Section 59, page 13 of the Bill. If that be Mr. Parker's purpose, then it seems to me that his amendment is unnecessary because, as already stated, the Government owned motor vehicle used only in the public business of the State will not be an uninsured motor vehicle within the said definition so as

to render the approved insurers liable under Section 59, and, moreover, the proviso to Subsection (3) of Section 55 provides that in relation to such Government-owned vehicles which are not insured the Crown will be under the same liabilities as an approved insurer if such approved insurer had insured the vehicle.

Consequently, although there is no necessity for Mr. Parker's proposed amendment there is no great objection to such amendment being passed. It will not create any new position but will only clarify the existing position under the definition of "uninsured motor vehicle" as it now stands.

Amendment put and passed.

Proposed new Section 63—Emergency treatment.

Hon. H. S. W. PARKER: I move an amendment—

That paragraph (b) be struck out.

This proposed new section provides for emergency treatment by a registered medical practitioner or a registered nurse. It is rather strange that a registered nurse should be provided for, and not a qualified nurse, however qualified the latter may be. Those two special classes of persons, the registered doctor and the registered nurse, are to be permitted to charge against the general fund certain fees, including travelling expenses, for any motor accidents they attend. It matters not whose fault the accident was; the injury may have been entirely and solely due to the culpable negligence of the person injured; nevertheless the registered doctor and the registered nurse are to be entitled to their fees out of the fund. In my opinion that is not right. The doctor and the nurse should take the risk of their fees like any other person does in, I might almost say, similar circumstances. This does not affect the question of hospitals.

The HONORARY MINISTER: My contention of last night is supported by the Crown Solicitor, who writes:

Clause 63, Emergency Treatment: Under this proposed section, where emergency treatment is administered or conveyance to a hospital is provided to or for an injured person whose injury has been caused by or has arisen out of the use of a motor car, in respect of which there is existing a third-party insurance policy under Part IV A, the insurer of the car will be liable to pay for such emergency treatment regardless of the fact that the car may not have been used negligently and that the injured person may not have any right of action for damages in respect of the injury.

If subsequently it be found that the injury to the injured person was due to negligent use of the motor car so as to give the injured person a right to damages, then damages to which he is entitled will be reduced by the amount for emergency treatment which the insurer has already paid.

Hon. H. S. W. Parker: Suppose he is a man of straw, without any assets at all? Again, he may have stolen the car.

The HONORARY MINISTER: Does not the insurance follow the car?

Hon. H. S. W. Parker: It might be a stolen uninsured car.

The HONORARY MINISTER: The Crown Solicitor proceeds—

The very term "emergency treatment" connotes treatment necessary to be given immediately after the injury has been caused to the injured person, and to insure that such emergency treatment will be obtainable when required; and doctors and nurses must be assured that payment for their services will be obtainable from a specified person or body whose ability to pay is not in doubt.

Moreover, the administering of emergency treatment cannot be delayed while the necessary inquiries and investigations are being made to ascertain whether the injured person has been injured through negligence or not, so as to enable the doctor or nurse asked to administer the emergency treatment to decide whether or not they will run the risk of not receiving or being able to recover payment.

You will appreciate the difficulty or impossibility, therefore, of framing a proviso which, intending to protect the insurer from liability to pay for emergency treatment, will not also cause doctors and nurses to decline to issue emergency treatment through the uncertainty which will be created regarding payment for their services.

Whilst the section as it now stands may be open to the abuse suggested by Mr. Parker, it has a certain virtue in that doctors and nurses will have no hesitation in giving emergency treatment when required; and that must generally have the effect of minimising the insurer's liability where such liability exists.

If the section is deleted altogether, then there will not be any expectation of obtaining such emergency treatment, and the insurer's liability, where such liability exists, will consequently be increased.

Since the object must be to insure that emergency treatment will be readily obtainable I suggest that any attempt to exempt insurers from the obligation to pay for emergency treatment which the section now provides will have the effect of defeating the said object, because it will render the obtaining of emergency treatment doubtful.

The opinion I expressed last night has been confirmed by the opinion of the Crown Solicitor.

Hon. J. J. HOLMES: I support Mr. Parker's view. Why should a professional man called upon to attend a person injured in an accident make a welter of it? If I were travelling along a road and saw an accident, I would naturally do all I could to render assistance and would go for a doctor, no matter how many miles he might be away. Any decent person would do likewise. If we let the thin end of the wedge into this measure, the same result will ensue as ensued in the case of the Workers' Compensation Act. When that measure was in Committee I moved to reduce the payment of £100 to the doctor to £50, but the amendment was defeated. It will be fresh in the minds of all what that extra £50 has cost the country and the fortunes it has put into the pockets of doctors. I will not be a party to giving doctors another opportunity such as was given them under the Workers' Compensation Act.

Hon. G. FRASER: I support the Minister, for exactly the same reason as Mr. Holmes is opposing him. No doctor would consider payment if called out urgently, nor would any registered nurse. They would immediately repair to the scene of the accident without any thought whatever of payment. If the provision for payment of 12s. 6d. is struck out, the possibility is that a bill for a much greater amount will be submitted.

Hon. H. S. W. Parker: Including travelling allowance.

Hon. G. FRASER: That would not amount to much, because generally the medical man lives in the next street or in the next block. In country districts travelling expenses might be incurred.

Hon. J. J. Holmes: A doctor might decide to travel from the country to Perth with an injured person.

Hon. G. FRASER: That would be one case in a thousand. Emergency cases would not involve much travelling, as a rule. By carrying the amendment we will limit the amount of the payment.

Hon. E. M. HEENAN: I sympathise with the views expressed by Mr. Parker and Mr. Holmes, but one must bear in mind that we are dealing with compulsory third-party insurance, and that medical expenses must be met. When a doctor attends an accident case, the injured person is taken

to hospital and receives treatment there. The insurance company is obliged to pay the doctor and the hospital. The merit of this provision is that it limits the charge that can be made for emergency treatment. The Committee should support the Minister.

Hon. H. S. W. PARKER: With all due respect to the Solicitor General's opinion, I refer the Committee to Subclause 3 of Clause 63, which states that the liability, if any, of the owner or driver of a motor vehicle in respect of the death or bodily injury, and of the insurer to the owner or driver in respect of the contract of insurance, and of the injured person or his personal representatives to the person to whom the payment is made under the clause, shall be reduced by the amount paid by the insurer under this section. The clause presupposes that there may be no liability. Especially exempted from the provisions of this measure are the spouse, child, grand-child, parent, brother, and sister of the insured person. Therefore if a man is driving a car and through his negligence injures any of such relatives, the insurance company is not liable in any way. Why should the insurance company have to pay for medical attention rendered to these people? If the companies are compelled to do so, they will increase their premiums. Whether this provision is included or not, the doctor makes a claim against the insured person, who includes the amount in his claim against the negligent person. That is called special damage, and special damage is paid by the person who causes the injury. If the provision is deleted, the doctor will not be prevented from obtaining a reasonable fee from the person he attends. If the cause of the accident was the negligence of the person injured, then the doctor's only recourse would be against that injured person. I do not see why doctors and nurses should be put on some special plane. That I consider to be wrong. Granted, a man is worthy of his hire. Why should not a clause be included providing that a solicitor who took action for an injured party should have his costs paid? He is doing the man good service by endeavouring to get him his legal remedy.

The HONORARY MINISTER: We want by Act of Parliament to see that this is included in the policy and that is why

we make the proposal that medical treatment shall be provided. A good deal more would be paid under a private policy. This will have the effect of bringing down the premium. If we cut it out the result will be to increase the premium. We should lay the foundation now in the Bill that all these people will be covered. I ask members to follow the advice given by the Solicitor General.

Hon. J. NICHOLSON: The discussion has reached an interesting stage. It is true that if the clause is struck out, the result will be as Mr. Parker has stated, that the medical man and the registered nurse will be compelled to have recourse to civil remedy against the individual who was injured and who received attention. If a person happens to come across an accident that has occurred, his first duty is to see what relief he can give so as to save life. To give expression to his sense of humanity that person would immediately telephone for a doctor, who might be a mile or even 20 miles away from the scene of the accident. The medical man would naturally ask who was telephoning and he would be concerned about his expenses. If the expenses are not provided for in the Bill the medical man would be left in the position of having to sue the person who called him, the person who by reason of his human instincts interposed for the sole purpose of endeavouring to save life.

Hon. H. S. W. Parker: The doctor should go at his own risk.

Hon. J. NICHOLSON: Even Mr. Parker, with his legal knowledge, would say "I am not asking you to come at your own risk, but you are not coming at mine." I do not know what we would say if Mr. Parker performed an act like that in the case of a man who was severely injured. If he stood by and did not do something we would think mighty little of the individual who failed to summon a doctor. The clause has been put in the Bill for a definite purpose, that is, to get over the difficulty that has already confronted people. Doctors and nurses have been called up at all hours of the day and night and they have been left without any opportunity to recover payment apparently because the person injured was found to be a man without means, or perhaps something may have happened to prevent the doctor

recovering his fee. There will be no danger at all in permitting the clause to remain in the Bill.

Hon. J. J. Holmes: What about the doctor who might say "I will not go"?

Hon. J. NICHOLSON: I know what the public would say. There would be only one opinion about him. The travelling expenses could be prescribed as suggested by Mr. Seddon. The words "as may be prescribed by regulation" could be added. Then the matter would be in the hands of the Minister controlling the department and so the difficulty could be overcome. I hope the clause will be retained.

Hon. H. S. W. PARKER: The clause merely provides that notice in writing shall be given by the medical practitioner, and if he does certain things, the insured shall make the payments. It does not say that the doctor may not make a claim against the rightful person. In a country town a doctor may have to travel 20 or 30 miles and he would receive his travelling expenses, say, 2/6 a mile. He is also going to charge the patient a reasonable fee, a fee that might be expected after having to travel a considerable distance. The doctor might even have to perform an operation. All that the Bill provides is that the payment of 12/6 shall be made; it does not limit the amount to which the doctor is entitled.

Hon. G. FRASER: The point raised by Mr. Parker that the doctor may recover from the insurer is not worrying us; all we are concerned about are the expenses. Whatever arrangement is made between the doctor and his patient does not concern us. If a doctor wishes to charge more he may do so.

Hon. J. Nicholson: I do not think the doctor will have any chance of getting more than 12s. 6d.

Hon. G. FRASER: That is all this fund will be responsible for, 12s. 6d.

The HONORARY MINISTER: I ask the Committee not to take any notice of Mr. Parker's arguments. He knows that a doctor could not perform a delicate or a serious operation without the aid of another medical man, unless of course he happened to be some distance from a hospital. Usually the patient is patched up and then taken to the nearest hospital.

Hon. J. J. Holmes: A doctor in Fremantle cut his own leg off some years ago.

