

others, 20 or 30 miles away where one would expect to get the same results, without the same success. That work can all be done by junior officers under the control of one senior man.

It does not take a supervisor a great deal of time if he has someone under his control who is doing the work efficiently, but where the senior officer has to do all the ground-work and attend to the various stages of the experiment, it is impossible to get the best results. As Mr. Logan said, in the northern areas, where an officer has to contact his senior in Perth to get advice, many of the young fellows would have a fair working knowledge of general stock, and it would be their duty to contact the senior officers.

Hon. G. Fraser: Would the figure of eight be by accident or design?

Hon. A. L. LOTON: During the dates I have mentioned there was a time, on the 31st December, 1945, when the department had only six veterinary officers—and I was speaking then only of veterinary officers. So, we went from eight in 1939 to six in 1945 and up to eight again in 1950. We can say, therefore, that from 1939 to 1950 the figure has been almost static, but the number of new problems that have confronted the farmer over that period has not remained static.

Hon. G. Fraser: Do you think there ought to be an increase on that figure?

Hon. A. L. LOTON: I think Mr. Fraser is trying to help me make my speech as I have, in the past, helped him to make his. I think we should have four times that number; and even then we would not have too many veterinary officers.

The PRESIDENT: Order! I suggest that the hon. member address the Chair.

Hon. A. L. LOTON: Yes. Then we have the soil conservation officers who come under the control of Mr. Burvill. No doubt, in due course, their tasks will be dealt with in this debate. I have much pleasure in supporting the motion.

On motion by Hon. E. M. Heenan, debate adjourned.

House adjourned at 6.15 p.m.

Legislative Assembly.

Tuesday, 22nd August, 1950.

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

QUESTIONS.

STATE HOUSING COMMISSION.

(a) *As to Permit to Build Furniture Factory.*

Mr. GRAHAM asked the Honorary Minister for Housing:

(1) Does he know that permission was granted to Mr. H. A. Hawkins to erect a large furniture factory in Beaufort-street, Inglewood?

(2) Is he aware that this man was the endorsed L.C.L. candidate for Middle Swan at the last elections?

(3) When was application made for the erection of the structure?

(4) On what date was approval granted?

(5) What are the reasons for the issue of the permit?

(6) What is the area of the building?

(7) What quantity of—

- (a) bricks;
- (b) cement;
- (c) galvanised iron;
- (d) timber; and
- (e) structural steel

was involved in the erection of the factory?

(8) If he has not seen the building in question, will he make an inspection of it?

(9) Is he aware that the building was sold before its completion, and is now to be used for other purposes?

(10) Does he approve of this whole transaction?

(11) If not, what are his comments?

The HONORARY MINISTER replied:

(1) Yes.

(2) Yes.

(3) 16th October, 1946.

(4) 14th June, 1948.

(5) The Shops and Factories Department reported his existing premises were substandard and of a dangerous nature to employees under the Shops and Factories Act was notified that he had to discontinue using same as a factory. Department of Industrial Development sponsored the application stressing the fact that applicant could provide a substantial portion of labour.

(6) Approved area of building 66 feet by 181 feet six inches.

(7) (a) Bricks—65,000 applied for in 1946 but when permit issued bricks were not subject to release. (b) Cement—53 tons. (c) Galvanised iron—Five tons corrugated. (d) Timber—6,000 square feet scantling, 13 squares flooring. (e) Structural steel—15 tons.

(8) No. Inspection made by Commission's representative on 18th August, 1950.

(9) Yes. Advice received on 18th August, 1950. Inquiries revealed factory is now to produce household necessities. The building has been sold to Messrs. Winter Bros. sheet metal workers, as Mr. Hawkins has now retired from the furniture trade, having sold all his machinery and gone out of business.

(10) and (11) No. But it would appear that the Commission has no legal redress.

(b) *As to Small Unit Homes Allocated.*

Mr. GRAHAM asked the Honorary Minister for Housing:

How many small unit houses have been allocated for the periods—

(a) 1948;

(b) 1949;

(c) 1950 to date?

The HONORARY MINISTER replied:

(a) Five.

(b) Seventy-five.

(c) Seventy-three.

(c) *As to Permits Issued.*

Mr. GRAHAM asked the Honorary Minister for Housing:

How many permits have been issued for the erection of dwellings for the periods—

(a) six months, ended the 31st December, 1949; (b) six months ended the 30th June, 1950; (c) from the 1st July, 1950, to the present time?