The HONORARY MINISTER: The patching up would normally be done by an ambulance man. The hon. member's arguments are unsound. In this case we must avoid the chance of an unscrupulous person putting in a claim as a nurse, when in fact that person may not be a registered nurse.

Hon. A. Thomson: Why should not that person put in a claim if he or she saves the life of another?

The HONORARY MINISTER: We should not want patients to be handled by amateurs. In a motor accident the best thing is to lay out the injured persons on the road, and stand by them until the doctor or ambulance arrives.

Amendment put and negatived.

Hon. C. F. BAXTER: I move an amendment—

That paragraph (a) of Subsection (2) of proposed new Section 77 be struck out.

I would then move to insert the following words, in place of those struck out, "a judge of the Supreme Court or a special magistrate or a legal practitioner actually practising law, who shall be chairman." Under the South Australian Act the chairman of the board is a judge of the Supreme Court, but that body deals only with premiums. In this State the committee responsible for similar work would have many other duties to perform. Parliament should not place too heavy a load upon heads of departments. Already the Auditor General has enough to do without extra duties being placed upon him. The chairman of a committee of this kind should have legal training, because of the number of subjects coming before him that would require knowledge of that description.

Hon. J. J. HOLMES: I admit that the chairman of the committee should be a man of legal qualifications. From what I know of him the present Auditor General is a man of great capacity; moreover he is a servant of Parliament and reports to us. If Mr. Baxter went no further with his amendment than the words "magistrate," I would support him.

Hon. L. B. BOLTON: I oppose the amendment. The chairman of the committee should be a representative of the Government, and the Auditor General is the ideal man for the office. He is not responsible to any Minister, and we can be sure of the fairness of his decisions. The insurance companies may ask

for higher rates, and he would best be able to say whether the business was paying them.

Hon. H. S. W. PARKER: The chairman of the committee should be a man of legal training. He may be called upon to deal with insurance policies. The most technical and tricky contracts imaginable are those which deal with insurances. The man who has to handle that class of business should have a general knowledge of the law.

Hon. H. SEDDON: It seems to be the practice that when we have a public servant of outstanding merit, we load him up to the eyes with all kinds of duties. There is a strong argument in favour of a judge or special magistrate as chairman of the committee. The Government Actuary would also be a member, and he could make the necessary calculations. A legal man would be on the committee to check the clauses of all insurance contracts. I support the amendment as far as the word "magistrate."

Hon. C. F. BAXTER: References have been made to the position of the Auditor General. I know the qualifications of that officer better than any other member of this House. I selected him for a special task in 1930 when he was in the Works Department, and he has gone right ahead ever since. No one could possibly have a better appreciation of Mr. Taylor's worth than I have, and I certainly take exception to the suggestion that I have something against that officer. All I am concerned about is that the Auditor General shall not be overloaded. He is a splendid officer and has quite enough to do at present. There seems to be a tendency on the part of all Governments to heap tasks upon officers who have proved their worth. I am prepared to accept an alteration in the amendment I have moved.

The HONORARY MINISTER: I hope members will adhere to the personnel of the committee as outlined in the Bill. The Auditor General has a knowledge of this particular class of work. The Government Actuary is a highly qualified man. The two representatives of motoring interests will be men eminently suitable for the task, and members can depend upon the insurance companies to appoint the two most qualified men available to represent their interests. As to legal advice necessary in connection with the work of the committee, the services of the Crown Law Department will be available. The

object is to secure a highly qualified committee, and I think the suggested body would act more promptly than any mentioned by members during the debate.

Hon. H. S. W. Parker: Will not the Crown Solicitor be the legal advisor to the State Insurance Office?

The HONORARY MINISTER: I urge members to agree to the committee outlined in the Bill.

The CHAIRMAN: After 27 years experience in this Chamber, I must say that I regard it as most extraordinary that the Auditor General should be specially mentioned for appointment to a position such as that contemplated in the Bill. It is the first time I have ever known anything like that to be done.

Hon. E. M. HEENAN: Although a judge would probably make an excellent chairman, some of the magistrates may not be legally trained men, although they have had much practical experience in police court work. The duties of the chairman of the committee will involve the drafting of clauses for insurance policies and for other purposes, and I do not know that a magistrate would be more qualified for that work than the Auditor General.

The HONORARY MINISTER: From the standpoint of legal advice, members can rest assured that the insurance companies are well served. I have already mentioned that the Crown Law Department will be available for the purposes of the committee.

The CHAIRMAN: Another point to be considered is this: Will the Auditor General's Department have anything to do with auditing books connected with the work to be undertaken by the committee?

Hon. J. J. Holmes: I suppose it will.

The CHAIRMAN: If so, the appointment of the Auditor General as chairman of the committee would be extraordinary.

Hon. J. NICHOLSON: The point you have advanced, Mr. Chairman, is wisely taken. The Companies Act sets out that an auditor of a company shall not hold a position as a director of that company, for obviously he could not effectively carry out the duties attached to the respective offices. Furthermore, as Mr. Parker rightly mentioned, the duties of the committee are to inquire into and report upon the premium rates to apply, and also upon "whether any

term, warranty or condition contained in any policy of insurance" is fair and reasonable. As members know, the terms, warranty and conditions of insurance policies have been the cause of much legislation in the past; because of that, it is essential that someone with a special knowledge of that class of work should be associated with the committee. The more experience the appointee may have, the better for all concerned. Mr. Heenan referred to magistrates who had not the benefit of a legal training. The responsibility will be placed upon the Government to appoint a magistrate who will have all the qualifications of a judge. Such men are available, and I am sure the Government will make a wise selection.

The HONORARY MINISTER: There is not much in the point raised by the Chairman regarding the Auditor General, because the committee will not handle funds. It will make inquiries and will draw up recommendations and fix rates. I still insist that a committee such as that proposed in the Bill would be more efficient, more prompt in its decisions and much cheaper than one contemplated by some members.

Amendment (to strike out words) put and passed.

Hon. C. F. BAXTER: I move an amendment—

That the words "a judge of the Supreme Court or a stipendiary magistrate who shall be chairman" be inserted in lieu of the words struck out.

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

New clause:

Hon. C. F. BAXTER: I move an amendment—

That the new clause, agreed to in a previous Committee, be amended by striking out the definition of "approved insurer" and inserting the following in lieu:—"Approved insurer" means any person or association of persons carrying on the business of insurance who or which has been approved by the Minister under section ten of the Workers' Compensation Act, 1912-1934, or as an approved insurer under Part IVA of this Act."

Hon. H. SEDDON: I want further information. Is it the intention of the House that the State Government Insurance Office shall be permitted to participate in this business?

Members: Yes.

Hon. H. SEDDON: If so, Mr. Baxter's amendment will provide for that. If the intention is that the State Insurance Office shall not be allowed to undertake the work, the amendment should be redrafted.

The HONORARY MINISTER: The Solicitor-General has furnished me with advice regarding amendments moved yesterday. With regard to my proposal he advises that—

Every insurer who desires to become "an approved insurer" for the purposes of the third party insurance provisions in Part IVA of the Traffic Act, other than the State Government Insurance Office, will have to obtain the approval of the Minister whether or not such insurer has already been approved as an incorporated insurance office under and for the purpose of Section 10 of the Workers' Compensation Act.

Under Mr. Baxter's proposed definition, every insurance company, which has already been approved under and for the purposes of Section 10 of the Workers' Compensation Act, will automatically be an approved insurer under and for the purposes of Part IVA of the Traffic Act without the necessity of obtaining the approval of the Minister under the Traffic Act, and only those insurers who are not already approved insurance offices under and for the purposes of Section 10 of the Workers' Compensation Act will be required to obtain the approval of the Minister under the Traffic Act before they become "approved insurers" under that Act.

Under the amendment carried yesterday—

The State Insurance Office will automatically be an "approved insurer." Under Mr. Baxter's definition the State Insurance Office will not automatically be an "approved insurer" but can become an "approved insurer" if it is approved as an insurance office under and for the purposes of Section 10 of the Workers' Compensation Act.

Hon. A. THOMSON: In view of the point raised by Mr. Seddon, I would like to hear Mr. Baxter's reason for moving this amendment. I want to be sure, in the event of the Bill becoming an Act, that the State office will have the right to deal with these premiums.

Hon. G. W. Miles: It will, according to the Minister.

Hon. A. THOMSON: I ask the Minister whether that is so?

The HONORARY MINISTER: Under the amendment I moved, it will automatically have that right.

Hon. H. S. W. Parker: It can be approved by the Minister if it is approved under the Workers' Compensation Act?

The HONORARY MINISTER: I think the matter had better be adjourned until Tuesday. The whole question can be thoroughly investigated in the meantime.

Hon. C. F. BAXTER: My amendment is to ensure that those approved under Section 10 of the Workers' Compensation Act will be approved under this Bill. I framed the amendment to exclude the State Government Insurance Office.

The CHAIRMAN: If progress is reported, a day will be lost. If Mr. Baxter's amendment is withdrawn, a new clause can be drafted and the Bill can be recommitted.

Amendment, by leave, withdrawn.

Hon. H. SEDDON: Is there anything in the Bill defining an approved insurer?

The CHAIRMAN: Yes. If the hon. member will read the minutes of yesterday's sitting, he will observe that the new clause submitted by the Honorary Minister provides for that. The question now is that the new clause, as agreed to by a previous Committee, remain in the Bill.

New clause put, and a division taken.

The CHAIRMAN: I direct the attention of members to page 162 of the minutes, on which appears the new clause which is the subject of this vote. If this new clause does not stand as part of the Bill, not only does the definition of "approved insurer" come out of the Bill but also that of "owner." Any member can then put on the notice paper a new clause, and the Bill can be recommitted for the purpose of considering that clause.

Division resulted as follows:—

Ayes	10
Noes	16
Majority against	6

AYES.	
Hon. J. M. Drew	Hon. E. M. Heenan
Hon. J. T. Franklin	Hon. W. H. Kitson
Hon. E. H. Gray	Hon. G. W. Miles
Hon. E. H. H. Hall	Hon. A. Thomson
Hon. W. R. Hall	Hon. G. Fraser

(Teller.)

NOES.	
Hon. E. H. Angelo	Hon. W. J. Mann
Hon. C. F. Baxter	Hon. J. Nicholson
Hon. L. B. Bolton	Hon. H. S. W. Parker
Hon. L. Craig	Hon. H. V. Plesse
Hon. J. A. Dimmitt	Hon. H. Tuckey
Hon. V. Hamersley	Hon. C. H. Wittenoom
Hon. J. J. Holmes	Hon. G. B. Wood
Hon. J. M. Macfarlane	Hon. H. Seddon

(Teller.)

Question thus negatived; new clause agreed to by a previous Committee struck out.