The HONORARY MINISTER replied:

(a) 1,578.

(b) 2,944.

(c) 1,600—includes 12½ square issues.

(d) *As to Case of Harris Family.*

Hon. J. B. SLEEMAN (without notice) asked the Honorary Minister for Housing:

Is he aware that the Housing Commission has refused to do anything for a man named Harris with a family of five small children—the eldest of whom is seven years of age—living on a verandah, solely for the reason that Harris was engaged to do a job after being transferred from the Eastern States?

The HONORARY MINISTER replied:

I have no knowledge of the specific case but will have inquiries made and advise the hon. member in due course.

(e) *As to Care of Harris Children.*

Hon. J. B. SLEEMAN (without notice) asked the Minister for Child Welfare:

In view of the reply given by the Honorary Minister for Housing to my last question, and as the Child Welfare Department has threatened to take these children from the mother for no other reason than that they are living on a verandah—they are well fed and well cared for—will the Minister take steps to ensure that the children are not separated from the mother?

The MINISTER replied:

I know nothing of the circumstances of this case either, but, of course, the representations of the hon. member will receive my consideration.

FURNITURE FACTORIES.

As to Number in Metropolitan Area.

Mr. GRAHAM asked the Minister for Labour:

What was the number of furniture factories registered in the metropolitan area at the following dates:—

(a) 1st July, 1947;

(b) 1st July, 1948;

(c) 1st July, 1949;

(d) 1st July, 1950?

The MINISTER replied:

(a) One hundred and thirty-seven.

(b) One hundred and thirty-eight.

(c) One hundred and forty-two.

(d) One hundred and forty-five.

DEPARTMENT OF AGRICULTURE.*As to Staff Resignation.*

Mr. OWEN asked the Premier:

(1) Is he aware that an Agricultural Adviser has resigned, and that another senior officer of the Department of Agriculture is negotiating for a position in the Eastern States?

(2) Will he investigate the reason for this serious loss from the professional staff?

(3) Will he take all possible steps to avoid any further depletion of staff?

The PREMIER replied:

(1) Yes.

(2) This has been done.

(3) It is not possible to prevent officers from accepting other positions. The professional and technical staff of the Department is being increased. We appointed every available graduate from last year's final class and we will take more after the completion of this year's University examinations. We have also taken officers from other State services, for example, Mr. Marr (Tropical Adviser in Agriculture) came to us from the Queensland service and we recently obtained from Victoria an expert instructor in fruit packing.

NATIVE AFFAIRS.*As to Applications for Citizenship Rights.*

Hon. A. A. M. COVERLEY asked the Minister for Native Affairs:

(1) How many natives have lodged applications for citizenship rights?

(2) How many have been successful?

The MINISTER replied:

(1) Five hundred and seventy-seven (of these, 81 applications were dismissed, 38 cancelled or withdrawn, and 47 are yet to be heard).

(2) Four hundred and eleven.

ROADS.*As to Sections of Great Eastern Highway.*

Hon. A. R. G. HAWKE asked the Minister for Works:

(1) Is he aware of the rough condition of the surface of the Great Eastern Highway between—

(a) Sawyers Valley and the Chidloes Well turn-off; and,

(b) between the Northam military camp and Newcastle-road, Northam?

(2) If so, is it intended to have the surface improved in each instance?

(3) If so, when is the improvement work likely to be put in hand?

The MINISTER replied:

(1) Yes.

(2) Yes, but no provision has been made this financial year.

(3) Answered by (2).

S.P. BETTING.As to Introduction of Legislation.*

Mr. KELLY asked the Minister for Police:

(1) In view of the very unsatisfactory conditions applying to starting-price betting, is it the intention of the Government to introduce legislation this session for its effective control?

(2) If not, why not?

The MINISTER replied:

(1) No.

(2) No effective method of control is apparent as long as the facilities of the broadcasting stations and other facilities not provided by the State are available as at present.

MINES REGULATION ACT.*As to Control of Quarries.*

Mr. OLIVER asked the Honorary Minister for Mines:

Does the Mines Regulation Act provide for the working, control and inspection of quarries?

The HONORARY MINISTER replied:

Yes, within such districts as are proclaimed under the Act as mining districts.

SEWERAGE.*As to Applications for Installation.*

Mr. STYANTS asked the Minister for Works:

(1) Is it correct that many owners of property in sewered areas have not had their premises connected to the sewerage system?

(2) Is it true that some of them, desirous of doing so but unable to pay the whole cost forthwith, have had their applications passed over in favour of those who are able to pay cash for the connection?