The CHAIRMAN: I understand that the Honorary Minister wishes to make a statement in reply to a point raised by Mr. Moore and other members during the second reading debate. In order to get his statement into "Hansard," I suggest that he present it at this stage.

The HONORARY MINISTER: The opinion was expressed that something more was necessary than is actually contained in the Bill for the purpose of protecting the owner of a motor vehicle who might pick up a person and in that way render himself liable for damages in the event of an accident happening to that person. I brought the question to the notice of the Solicitor General and he has replied as follows:—

1. Under the common law relating to torts, where the owner of any property invites another person to enter onto such property, such owner will be liable in damages to such invitee in respect of any injury which such invitee suffers while on the said property as the result of any negligent act or omission on the part of the owner of such property or his servants, and the injured invitee may take action to recover such damages.

Where, however, the owner of the property or his servant is not in any way through negligence responsible for the injury suffered by the invitee, the latter will not have any claim whatever against the owner or his servant.

Again, if an invitee voluntarily takes the risk of injury after a warning from the owner that he will be taking a risk, and subsequently suffers injury, he will not have any claim against the owner because in such case the condition of licensee instead of invitee will arise.

For example—"A," the owner of the car, invites "B" to ride in his, "A's" car: "B" is an invitee.

On the other hand, "A," the owner of the car, informs "B" that "B" is welcome to ride with "A" in the car if he cares to take the risk of so doing. In this case "B" is not an invitee but a licensee, and if injured whilst riding in "A's" car, will not have any claim against "A."

2. The new Part IVA proposed to be inserted in the Traffic Act provides for compulsory third-party insurance by owners of motor vehicles. That is to say, the owner of a motor vehicle must insure himself in respect of any liability for damages to other persons injured by his negligent use of his car.

Thus an insurer will only be liable when the owner of the car is liable, and the owner will only be liable when he is negligent and the passenger has not voluntarily accepted the risk as a licensee.

3. Personally, I think any provision intended to disqualify what you call "casual"

passengers from taking action for damages against the owner of the car, whilst it may relieve insurers, may easily create no end of trouble and considerable difficulty in other directions and may lead to abuses. Owners of cars knowing that they will be free of liability will indulge in the practice of picking up passengers more freely, and that may be conducive to more accidents without restraining invitees from accepting invitations from owners of cars.

4. A more serious objection, however, is the fact that the interpretation of "casual" will lead to endless trouble in its application. For example, it will be most difficult to make a distinction between passengers who are picked up by appointment and passengers who are picked up without appointment. The following examples will serve as illustrations:—

- (a) I invite friends to go for a drive with me in my car on Sunday afternoon and arrange to pick them up at 2.30 p.m. on that Sunday afternoon.
- (b) I arrange with a friend to drive him to work every morning in my car.
- (c) I see a friend walking to work and stop and pick him up and drive him to work; and
- (d) I am driving into Perth and pick up a stranger who is walking into Perth.

The question will arise in which of the above cases (if any) are my passengers "casual" passengers and how is the distinction to be made.

5. If any attempt to deal with this matter is to be made in the new third-party insurance provisions, it seems to me that the only possible and proper provision would be a discretionary exemption in favour of insurers.

In other words, insurers might be permitted to provide, in policies of insurance issued by them, that the person insured will not be covered by the policy in respect of the insured's liability for damages for injury suffered by casual passengers carried in the insured's car when such injury is caused by the negligence of the insured or his servant.

Such a provision, if provided for, would quickly be availed of by the insurers and would have the effect of restraining owners of cars from inviting others to ride with them in their cars, which is really the object aimed at, since such owners would realise that they will be running the risk of liability without insurance cover.

The difficulty mentioned above, however, would also arise under the latter provision, namely what is a casual passenger?

6. Until a satisfactory definition of "casual passenger" can be framed, any attempt to deal with them will certainly be inviting trouble, a fact which will be appreciated more when the framing of the necessary definition is attempted.

The particular danger to be avoided will be the possibility of the real objects behind the proposed compulsory third-party insurance being defeated.

Hon. H. S. W. Parker: What does it all mean?

Bill again reported with further amendments.

BILL—MAIN ROADS ACT AMENDMENT.

Received from the Assembly and read a first time.

BILL—WAR FUNDS REGULATION.

Returned from the Assembly with amendments.

BILL—FIREARMS AND GUNS ACT AMENDMENT.

Second Reading.

THE CHIEF SECRETARY (Hon. W. H. Kitson—West) [6.10]: in moving the second reading said: This Bill has been brought forward to strengthen the principal legislation in a number of directions. One of the main amendments deals with the use of firearms by natives. When the Act was passed in 1931, no special reference was made to natives, and, as a result, they are subject to the ordinary licensing provisions in the same way as are members of the general public. This means that north of the 26th parallel, and outside the boundaries of a municipality, there is no control over the use of firearms by natives. In view of the danger that exists in outlying districts through many of these people having possession of firearms, we propose to make the Act applicable to natives generally throughout the State.

Provision is made in the Bill for the proper control of air guns.

Hon. J. J. Holmes: Nearly time, too.

THE CHIEF SECRETARY: The Act defines "air gun" as any rifle or gun, not being a firearm or pistol or toy gun which is capable of propelling a projectile of any kind by mechanical means or by means of compressed air. While it is an offence under the Act for any person under 16 years of age to use such a gun unless in the presence and under the supervision of an adult, or for an air gun to be used on land belonging to another person without

the consent of the owner or occupier of such land, there is no power to control the possession of these weapons, however dangerous they may be. At the time the original measure was introduced, the type of air gun in use was a comparatively harmless affair that fired a small slug, carrying a distance of about 50 yards. Since then, a much more powerful type of rifle has been placed on the market. Several serious accidents, involving the loss of eyesight, have occurred over the last year or so, through the misuse of these weapons by irresponsible boys and youths. Undoubtedly the modern type of air gun is a lethal weapon, and should be subject to the same degree of control as is exercised over other guns or rifles. To bring about that control, the Bill proposes to insert in the Act a new definition of "firearm," which will include any rifle or gun capable of causing physical injury to human life.

We are also seeking to amend the definition of "pistol." In recent years considerable trouble has been caused in Great Britain through the sale of a type of toy pistol, capable of being re-bored and converted into a lethal weapon. While a Commonwealth proclamation prohibits the importation of toy pistols into Australia, it is nevertheless desirable to have power to deal with these weapons should the occasion arise.

Under Section 12 of the Act, a penalty of not less than £10 is prescribed in the case of a person selling, delivering or disposing of a firearm to another person not entitled to possess the same under the Act. Where the offence has been committed by a person acting bona fide but in ignorance of the law, this penalty has often operated with disproportionate severity. We therefore desire to abolish this particular minimum penalty. The Bill proposes to make it an offence for a person, whether a licensed dealer or otherwise, to purchase firearms from unlicensed persons. This proposal is most necessary for the proper administration of the Act. That is a brief outline of the Bill, which I think is one that will meet with general approval in this House. I move —

That the Bill be now read a second time.

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

Sitting suspended from 6.15 to 7.30 p.m.

BILL—DAIRY INDUSTRY ACT AMENDMENT.

Second Reading.

Debate resumed from the 8th November.

HON. W. J. MANN (South-West) [7.31]: The reaction to the introduction of this Bill throughout the dairying districts, especially amongst the farmers, has been most interesting. Probably one would be perfectly safe in saying that no Bill touching the dairy industry has for many years excited so much controversy as has this measure. On the other hand, many farmers—honestly, I am quite certain—fear that the measure will prove extremely hurtful to them. There are other farmers who say that it is a definite attempt to control their industry. Still a third section says the Bill is nothing more than an impudent interference with the right of individuals to conduct their business in their own way. That is one side. On the other, there are producers who urge support of the Bill for various reasons. It is pointed out by these farmers that there is necessity to compel the practice of methods that will raise the industry from the level at which it is now operating to one more in conformity with that obtaining in the Eastern States. There are also those who say that our factory methods are below the standard of those of other States, and that our methods must be corrected and improved. Factory executives say—and with some truth, too, just as I believe that there is room for improvement on the part of factories—that room exists for considerable improvement on the farms, and that before they can be expected to produce the highest-grade article they must be supplied with a better grade of raw material. Yet another section of farmers has been extremely active since the Bill was launched. What may be termed vested interests, agents and those who control the finished product, have a good deal to say, mostly from the viewpoint of their business. I suppose the south-western members have received more letters on the subject of this Bill than any other Bill of the session. Numerous letters have come from individuals—some of them couched in unusual terms. I have one here from a man in a large way of business in a certain town. He happens to be a businessman-farmer, if that term is understood. He

refers to this Bill as the "Hitler Dairy Interference Bill" and urges my colleagues and myself to have nothing whatever to do with it. Much and all as I respect my friend, who is highly astute in some directions, I am quite convinced that on this occasion he speaks without any knowledge of the Bill. One element I see in all this controversy and all this interest is that, whichever way we south-western members particularly vote, we shall be open to some censure, but do not mind that, for we vote as we think best for the industry as a whole. I am glad the people are taking a much greater interest in their own industry, because it will mean that the replies to their fears will convey some added information that they have not at present.

The Chief Secretary, in introducing the Bill, quoted figures showing the extension of the industry during the 10 years ended on the 30th June, 1938. I do not propose to weary the House with many figures; but there are some I desire to submit in order to show that the support which this House and this Parliament have given towards establishing the dairy industry in the past is justified, and that the industry here now is one that we must be particularly careful to foster, and insist upon its being conducted on right lines. In the 10-year period to which I referred, production of factory butter—and in all cases when I refer to butter it will be factory butter—has risen from 4,723,000 lbs. to 13,702,000 lbs.—I omit the odd hundreds. That is an excellent achievement when one recollects that in the early period of the 10 years the price of butter fat was low and conditions were extremely difficult, so that it needed quite a lot of persuasion to keep men on dairy farms. There was an inclination to leave the agricultural areas and go back to the goldfields. Many of the group-settlement farms were vacated for that reason. Of the old goldfielders who had been in the south-western part of the State for a number of years, some had become disheartened. Prices were so low, and the outlook appeared so unpromising as to make it a matter for wonder that in spite of the disabilities under which the industry was then suffering, there has been a steady advance. I contend that the increase from 4,723,000 lbs. in 1928 to 13,702,000 lbs. in 1938 affords justification for the pleas

we put up in Parliament years ago for assistance, forbearance, and some degree of patience in the establishment of the industry.

Since the Chief Secretary spoke I have been able to secure the figures for last year, and they are even more encouraging. In the 12 months ended on the 30th June last the production of factory butter had risen to 14,600,000 lbs.; the production of cheese had risen to 940,000 lbs., and the production of condensed milk to 4,540,000 lbs.

Western Australia is not a very large community, and the dairy industry is comparatively young. The only feature engendering any anxiety at all is that regarding the production of choice butter. Of the 14,600,000 lbs., of factory butter produced, only 9 per cent. was of the grade known as choice; 81 per cent. was butter of first grade. I should explain for the information of hon. members that choice butter is butter graded 93 points, and that the standard of first-grade butter is 90, 91 or 92 points. Though 81 per cent. of first-grade butter is a fairly good achievement, it does not get us anywhere because, ranged alongside the figures I shall submit shortly showing the production of choice butter in the Eastern States, it is almost infinitesimal. To the uninitiated 81 per cent. of first-grade butter would appear quite satisfactory, and from the aspect of this State's immediate consumption it probably is satisfactory. But the reputation of the State as a butter-producing State is not judged on the production of first-grade butter. We have reached the stage when we have to join in butter export, and the only standard by which an exporting State is judged is by its ability to produce the really choice article. It is essential, I understand, that butter shall reach the standard to which I have referred before it can be stored with safety and exported in the knowledge that it will open out at the end of its journey in the same condition as it was shipped. It is because of the low standard of this grade that the present measure has been introduced. It is because—if I may say so—of the microscopic dimensions of choice butter that the Government has wisely brought down this Bill. Last year Western Australia produced a less percentage of choice butter than did any other State of the Commonwealth, with the exception of South Australia. The difference between our percentage and the

percentage of the Eastern States is so great that I feel sure members will realise that the measure is one requiring their attention and support. Our production of choice butter was approximately 70 per cent. less than that of New South Wales, 60 per cent. less than that of Victoria, 46 per cent. less than that of Queensland, 42 per cent. less than that of Tasmania, and 50 per cent. below the average for the Commonwealth.

The Chief Secretary: For what year?

Hon. W. J. MANN: For the year 1938-39. This disparity is so great that I am astounded at the opposition expressed to this Bill by some people, who have had the temerity to suggest that it be thrown out on the second reading. One of the alleged explanations why the percentage of Western Australian choice butter is so low is that it is said we have a higher grading standard than that of the Eastern States. On the face of it, that statement may carry conviction if one did not examine the position thoroughly. I have gone to considerable trouble to ascertain how the standard is arrived at, but so far have not succeeded: but I am assured by people who ought to be able to advise me that the standard is practically uniform. At the same time, those people thought our method of grading was somewhat severe. I am satisfied that if there is a difference between the standards it is so small that it hardly affects the position at all. I have a table showing butter, graded for export only, during the year 1938-39. It shows the percentages of choice butter, first grade, second grade and pastry butter for all the States and for the Commonwealth. The percentages relate to butter graded for export only:—

—	Choice.	First Grade.	Second Grade.	Pastry.
	%	%	%	%
New South Wales	74.39	14.38	9.44	1.34
Victoria	64.15	57.18	7.94	.09
Queensland	50.69	38.55	10.04	.74
South Australia	3.30	36.33	34.18	26.16
Western Australia	4.95	81.37	8.24	5.44
Tasmania	46.18	19.17	4.11	.54
Commonwealth	54.30	33.69	10.17	1.34

South Australia is at the bottom of the list, having produced only 3.30 per cent. of choice butter, as against New South Wales' percentage of 74.39. As regards this State, it will be noted that we are the second lowest in the scale of choice butter, the highest in the scale of first grade and second highest

in pastry butter. The low percentage of this State's choice butter does not reflect the total quantity of butter submitted for grading as choice. I am given to understand that the quantity of butter submitted to the graders for export was far in excess of the figures quoted; but the grade was not high enough, and consequently the butter had to be marketed as first grade.

The figures for July and August of this year show a slight rise in choice, a fall in first grade, a slight rise in second grade, and a fall in pastry butter. One of the most alarming features of this position—to me, at any rate—is the big discrepancy between the percentage of choice cream, or butterfat, paid for by most of our factories and the percentage of choice butter manufactured from it. Another table shows the percentages of choice butter manufactured by our factories. I shall not refer to them by name, but will designate them by numbers. The table shows just how far the factories are functioning in the matter of the production of choice grade. In the first column is shown the percentage of choice butterfat paid for by the factories and in the second column the quantity of choice and other butter manufactured by the factories. The figures relate to the year 1938-39.

—	Choice Cream paid for.	Choice Butter Manufactured.
	per cent.	per cent.
No. 1 factory....	69.0	30
No. 2 "	69.2	Negligible
No. 3 "	77.2	45
No. 4 "	81.6	20
No. 5 "	47.8	Negligible
No. 6 "	9.4	All second grade
No. 7 "	35.2	No choice: no first grade
No. 8 "	11.7	Nearly all second grade
No. 9 "	39.7	No choice: 30 % second grade
No. 10 "	42.2	No choice: 36 % second grade
No. 11 "	13.1	All second grade
No. 12 "	41.2	Very little choice: 17 % second grade
No. 13 "	77.6	No choice
No. 14 "	78.6	No choice
No. 15 "	80.3	10 % choice
No. 16 "	30.2	All second grade

I do not propose to weary members with any other figures, but they are extremely interesting, and show the necessity for action being taken that will remedy the state of affairs. The question might be asked, why are those factories only producing second grade butter from choice cream? I am not here to answer that, but the fact that they are doing so to the detriment of the butter reputation of the State is sufficient justification for us to take action. During last year the total cream purchased was just

under 12,000,000 lbs.; choice aggregated 7,378,144 lbs., first grade 4,335,320 lbs., and second-grade 223,185 lbs. Choice cream paid for in the State during the year, taking all the factories into account, totalled over 61.8 per cent., and yet only 9 per cent. of choice butter was manufactured. That statement alone should be sufficient for any right-thinking person to see that there must be something wrong in a material direction, and therefore it is somebody's job to find out the reason for it. The point I am insisting upon is that the disparity is so great that I think the State would be remiss if it did not take cognisance of the position and at least make some attempt to remedy it. It may be interesting to point out at this stage that in 1935-36 we produced 15 per cent. choice butter; in 1936-37 we improved to a still greater degree and produced 25 per cent. choice butter; then in 1937-38 there came a drop to 18 per cent., and in 1939 we again went back to 9 per cent. I am given to understand by those who keep records that the position so far this year is not very promising. Perhaps I am confusing members with the two percentages of choice butterfat. I said previously that the quantity of choice butter made for export in this State was 5.44 per cent. Then I said the total production of choice butter has been 9 per cent.; the difference between the two has been consumed within the State. Our actual production was 9 per cent., but the percentage graded for export was only 5.44 per cent. The figures I referred to a moment ago rose to 15 per cent., then to 25 per cent., and then came a fall when we might have expected a further rise in the last few years. This is disastrous, and I think most people will agree with me when I say that some action should be taken to prevent that continuing. I understand that the highest price paid for butter fat last month was 1s. 6d. per lb. for choice, 1s. 5½d. for first-grade, and 1s. 3¾d. for second-grade.

Hon. L. Craig: Less the levy.

Hon. W. J. MANN: Yes. I am not going to contend it is possible to produce all choice cream, or even all choice butter, because we must make allowances for accidents, and for contamination regarding an article of this description. I am not going to contend that we can produce all choice. I have taken the trouble to find out just what those farmers who are content to muddle along and produce second-grade cream are losing by reason

of their action. Because they did not produce choice cream they have lost about £12,000 in the year. I have not the figures showing the loss sustained by those producing second-grade. The difference between 1s. 6d. and 1s. 3¾d. is 2¼d., so that for every pound of second-grade cream they produce they lose 2¼d. Those engaged in the industry are actually fools to themselves because they are muddling along in a way that calls for just the same amount of labour, perhaps a little more, for the lower return they are getting. I do not say that all the blame for the drop in the grade of choice butter is the fault of the farmers. Far from it. Some of them are honestly endeavouring to produce a choice article, but many of them have been disadvantaged because they have come into the industry from other industries and have not been able to acquire a knowledge of the best methods of cream production. This Bill proposes to assist them, and I think if for no other reason it is entitled to our sympathetic consideration. Action must be taken, if we are not going to appear as a State of no account as far as butter production for export is concerned. If we do not stand for improved conditions for export, we will never make any progress. It is export trade that we require. We should insist on the small margin, from 1 to 3 points, between first and choice, being overtaken, and the industry put on a decent basis. Before the Bill was introduced, a conference took place between the Minister, the Superintendent of Dairying, and representatives of one of the biggest factories. We were assured that with the tightening-up of conditions in a number of directions, choice-grade cream could and would be produced in much greater quantities in the future. As evidence of faith in that expectation, gradings were produced showing that in the previous three or four weeks there had been an almost uniform range of from 90 to 91 points, whereas in the past it had not reached those figures. The position we are in regarding low-grade butter is not at all satisfactory. I am given to understand that there are today, in Perth and Fremantle, something like 700 boxes of butter that the authorities refused to grade as butter, and that permission to dispose of that butter has been sought. The reply, however, has been given that it can be disposed of but only as an inedible fat.

Member: Did it leave the factory in that condition?

Hon. W. J. MANN: I am not concerned with that. The point is that that butter must have been paid for at least at the second-grade rate, that is, 1s. 3¾d. It is at a stage now, I am informed, when those who own it will be fortunate if they receive 4d. per lb. That is a serious state of affairs. The Superintendent of Dairying (Mr. Baron-Hay) made a reference recently to the matter, and I will quote a few lines of a statement made by him a few days ago. He stated that several factories were paying for anything up to 50 per cent. of choice grade cream, but they were not making anything like the same quantity of choice grade butter. He went on to say:

In some instances not even one pound of first grade butter was manufactured. At present in Perth were 700 boxes of "butter" that were so bad that it could not be exported as butter. The Federal Department of Commerce had classed it as "inedible fats." It was expected that the price to be paid by the British Government for our butter had been discounted by 2s. per cwt. on Eastern States butter on account of quality.

That is a verification of a serious state of affairs. I do not know whether members noticed in last Saturday's "West Australian" that two large retail firms were brought before the court on charges of selling second grade butter in first grade wrappers. I have no wish to comment any further upon the case, as it has been adjourned. These factors must, however, be taken into consideration. One cannot allow the position to continue either from the point of view of the negligent farmer or the inefficient factory. Both must improve their ways if we are to get anywhere. I am satisfied that under this Bill a great deal of improvement will be effected.

Against the opinion of some of my best friends I am going to say I favour the provision for the appointment of special instructors. I am fortified in that by a recollection of conferences which have taken place each year in the south-west. I refer to "The South-West Conference." I suppose this is one of the biggest conferences of agriculturists in the State. I think I can truthfully say that in the last ten years there has never been a conference where motions have not been moved by one or another body urging the Government to appoint veterinary surgeons

and dairy instructors to visit the farms, and point out to those engaged upon them where they are losing ground or are failing. On every occasion motions have been spoken to very earnestly and carried without any opposition.

Hon. J. M. Macfarlane: Were they sent to the Minister?