(3) If this is so, will he give instructions to his departmental officers that all applications for connections in already sewered areas must receive priority whether the applicants are able to pay cash or require time in which to pay?

The MINISTER replied:

(1) Yes.

(2) Connections are made by either—

(a) private arrangement between the owner and a licensed plumber; or

(b) under deferred payment conditions by agreement between the owner and the Department, tenders being invited by the Department from licensed plumbers for carrying out the work.

Approved applications are listed and tenders invited in order of date of the application.

(3) See reply (2) (b).

CHANDLER ALUNITE WORKS.

(a) As to Shortage of Potash.

Mr. FOX asked the Minister for Lands:

(1) Is he aware that since the Government closed down the Chandler Works, there is a grave shortage of potash which is extensively used by market gardeners?

(2) What does he intend to do to alleviate this shortage?

The MINISTER replied:

(1) No. Ample stocks of potash are available in the State today.

(2) Answered by (1).

(b) As to Removal of Plaster.

The MINISTER FOR EDUCATION:

On Wednesday, the 9th August, 1950, the member for Melville asked me the following questions:—

(1) On what date did a certain person (or persons) enter the State Alunite Works and remove, without the authority of the manager, a quantity of plaster, which the latter subsequently recovered after a chase of some miles?

(2) On whose behalf were the offenders acting, and for what purpose was the plaster required?

(3) Why were legal proceedings not taken in connection with the matter?

I replied as follows:—

(1) (2) and (3): There is no record of this matter in the department. Inquiries will be made at Chandler and, if any information exists, the hon. member can be informed.

The following information can now be supplied:—

(1) About the 16th March, 1950.

(2) The manager states that the person concerned was a Mr. Brady, of the firm of H. B. Brady and Co., Ltd. Mr. Brady is stated to have informed the manager that he wanted to prove to the Government that plaster was being produced without authority. Whether this was the only reason was not known.

(3) The small quantity removed was returned, and the manager formed the opinion that there was no occasion to pursue the matter further.

BASIC WAGE.

As to Effect of Increased Meat Prices.

Mr. W. HEGNEY asked the Attorney General:

What amount of increase in the basic wage under the provisions of the Industrial Arbitration Act would follow an increase of 5d. per pound in the price of the various cuts of beef and mutton as taken into account by the Government Statistician in compiling index figures relating to prices of commodities, in any quarter, over the previous quarter assuming that all other factors taken into account by the Statistician remain unchanged?

The ATTORNEY GENERAL replied:

An increase of 5d. per pound in the price of the various cuts of beef and mutton would result in an increase of 5s. 11d. in the State basic wage for the metropolitan area under the present quarterly adjustment procedure.

KINDERGARTENS.

As to Government's Contribution.

Mr. NIMMO (without notice) asked the Minister for Education:

In the "Daily News" of the 17th August, appeared a paragraph relating to kindergartens. One portion of it reads as follows:—

Parents on the committees have to raise certain amounts towards teachers' salaries and provide for the upkeep of buildings. The Government provided £4 a week a child.

Is this correct?

The MINISTER replied:

I cannot give the hon. member exact details, but I can state that the Government's contribution is certainly not £4 a week a child. The contribution over two years was in the vicinity of £20,000 and included substantial assistance towards the payment of teachers' salaries and also the training of students, coupled with the administration grant of £1,000. These amounts include the subsidy of £4 per annum per child.

EDUCATION COUNCIL.

As to Minister's Attendance.

Hon. J. T. TONKIN (without notice) asked the Minister for Education:

Is it the Minister's intention to attend the meeting of the Education Council which is to be held next month?

The MINISTER replied:

I think it is unlikely that I shall be able to attend that meeting but I shall advise the hon. member definitely within a day or two.

MILK.*As to Production and Commonwealth Scheme.*

Mr. W. HEGNEY (without notice) asked the Minister for Health:

Is she satisfied that the milk production in Western Australia will be sufficient to implement the proposed Commonwealth free milk scheme as recently announced in "The West Australian."

The MINISTER replied:

If I asked for notice of that question I probably could give a better answer, but personally I think that all children will be supplied with milk.

HEALTH.*As to Minister's Attendance at Conference.*

Mr. J. HEGNEY (without notice) asked the Premier:

What is the reason for the non-attendance of the Minister for Health at the recent important health conference held on the question of hospitalisation and other matters?

The PREMIER replied:

I think the Minister for Health answered that question on Thursday last in reply to the member for East Perth.