Hon. W. J. MANN: Yes. In a number of instances we have had a reply that the Government realises the advantage of creating such facilities, but the old story of the lack of funds has usually been the deterring factor. This Bill proposes to overcome that difficulty by making a small charge on the farmers' aggregate output. I feel sure that provided we can get the right men we shall make wonderful steps forward. The question of getting the right men has given me a lot of thought. I have discussed the matter with the Minister and the Superintendent of Dairying, and am informed that the men are available. I am also assured that those men are possessed of ability and can do what is required of them. We need men of considerable experience and long training, men who are patient and thorough and know exactly what they are going to do. They will have to go on the floor of the factory, and meet others who possess a great deal of knowledge and experience. The officers will have to be of the same standing as are the factory men, otherwise the scheme will fail. I am glad to be assured that the men are available, and I am satisfied that the source from which they will come will be such as to provide the type we want.

One of the loudest objections to the Bill concerned this very part. It was contended that the dairy farmer would have to pay for instructors who would put up to him all kinds of impossible propositions, and that he would get nothing like a commensurate return for his outlay. The Bill provides that the dairy farmer shall pay £1 for every £240 worth of butter fat the factory buys from him. If he is fortunate enough to sell to the factory £1,000 worth of butter fat during the year he will pay into the fund £4 4s. I understand that the idea behind the Bill is that the instructors will grade the butter in the factories. The moment they find that the supply of cream is below standard they will visit the farm and tell the farmer that his cream is below the standard, and it will be their job to endeavour to find

out where the trouble lies and so render him real help with money.

I heard of a case that is worth quoting. A certain factory had a supplier who was giving the management a lot of trouble, but with whom friendly relations were maintained. The management regretted that the supplier was producing second grade cream, well knowing that he was doing his best to give the better article. It so happened that for a few weeks the factory had from the Eastern States a check grader who was operating in Perth and Fremantle. That gentleman was asked to visit the farm in question. He had a good look round and said very little. Later on he again visited the farm and milked all the cows himself, placing a percentage of the milk from each cow into labelled bottles. He then found that the trouble was that one cow accounted for the whole situation. I am given to understand that this test determined the source of the trouble; the farmer was put right and is now producing an excellent article. Surely such a service is worth £4 4s. to any farmer, and yet people complain about a clause in the Bill providing for the payment of a levy of 1d. in the £. That fund will be set aside for the payment of instructors, and it may never exceed £1,000 at any one time.

Hon. C. F. Baxter: Do you think the Government could get men as good as that one?

Hon. W. J. MANN: It is worth trying.

Hon. C. F. Baxter: He is an exceptional officer.

Hon. W. J. MANN: It was a wonderful achievement. The officer in question has been in the State for a few weeks and has been in touch with other graders. I believe they have all benefited by their association with him, and that stands to the credit of those who brought him here. I wish now only to touch upon Clause 4, dealing with the methods of transport. In some directions it is felt that our troubles are attributable to the time occupied in conveying the cream from the farm to the factory. One can visualise that there is some truth in the statement. I have heard harrowing stories of cream being in transport for 18 hours, and churned up all the time before reaching the factory. One cannot imagine anyone doing that with cream more than once or twice. I have

examined the position as closely as possible, and feel that the only part of the Bill about which I am not sure is that dealing with transport. With the remainder of the measure I am in perfect accord, but I am not convinced that the transport provisions will do what is required. I am so much in earnest over the remainder of the Bill that I urge the House to pass the second reading, and give the industry those things that are of main importance. I do not think transport is of main importance, but I do think it is possible for us to proceed along the lines that are intended regarding the instructors, the check grading of factories, the general tightening up of factory manufacture, and production on the farm. If we can get those things going we will have advanced a long way. Whilst I do not propose to offer any strenuous objection to the transport clause I will be satisfied to get what I consider are the main features of the Bill. If the result we want cannot be obtained without regulating transport, then I will be prepared to support that, but not until the other methods have been thoroughly tried. I have pleasure in supporting the second reading of the measure which I am sure will prove of great advantage to the dairying industry.

HON. C. H. WITTENOOM (South-East) [8.30]: I listened attentively to the remarks of Mr. Mann and was interested in the statistics he detailed. In view of what he said, I am convinced that the adoption of the legislation will be of advantage to the industry. The statistics placed before members indicate that the butter manufactured in Western Australia is inferior to that produced in the other States of Australia.

Hon. L. Craig: In some of them, but not in all.

Hon. C. H. WITTENOOM: I think our butter has been shown to be inferior to that produced in every other State except South Australia. I would welcome more information to show why our cream is so inferior. I appreciate the fact that in the eastern wheat belt, where the weather is hot, trains run only two or three times a week, and cream is placed in railway sheds that one day may house superphosphate, the next day potatoes. These are conditions that do not make for satisfactory

results. When we consider the position in the South-West, where there are an excellent climate and a frequent train service, to say nothing of closer settlement, it is surprising that the cream is not much better than was indicated by Mr. Mann. I intend to support the second reading of the Bill because I recognise we should do all we can to improve the standard of our export butter, as well as of that for local consumption. I have associations with stations inland and I know that butter supplied to people in that part of the State varies considerably in keeping quality. Sometimes the station people find that a box will last for a long time, whereas another consignment will go off very quickly. That butter is supposed to be of a fairly high quality. One of these days we may have the quota system applied to our butter exports, which will be confined to choice grade only. As butter production has become such an important industry—the statistics disclosed by the Minister gave evidence of that fact—all we can possibly do to conserve the interests of the producers should be attended to. The progress of the industry has been amazing. In 1922 about 1,375,000 lbs. were produced and in the financial year 1937-38, the output was 13,000,000 lbs. If the quota system were applied and exports were restricted to choice grade only, we would be in a difficult position, especially in view of the fact that, as Mr. Mann mentioned, only about 9 per cent. of the butter produced in this State is graded as choice, whereas in New South Wales, I understand the percentage is 90. The difference is extraordinary.

Hon. W. J. Mann: In New South Wales the percentage is 74.

Hon. C. H. WITTENOOM: I was informed that it was 90 per cent., but even 74 per cent. represents an extraordinary difference when compared with our production of 9 per cent. choice grade. The same remarks apply to our export lambs, and I hope the quota system will not apply to that industry for many years to come. The object of the Bill is to improve the quality of our butter production, and I am in accord with it for that reason. I rather regret the necessity for a levy as the producers are already heavily taxed. They have to pay towards the equalisation scheme as well as having to contribute in

other directions. Another objective is to prevent the multiplicity of factories, and that will be of advantage. Where a number of factories operate in close proximity, considerable expense must be incurred by the manufacturers.

Hon. L. Craig: By the growers.

Hon. C. H. WITTENOOM: We hardly require a large number of butter factories, any more than many concerns are necessary to deal with export lambs. The Bill seeks to prevent one factory buying business at the expense of another by giving choice prices for second-grade butter. Apparently that practice has been in vogue. I had hoped that Mr. Mann would have told us why, although the factories pay choice-butter prices, we have so little choice cream.

Hon. C. F. Baxter: You have touched on the point. They buy and mix the creams.

Hon. C. H. WITTENOOM: I cannot take exception to the provision for 28 days' notice being given before a producer can change from one factory to another. Generally speaking, I regard the Bill as important and in the interests of the industry. For that reason I have much pleasure in supporting the second reading.

HON. H. TUCKEY (South-West) [8.37]: My colleague, Mr. Mann, has already covered much ground and dealt with statistics that I do not propose to repeat. I consider the introduction of the Bill is long overdue because the industry has been confronted with difficulties for a considerable period. Much interest has been created amongst dairy farmers as a result of the presentation of the legislation, and some opposition has been indicated to the proposed levy and to the transport clause. For such legislation to be passed is useless if no adequate staff is available to police its provisions. I know of no way of financing that phase apart from the proposed levy. A limit is placed upon the amount to be collected and the money must be used for the special purpose of benefiting the industry only. I am not much concerned as to the rate of the levy because the fund is not to exceed £1,000, and when that amount is reached the levy will be discontinued. The dairying industry has great possibilities but it cannot prosper until the standard of production is raised so that we can compete with the producers in the

Eastern States and other countries. We have wonderful dairy land and the proper type of climate. Nature plays its part and it is left for the industry to be conducted on sound lines to ensure complete success. The producer has been blamed for the small percentage of choice butter marketed. It is known that much choice cream is purchased by the factories, whereas little first-class or choice butter is manufactured. Surely the fault lies with the factories and not with the producers. Section 12 of the Dairy Industry Act provides adequate power to deal with the position and no difficulty should present itself from that standpoint.

Hon. J. J. Holmes: Then why has it not been done?

Hon. H. TUCKEY: I cannot answer that question. The only reason I would suggest is that the department has not had the necessary funds at its disposal to provide an adequate staff of inspectors or supervisors. As Mr. Mann pointed out, requests have been made from time to time for action to be taken, but lack of funds has prevented the appointment of the necessary inspectors. If dairy farmers were satisfied with the grading and weighing of butter fat, there would be little floating cream or changing from one factory to another. Obviously, it would be less costly to check up at the factories than to attempt to control thousands of suppliers. Before inspectors or instructors could carry out the work contemplated under the Bill, difficulty would be experienced in visiting all the farmers, whereas if the check up were carried out at factories, the work would be easier and less costly. Dairy inspectors are as necessary as graders to assist farmers in producing a better grade of butter fats. It may be difficult to obtain the services of the right type of men. Expert advice is essential, for it makes all the difference between success and failure. We have been told that there is a shortage of experts in Western Australia and the more I consider the salary proposed, the more I regard it as inadequate. How is it possible to obtain the services of experts at a salary of £5 or £6 a week? To expect the department to secure the right type of man under such conditions is hardly fair. We may just as well leave the matter alone as to employ unsuitable men who lack the requisite knowledge.

At the moment I do not like the provisions of the transport clause and when the

Bill is being considered in Committee I shall move to delete Clause 11B. For the most part cream, apart from some that has to wait for the train service, reaches its destination within 24 hours. That seems to be a reasonable time between separating and entering the churn in the factory. If the transport provision is found to be too extensive, a further amendment could be introduced later on. In my opinion much confusion and considerable hardship will result if the transport clause is agreed to in its present form. I think the conditions regarding the railway service should not be interfered with, and the clause should be made to apply to road transport only. At present manufacturers keep the cost of transport down to a minimum because it is in their interests to do so. But the Bill provides for the manufacturer and the contractor to make the contract and call the tune while the producer has to pay the piper. That does not seem quite right. The producer is to be made responsible under a contract in the making of which he has had no say. Considerable objection has been taken to the title "special dairy instructor," which seems to go against the grain of the dairy farmers. Although it does not appear to be a matter of importance, it might be advisable to substitute the term "inspector" for "instructor." Last year the output of choice butter was, as already mentioned during the debate, under 10 per cent. of the quantity manufactured in the State, and that is certainly very unsatisfactory, rendering the introduction of legislation imperative. Those responsible for the control of the industry in Queensland are to be congratulated upon the success achieved in that State. There is no reason why we could not or should not achieve far greater results in this State. The estimated output in Queensland this year is 2,200,000 boxes valued at £10,000,000. The value of that butter exceeds that of the wool clip in Queensland. I understand it was pointed out by the Minister in another place that choice butter represented 90 per cent. of the total output in Queensland. Those figures are remarkable when one considers the position of this country. It is high time that legislation was introduced to safeguard the industry in Western Australia. Travelling through the large areas of untouched dairying country in the South-West, one visualises the possibilities of the expansion of this industry

provided that we proceed on sound lines, and protect against themselves the people who are making mistakes. I am sure that those opposed to the Bill have not the knowledge necessary to enable them to make a fair comparison. If they fully understood the Bill they would be of an entirely different frame of mind, and would support the measure instead of endeavouring to persuade members to defeat the Bill in this Chamber. I have had a long experience of the people on the land, and the last thing I would do would be to support any measure detrimental to their interests. If we can pass the main clauses of the Bill, we will make a step in the right direction, and improve the industry and the position of those engaged in it. There are one or two other points to which I wish to refer, but I shall leave reference to them until the Committee stage. I support the second reading.

Hon. J. M. MACFARLANE: I move—
That the debate be adjourned.
Motion put and negatived.

HON. L. B. BOLTON (Metropolitan) [S.49]: I shall have little to say on this measure because I feel that I am trespassing. I may safely leave the discussion of the dairying industry to the representatives of the districts concerned, feeling sure that it will be in good hands. From a reading of the Bill and the remarks I have heard, particularly those of Mr. Mann, I am convinced that there is room for the measure, which aims at the improvement of the industry, an improvement that is required in this State. If, as Mr. Wittenoom said, this State is on the quota, with regard to butter—

Hon. L. Craig: We are not on the quota with butter.

Hon. L. B. BOLTON: But we may be.

Hon. L. Craig: Not for a long time.

Hon. L. B. BOLTON: Well, if we are not likely to be on the quota for butter for a long time, that is no reason why I should not continue my remarks and suggest that the better the quality of butter produced the better it will be for the State.

Members: Hear, hear!

Hon. L. B. BOLTON: I know a little of the South-West. I do not presume to know as much as other hon. members, but I do know the possibility of production in that area, and I am glad that the Government is using every endeavour to improve this industry, which is one of the greatest in the State. My principal reason for speaking

on the measure is that it has been brought under my notice that certain injustices will be created if the clause relating to transport is passed. I understand that proposed new Section 11B is not being well received by certain people in the industry, people who are well worthy of every possible consideration at the hands of the Government. I have been told there is a possibility that the Minister who had charge of the Bill in another place will agree to some amendments to this clause. My reason for speaking is to bring this matter before the notice of the House, and I sincerely hope that the Minister will see his way clear to suggest some amendments that will right what I am given to understand is a wrong.

Hon. L. Craig: Can you suggest an amendment?

Hon. J. J. Holmes: Those in the industry should do that.

Hon. L. B. BOLTON: I prefer not to do so, but I believe the Minister is in favour of some amendment, and probably the matter will be given some consideration before the Committee stage is reached. I support the second reading and hope that the amendment I have suggested will be placed on the notice paper. If not, I shall probably feel inclined to vote against the clause.

THE CHIEF SECRETARY (Hon. W. H. Kitson—West—in reply) [8.53]: I am pleased at the manner in which the Bill has been received by the representatives of the dairying industry of this State. If we accept their statements, as of course we must do, we will appreciate the fact that they, in common with our own Agricultural Department, are very anxious that the quality of our dairy products should be improved. Apparently they are satisfied with the statement I made when introducing the Bill to the effect that the main object of the measure was to provide a means whereby the quality of the butter being produced in this State at the present time should not only be maintained but should be improved and the amount produced considerably increased. I do not propose at this stage to quote a lot of figures that have been supplied to me by the department, except in one or two instances. I propose to use figures affording a comparison between this State and other States in one or two directions only. I draw the attention of members to the fact that when I introduced the Bill I made a state-

ment that the average consumption of butter in Western Australia was 4 lbs. per head per annum less than the average consumption for the Commonwealth.

Hon. L. Craig: Climate has much to do with that.

The CHIEF SECRETARY: That may be so. On the other hand, there are other factors that have a bearing on the question. If we can only provide that the consumption of butter shall be increased so that the margin shall be decreased by 50 per cent., a tremendous difference will be made to the dairying industry in this State. Mr. Mann referred to some of the arguments used by various persons actively interested in this industry, and suggested that there might be something in the statement made in some quarters that the reason we have such a small percentage of choice butter and such a large percentage of first-grade butter as compared with other States, is that our standard of grading is higher than elsewhere. Mr. Mann did not accept that as being a fact, and he was quite right in not doing so, because I am advised that the standard of grading is uniform throughout the Commonwealth.

Hon. L. Craig: The human element comes into it.

The CHIEF SECRETARY: I suppose that would apply in the other States as well.

Hon. G. B. Wood: It was not so in the lamb industry a couple of years ago.

The CHIEF SECRETARY: We are not dealing with the lamb industry now; we are dealing with the dairying industry. I am advised by the Minister in charge of this department that the standard of grading throughout the Commonwealth is as uniform as we can possibly get it. If that is so, we can readily appreciate, even from the statements made by Mr. Mann and not taking into consideration what I had to say when introducing the Bill, that it does not require a great improvement in the industry to provide for a material increase in the percentage of choice butter manufactured. If we can achieve that result by means of the Bill, and at the cost suggested in the Bill, to be provided by a levy—it will not be allowed to amount to more than £1,000 at any one time—it seems to me that would be one of the best investments undertaken by any industry. At this stage I should like to pay a tribute to those officers who have been in charge of this department for the last few

years. It is mainly owing to their activities that the dairying industry has been able to make such progress. When they recommend provisions such as are included in the Bill, we can take it for granted that in view of their experience and their close examination of the industry in all its phases, we, having an opportunity to do something to assist that industry, should be prepared to accept their recommendations. Hon. members well know that I am not an expert on dairying. Like many other members, I have a little knowledge of it; but probably I have learned more in the last few days, during which it has been necessary for me to digest the various clauses of the Bill, than I would have learned by any other method in a long period of time. I am more than satisfied, after a close examination of the Bill, that, provided the main provisions can be agreed to, there is little risk of the industry deteriorating in the next year or two. On the other hand, unless we are prepared to agree to the principles of the Bill, there is every possibility of the industry deteriorating to an extent that will be materially felt by every person engaged in it, whether he be a producer or a manufacturer. We have only to cast our memories back a few years to the time when we were importing large quantities of butter and when our exports were infinitesimal. That position has been changed, and the increase in production, as pointed out by other speakers, has been phenomenal. We must recognise this basic fact, that unless we are prepared to take steps to ensure that the product is of the best possible standard, then, as production increases, the possibility of the industry's receiving a fair return for the labour and effort expended will be jeopardised.

I was interested in some reports submitted for my information to find that in other countries, where a great deal of attention is being paid to the dairying industry, quite a lot has been accomplished as a result of the adoption of methods somewhat similar to those proposed in this Bill. If I may quote New Zealand as an example of what has been done by means of the regulation of transport to the various butter factories, it will be an indication to some members who suggest there is no real necessity for interference in the matter of transport in this State. This is a brief extract from the report of the New Zealand Commission in 1934, and members will find it illumin-

ating as showing what can be accomplished in the matter of reducing costs. Section 252 of the report dealing with "Conclusions of Transport Department" reads—

It is difficult to determine accurately the loss through overlapping, and difficult also to estimate the extent to which the industry will benefit from rationalisation, but it is not improbable that the benefits resulting from improvement in quality will be considerably more important than the savings in cost. The Commission heard evidence respecting amalgamations in the Hawke's Bay district, which provide an outstanding example of the possibilities of factory rationalisation with resultant economies in cream collection. One of the butter manufacturing companies concerned was able to reduce its costs of cream collection from .66d. per pound of butter fat to .27d. per pound. There is no uniform solution to the problem, but one or other of several methods of minimising overlapping can be instituted according to the circumstances of a particular area.

Those figures are very important—a reduction from .66d. to .27d. per pound, equal to a reduction of about 55 per cent. in the cost of transport, merely by rationalising transport to the factories in that district. I have been supplied with a table compiled by the Dairy Research Institute of New Zealand, dealing with the cost of the production of butter in New Zealand, and comparing the cost with that in Western Australia. These figures are illuminating when we remember that New Zealand has had in operation for some few years a system somewhat similar to the one provided for in the Bill. In factories producing less than 500 tons, the total manufacturing costs represent 1.852d. per pound, whereas for the South-West Dairy Farmers Ltd., during the year ended the 30th April, 1939, where the average per factory is 494 tons, the cost was no less than 2.956d.

Hon. W. J. Mann: I do not think that comparison is quite fair.

The CHIEF SECRETARY: I am quoting these figures to show what can be accomplished by co-ordination in the industry.

Hon. W. J. Mann: Do not forget that New Zealand lost a tremendous amount of money in the dairying industry.

The CHIEF SECRETARY: I believe that is a fact, and if we are not careful we shall lose a lot of money, but by this Bill we are endeavouring to prevent anything of the kind happening here. If we carry the comparison a little further and in-

clude all costs, we find there is a still greater difference between the costs in New Zealand and those in Western Australia. The final figures are 2.263d. in New Zealand and 3.759d. in Western Australia. There again we have a difference of roughly 55 to 60 per cent. against Western Australia. Consequently, whatever we can do to improve the position is something highly desirable, and something that should be done, not only in the interests of dairy farmers, but also in the interests of the State. We must bear in mind that while there has been a large expansion of the industry during recent years, experience indicates that we may look for a still greater expansion in the years to come. Therefore we might as well take the opportunity to lay down by means of legislation a method that will mean brighter possibilities for those now engaged in the industry and for those who will carry it on in future.

In view of the reception accorded the Bill, I do not propose to quote further at this stage the comparisons that have been prepared for me. This State has gone a long way towards making it possible for the people engaged in the industry to be successful. All Governments have provided, I believe a bigger ratio of assistance for this industry than has been made available to any other industry in the State, and the result has been reflected in the figures quoted by Mr. Mann and by myself. If the Bill is agreed to, as I hope it will be, I think we shall find that for the very small cost provided under the measure, the returns to individual producers will be out of all proportion; in other words, it will prove to be one of the best investments they have ever made. While there might be considerable discussion on some of the clauses, I am content to leave the matter there for the time being. If any member has an amendment he desires to move, I hope he will place it on the notice paper so that I may have an opportunity to obtain the requisite information.

Hon. L. B. Bolton: Have you heard anything of a suggested amendment by the Minister for Agriculture?

The CHIEF SECRETARY: When moving the second reading, I mentioned that there was one amendment which would probably be agreed to.

Hon. L. Craig: Perhaps it will not be acceptable to this House.

The CHIEF SECRETARY: Perhaps not, but I referred to the fact that an amendment would probably be moved, and expressed the hope that the House would give it favourable consideration.

Hon. H. Tuckey: Can you agree to the Committee stage being deferred until Tuesday next?

The CHIEF SECRETARY: I cannot agree to that. I am anxious that progress be made. If we defer consideration in Committee until Tuesday next, we shall have little chance of making any progress. Consequently I prefer to take the Bill into Committee tonight, and if members are desirous of amending any clause, further consideration can be postponed. I shall provide an opportunity for members to place amendments on the notice paper so that they will receive full consideration. The Bill is very important, and we are rapidly approaching the end of the session. The Minister for Agriculture and the departmental officers are keenly anxious that no mistake shall be made, and that the measure shall be put into operation at the earliest possible date. I am pleased with the reception accorded the Bill, and I hope it will be agreed to with a minimum of amendment.

Question put and passed.

Bill read a second time.

In Committee.

Hon. J. Cornell in the Chair; the Chief Secretary in charge of the Bill.

Clauses 1 to 5—agreed to.

Clause 6—New sections:

Hon. C. F. BAXTER: I move an amendment—

That proposed new section 11B be struck out.

This proposed new section relates to the transport of milk or cream to dairy produce factories. It is of an extreme nature. There is now a move afoot to control transport in relation to the dairy industry. I may say it is only on receipt of late information that I am supporting the Bill, which is liable to prove irksome to the dairying people. However, something must absolutely be done in view of the manner in which factory managers are operating now, a manner that is bad for the State and bad for the industry. I cannot agree

to the complete control of transport as proposed. The dairy farmer now has a conveyance calling at his farm for cream. If routes are declared as suggested, along main roads, the farmer will have to bring his cream right on to the road. It is not likely that routes will be defined going into and out of farms.

Hon. L. Craig: I propose to move an amendment dealing with that aspect.

Hon. C. F. BAXTER: There is enough promise of trouble in the Bill without definition of routes. A route may be defined at a considerable distance from a dairy farm. What time has the dairy farmer in the busy season to operate his farm if he has to cart his cream? I speak from the experience of one of my own boys, who recently has enjoyed the advantage of having the cream picked up at his door. Prior to that much of his time was spent in carting his cream in and travelling back again. The Bill itself is largely experimental. Why cannot we abstain from interfering with the present transport system? The Committee would be well advised to delete the proposed section.

The CHIEF SECRETARY: I hope the Committee will not be led away by Mr. Baxter in this regard. I do not know what warrant the hon. member has for assuming that all routes will be declared along main roads. The department's desire is that all cases shall be treated on their merits, and that the farmer shall be considered as well as other interests, such as factory interests. In cases like that which Mr. Baxter has in mind, location of the farm will be the deciding factor. Further, unless there is some regulation or control in matters of this kind, a large increase in the cost of transport is probable in the near future. The price of petrol has already risen by 2d. per gallon.

Hon. C. F. Baxter: You cannot control that.

The CHIEF SECRETARY: There is a suggestion that the Commonwealth Government will have to do something in the way of rationing petrol or fixing quotas.

Hon. J. J. Holmes: There is producer gas, you know.

The CHIEF SECRETARY: Yes, once it becomes an accomplished fact. Undoubtedly we ought to encourage producer gas instead of spending money on imported

products. Judging by the wider experience of other countries, with larger production and with knowledge of the stage through which we are now passing, this provision is necessary. Once it has been tried in actual operation, I feel sure the farmer will be quite satisfied with it.

Hon. W. J. Mann: I wish I shared your belief.

The CHIEF SECRETARY: The farmer, like other people, is somewhat sceptical of a new system until he has had experience of it. My advice comes from men who have given years to the study of these problems. We are anxious to recover ground that has been lost, and if possible to improve the position of our industry. I hope the amendment will not be carried.

Hon. H. V. PIESSE: I have an open mind on the clause. I communicated with the Transport Board this morning, and was informed by the chairman that in the Katanning district the board would permit the carting of cream from a 50 to a 55-mile radius, the cost to be charged to the suppliers. In this case, what need for the clause? The Transport Board will permit the dairy farmer himself to follow what route he pleases.

Hon. L. CRAIG: I do not view the clause with enthusiasm. During the past fortnight I have tried to evolve a scheme suitable to all engaged in the industry. Whether this clause be struck out or not, somebody must suffer; and one must do the best one can for the greater number and for the benefit of the industry. The clause empowers the Minister to stop some lorries from carting cream in a district where perhaps half the number of lorries could do the work. There is competition for cream, and some factories have lorries which transport the cream. In some cases it is transported 200 miles from farm to factory, notwithstanding that a factory is within seven miles of the farm.

Hon. H. S. W. Parker: What is the reason?

Hon. L. CRAIG: Competition.

Hon. H. S. W. Parker: What do you mean by that? Does the farmer get a better price?

Hon. L. CRAIG: Cream cannot be transported for 200 miles in hot weather without deteriorating.

Hon. H. S. W. Parker: Does not the dairyman know that?

Hon. L. CRAIG: Yes.

Hon. H. S. W. Parker: What does he do about it?

Hon. L. CRAIG: The dairy farmer is being paid choice price for cream that is not choice. The Bill provides that the dairy farmer may himself transport his cream. If a dairy farmer has 10 or 15 gallons of cream to deliver to a factory, transport cost being $\frac{3}{4}$ d. per lb., and if he lives within two miles of the factory, he will not allow another person to transport the cream, because in that case he would have to pay the average cost of transport over a radius of 40 miles.

Hon. J. J. Holmes: Suppose he is 41 miles away from the factory

Hon. L. CRAIG: In that case he would be in another zone. I propose to move an amendment.

Hon. J. Nicholson: It is not on the notice paper.

Hon. L. CRAIG: It can be accepted either now or tomorrow. I propose to add a proviso to the clause as follows:—

Provided that subsidiary routes within 40 miles of a factory may be considered as portion of a route to such factory, the cost of all routes to that factory within the area to be allocated proportionately amongst suppliers using such routes.

Hon. J. J. Holmes: Are these factories already established?

Hon. L. CRAIG: Yes. The factory that will suffer most if this provision passes is situated many miles away from the dairying districts.

Hon. L. B. Bolton: It is one of the biggest factories in the State and is turning out some of the choicest butter.

Hon. L. CRAIG: I hope the Committee will refuse to strike out proposed Section 11B.

Hon. C. F. Baxter: Clause 11A should be struck out.

Hon. L. CRAIG: If it were, the supplier would not pay his own transport costs; these would be paid by the factory, and the matter would remain as it is. I oppose the amendment.

Hon. C. F. BAXTER: The aim of the Bill is to improve the quality of the butter produced, and the question of transport is not connected with that. I have had experience of Acts of Parliament, and I pur-

posely looked carefully through proposed new Section 11A. One must agree that it is highly stringent. It ties the dairy farmer down to one factory for 28 days; and he must give notice before he can leave that factory, however unsatisfactory the position may be. I have, however, purposely overlooked that section, because I realise the provision must be stringent. Nevertheless I object strongly to the laying-down of hard and fast routes. Where shall we finish? Whatever assets the primary producers create are handed over, and the producers have no say as to the value to be received, or anything else. That is something we cannot avoid; but this is something we can avoid, and we should not allow the dairy farmers to be tied down to routes. The present system is working satisfactorily, though it has proved unsatisfactory because of the keen competition that has existed for the purchase of butter fat in various places, and the paying of a choice-butter price for a commodity which has not been choice. That is what has created the present position; but if we can obtain the right instructors, upon whom the whole success of the Bill depends, we need not worry about routes. Let us experiment with what is in the Bill, except proposed Section 11B. Later, if necessary, consideration can be given to an amending Bill to include that provision.

The CHIEF SECRETARY: Some of the statements made by the hon. member strongly support the retention of this section. I propose to quote from a recent report on the transport question. The report is from an inspector and deals with the deterioration of cream through uneconomic transport. It is dated the 17th October, 1939, and reads as follows:—

I desire to bring to your notice a factor which proves of harmful effect to butter quality and, at times, results in an undue penalty on the farmer. I refer to the holding over of cream in factories from one day until the next. This happens in a number of factories and can only be avoided by making the staff work at night or by arranging transport so that this cream arrives at a reasonable hour.

Unfortunately, this practice seems to be increasing at certain factories, and results in cream quality being lower at grading than on arrival. This is a direct loss to those suppliers.

A few examples will illustrate what is happening. Cream from the Nannup area is delivered four times per week to the factory.

Twice in each week it arrives late at night and is left until the next morning.

Cream from the Busselton area frequently arrives at this factory between five and six o'clock in the afternoon and is left over.

Recently I saw cream which arrived at the station at 3 p.m. one afternoon delivered to the factory at 2 p.m. the next afternoon.

On another recent occasion I graded cream at 2 p.m. which had arrived in this factory the previous evening.

A similar position exists with reference to certain routes covered by carters from the ——— factory.

At ——— factory, Manjimup, the cream delivery is very irregular and cream is frequently delayed and then left over.

This deterioration in quality is effected in two other ways. Frequently cream is held for an undue period on the floor before grading, although not kept overnight. Occasionally routes are organised at considerable distances from factories, and it is impossible to get the cream to the factory in the one day. For example, the ——— had a route at Manjimup on which the carter left the town at 6 o'clock on Monday mornings. He returned some time in the late afternoon, and the cream was despatched to the factory by the following morning's train, arriving at 2 p.m. I understand the lorry now reaches the factory some time during the night.

There is an aspect of transport of which the uninitiated would never think. The report is itself sufficient justification for this clause. The Bill provides that where farmers in a particular district are supplying cream to a particular factory, the cost shall be averaged so that all the farmers in that district shall pay the same rate. If any farmer in that district elects to supply to a factory further afield, he is at liberty to do so. The only difference is that instead of paying the average transport costs of the farmers in his district, he will be called upon to pay the full cost of transport to the factory to which he elects to send his cream. In view of those facts there can be no objection to the clause. Difficulties might arise for certain individuals or for certain factories, but it is hard to devise a system that will be absolutely satisfactory to all. Mr. Baxter's argument has not much merit. The farmers in a particular district supplying a particular factory will have the cost of transport averaged, and if they elect to supply a factory farther away, they can do so.

Hon. J. J. Holmes: Would they have to transport the cream in their own vehicles?

The CHIEF SECRETARY: They could please themselves, but in that event they

must pay the full cost of transport. Nothing could be fairer.

Hon. C. F. BAXTER: What will the instructors or inspectors be doing in the factories if they permit that class of cream to be treated?

Hon. L. Craig: Under the present system of transport, that cannot be avoided.

Hon. C. F. BAXTER: Of course it can.

Hon. L. Craig: Tell us how.

Hon. C. F. BAXTER: The cream would be condemned.

Hon. L. Craig: But it could not be delivered at the factory in good condition.

Hon. C. F. BAXTER: When a producer finds his cream being condemned, he will send to a nearer factory instead of the one the Minister is talking about. I know the one referred to. To send cream such a long distance in summer is impossible.

Hon. J. J. Holmes: One of the officers told me the other day that the department had fallen down on its job.

Hon. C. F. BAXTER: I do not agree with that, but we cannot go to this extreme. The argument advanced by the Chief Secretary does not support his case at all.

Hon. L. B. BOLTON: I am anxious that the greatest good be done for the greatest number, but a grave injustice will be inflicted upon a certain factory if we adopt the proposed new Sections 11A and 11B. I am glad the Chief Secretary has no desire to rush the measure through Committee. If he will postpone the proposed new sections until Tuesday, I shall have an opportunity to ascertain the facts. I feel justified in doing all I can for the factory concerned. When the matter was brought under my notice, I arranged a conference with parties whom I thought could suggest a way out, and the people for whom I am speaking appreciate what was done by those members. The outcome, I understood, was that the Minister for Agriculture agreed to have an amendment placed on the notice paper that would satisfy the people concerned. I wish to find out why that has not been done. I appreciate the wonderful work the department is doing. I do not agree with Mr. Holmes's interjection that the department has fallen down on its job. If we could get similar development 100 or 150 miles north of Perth where subterranean clover could be grown, much benefit would result to the State. We must improve the quality of our produce, but in attempting to do that, we should not

impose a bardship upon the large factory to which I have referred.

Hon. H. TUCKEY: I support Mr. Baxter's amendment. The cost of transport has been kept to a minimum by the factories.

Hon. L. Craig: The cost is colossal.

Hon. H. TUCKEY: No direct charge is made by the factories. The Bill proposes that a contract shall be made, and that the farmer shall pay whatever price is determined. I should think that factories when doing their own business would keep costs down more readily than if they were acting as a third party. The check graders would not allow a choice-grade price to be paid for second-grade cream. We may be sure the producer will send his cream to another factory if he can get a better price for it there. It would be wrong to lay down that cream must not be transported over long distances, say up to 70 miles.

Hon. L. Craig: Not as far as that.

Hon. H. TUCKEY: Some of the difficulties occur because of the poor train service to certain dairy centres. Some farmers can use the trains only on three days a week. I have discussed this matter with the managers of two or three factories, and they tell me they do not care what happens with regard to proposed new Section 11B. The producer is the man we have to consider, and most producers are opposed to the transport provisions.

Hon. H. S. W. PARKER: I see no necessity for gazetting the route to be followed or for tying producers down to certain routes. The best people to fix the route are the factory managers. According to the Minister the real trouble is the timetable, and not the route. Is it suggested that when the route is fixed the timetable shall also be fixed and proclaimed? One man may want to change to another factory, but he would still have to follow the same old route that had been gazetted. The proposal is a clumsy one. The whole thing should be left either to the factory management or to the inspectors. How is it proposed to catch the factory manager who pays the carrier for the transportation of cream before the amount has been collected from the farmer. The Bill should provide that the factory manager must deduct the amount from the cream cheque. I do not quite follow the provision. Take the York district, for example: there, if

the cream is not sent by rail to the factory, the transport can only be done by the farmer's own vehicle and at the farmer's expense. Is that intended? It is how I read the provision.

Hon. J. M. MACFARLANE: I asked for the adjournment of the Committee stage till Tuesday next because I felt that I could not this evening answer adequately the objections raised during the second reading debate. However, I have decided to let the department's ideas as expressed in the Bill go, and to let the department itself assume the responsibility of solving problems which Australia has failed to solve during the last 50 or 60 years. Undoubtedly there are good men in the department, and if they achieve solutions they will have deserved well of the industry. However, it has taken years and years of effort on the part of the factories, with the aid of some suppliers, to evolve the conditions which have so well stood the test of the last few years. I support the proposed section as printed. The representatives of dairying, especially dairying along the railway lines, will have to be highly active if they are to benefit the suppliers. There can be no hope of a factory producing large quantities of choice butter unless the necessary steps are taken on the farm. The fault of lack of progress through the department lies with the various Ministers, owing to their failure to supply the necessary funds. I shall support the Bill as it stands, leaving the department to work out the redemption of the industry.

Hon. W. J. MANN: I am especially interested in the question of transport, and this provision has caused me more headaches than all the other clauses together. In the testing of cream the industry has gone a long way. If conditions are tightened up on the farm and in the factory, it will be proved that there is not the great disadvantage said to be inherent in this form of transport. The increase in cost will prove to be very slight. Smart organisation, with people getting down to the industry in a businesslike way, will result in losses caused by some methods being obviated by other methods. I feel disposed to support Mr. Baxter.

Hon. L. CRAIG: I wish members to realise what the proposed section really means. Today transport of cream is some-

thing like delivery of bread in the metropolitan area: several trucks are doing the work of one truck, as several bread carts travel up and down the same street. Competition accentuates trouble in the dairy industry. Competition is the cause of all the bad butter produced today.

Hon. J. M. Macfarlane: Nonsense!

Hon. L. CRAIG: Recently I visited Nestle's factory at Waroona, spending two or three hours there. At that factory is a new dairy expert from America, named Hofmann, who has been going around the world, apparently, to inspect Nestle's factories throughout the world. He showed me swabs of milk disclosing dirt taken from it. I asked how the milk here compared with that in the United States. He replied, "Western Australian milk is far superior to any milk obtained in the United States." I inquired how he explained that, and he said, "There is no competition here. We are the only factory operating in this district, and if the milk delivered is unsatisfactory we say it has to be improved or we will not buy it. Consequently Western Australian cream is the cleanest in the world, and far superior to that received by factories in the United States."

Hon. W. J. Mann: That is not much of a compliment to some of our suppliers.

Hon. L. CRAIG: No; but it is a fact. I am referring to what Mr. Baxter said about inspectors cleaning up the transport trouble. Instead of cream being delivered at a time when it could be treated, it is delivered late and has to remain over until the next day.

Hon. C. F. Baxter: Is that the fault of the railways?

Hon. L. CRAIG: But, unfortunately, it adversely affects the dairyman. He may deliver the cream fresh from the separator, but it is carted all round the country and delivered to the factory in the late afternoon, and cannot be treated until next day. The poor unfortunate dairy farmer suffers in consequence, particularly during the summer months. His cream may be graded as second-class, and he may lose 2½d. or more per pound through no fault of his own. The provision in the Bill represents an attempt to clean up the difficulty.

Hon. C. F. Baxter: No.

Hon. L. CRAIG: Yes; it does. No one can convince me that that is not its purpose.

Hon. J. M. Macfarlane: It is a reasonable effort.

Hon. L. CRAIG: I shall be surprised if members refuse to allow the department an opportunity to deal with the difficulty.

Amendment put, and a division taken with the following result:—

Ayes	16
Noes	8

Majority for 8

AYES.

Hon. E. H. Angelo	Hon. J. Nicholson
Hon. C. F. Baxter	Hon. H. S. W. Parker
Hon. L. B. Bolton	Hon. H. V. Piesse
Hon. J. A. Dimmitt	Hon. H. Seddon
Hon. E. H. H. Hall	Hon. A. Thomson
Hon. V. Hamersley	Hon. H. Tuckey
Hon. J. J. Holmes	Hon. G. B. Wood
Hon. W. J. Mann	Hon. C. H. Wittenoom
	(Teller.)

NOES.

Hon. L. Craig	Hon. W. H. Kitson
Hon. J. M. Drew	Hon. J. M. Macfarlane
Hon. E. H. Gray	Hon. G. W. Miles
Hon. E. M. Heenan	Hon. G. Fraser
	(Teller.)

Amendment thus passed; the clause, as amended, agreed to.

Clause 7—Repeal of Section 18:

Hon. C. F. BAXTER: Section 18 is to be repealed, and a new section inserted in lieu setting out that margarine manufactured or sold within the State shall not contain any butter fat. The Act of 1936 contains an amendment dealing with margarine. Why was not advantage taken of the provision?

Hon. L. Craig: For the same reason that this clause will not be operative.

Hon. C. F. BAXTER: Mr. Craig seems to know all about the matter, but I would like to know from the Minister why the provision in the 1936 Act has not been put into operation. The object of that section was to control the sale of margarine.

The CHIEF SECRETARY: I understand that an agreement was entered into between the several States whereby uniform legislation was to be introduced to deal with margarine. Western Australia was the only State to take action in accordance with the agreement. Because the other States have not fallen into line, that part of the 1936 Act was not proclaimed. The provision was that 5 per cent of butter fat might be used in the manufacture of margarine; hence the amendment in the Bill to prohibit that practice.

Hon. J. M. MACFARLANE: I do not know why margarine has been mentioned in the Bill, because the provision will not apply at all. I do not know why margarine should

be allowed in competition with butter. In other States that has been permissible for several years. Notwithstanding all the knowledge the Minister has of this industry and how well disposed he is towards it, he allows a quota of 200 cases of margarine per week for this State.

Clause put and passed.

Clauses 8 and 9, Title—agreed to.

Bill reported with an amendment.

House adjourned at 10.27 p.m.

Legislative Assembly,

Wednesday, 15th November, 1939.

	PAGE
Questions: Swan river reclamation	1959
Federal Wheat and Wool Board: salaries and allowances	1960
Railways, annual and long service leave	1960
Parliaments—Federal and State, Constitutional position	1960
Wheat Storage Select Committee, report presented	1960
Bills: Plant Diseases (Registration Fees) (No. 2), 1R.	1960
Main Roads Act Amendment, 3R.	1960
War Funds Regulation, report, Standing Orders Suspension, 3R.	1960
Sunday Observance, 2R.	1961
Reserves (No. 2), 2R., Com. report	1960
Income Tax Assessment Act Amendment, 2R., Com. report	1975
Income Tax (Rates for Deduction), 2R., Com. report	1988
Administration Act Amendment, Council's amendment	1988

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

QUESTION—SWAN RIVER RECLAMATION.

Mr. HILL asked the Premier: In return No. 11, submitted with the Revenue Estimates, the loan liability on the Swan River improvements is shown as £400,679. Can he state (a) how much of this amount is due on the cost of the reclamation work: and (b) what proportion of the last-mentioned amount was expended in the financial years ended the 30th June, 1937, 1938, and 1939?