TOWN PLANNING COMMISSIONER.*As to Rumoured Resignation.*

Mr. READ (without notice) asked the Chief Secretary:

(1) Is it a fact that the Town Planning Commissioner has tendered his resignation to the Minister?

(2) If so, was the resignation accepted?

(3) If not, why not?

The CHIEF SECRETARY replied:

(1), (2) and (3) I had better ignore the last portion of this question. As for the first portion, no resignation has been submitted to me nor do I anticipate one.

ADDRESS-IN-REPLY.*Tenth Day—Amendment, Want of Confidence.*

Debate resumed from the 17th August.

HON. A. R. G. HAWKE (Northam) [4.50]: I join with previous speakers in offering very sincere congratulations to you, Mr. Speaker, and to the Chairman of Committees upon the re-election which each of you has enjoyed this session to your respective positions in the House. I wish to deal first of all with two nation-rocking questions—one raised by the member for Albany and the other by the member for Victoria Park. I regret to say that the member for Albany, according to reports, suffered an accident either

today or during the week-end that makes it impossible for him to be present. I am sure we all regret this occurrence and hope that he will soon be restored to his normal health and strength.

On the occasion of this Address-in-reply debate, as on the occasion of some others, the member for Albany was at considerable pains to try to prove that the harbour development scheme planned for Albany by the Wise Labour Government was severely deficient as compared with what he is pleased to call the Tydeman scheme for harbour development there. This delightful member for Albany hit upon the bright idea of calling the first-mentioned plan the Hawke plan and the second-mentioned plan the Tydeman plan. His contention is that the so-called Hawke plan was remarkably deficient in far-sightedness because the original plan drawn included only one main road of approach whereas, in his opinion, it should have included two. When we recollect that this plan was estimated to cost millions to put into operation, anyone of ordinary commonsense can easily realise that the planners, engineers, and draftsmen would not waste a great deal of time over putting roads into the plan. Their attention would be concentrated mainly upon the development of the space to be used for additional harbour accommodation.

Those who have had any experience in a direct way of matters of this sort would know that the putting in of an extra road at some later stage, if deemed desirable or necessary, would be a very simple matter and could easily be attended to when the appropriate time arrived. In any event, it was the Wise Government that appointed Mr. Tydeman, and it was understood from the time Mr. Stephenson Young, the then Engineer for Harbours and Rivers in consultation with Mr. Dumas, Director of Works, drew up the original plan for harbour development at Albany, that it would be subject to careful scrutiny and exhaustive investigation by Mr. Tydeman before any actual work was carried out. If any member is further interested in this matter—and I doubt whether there is any—I suggest that he refers to "Hansard," 1947, volume 1, pages 429 and 447, where he will find that the member for Albany, delightful member that he is, is in the habit of making mountains out of molehills and, in reverse, making molehills out of mountains. When we appreciate that peculiarity of the hon. member's, we know how much reliance to place or not to place upon statements of the sort to which I have been addressing myself.

The member for Victoria Park, the other night, followed a remarkable course, I thought. He attacked the Opposition, especially the Leader of the Opposition, in connection with an advertisement that

appeared in "The West Australian" newspaper during the course of the last election campaign over the name or signature of the Leader of the Opposition. From all I could understand from the hon. member's remarks—

Mr. Marshall: That was the problem.

Hon. A. R. G. HAWKE: —he was angry with the Leader of the Opposition because every word in the statement was true. The advertisement, as you, Mr. Speaker, will remember from having carefully read it at the time, had to do with the weird and wonderful attitude adopted by the member for Victoria Park when the present Government, in 1948, brought down a Bill for the purpose of setting up a system under which this Government could, if it wished and willed, control prices in this State. We on this side of the House moved to amend a vital portion of the Bill with a view to giving to the consumers a direct representative upon a prices commission of three, which we proposed at that time. The Government, and every supporter of the Government in this House, opposed our move along those lines. They all stuck out 100 per cent. for the Bill, which, in that respect, was for the setting up of a prices commissioner—one commissioner only—with no representation at all either for the consumers or for the business interests of the State.

We on this side of the House argued that the control of prices, in view of the circumstances then existing and likely to develop subsequently, should be vested in a body patterned like our Arbitration Court, with the Government appointing a commissioner to be the chairman, the consumers of the State, through a recognised organisation, appointing a consumers' representative, and the business interests of the State appointing a commissioner to represent the business men's point of view. The member for Victoria Park not only voted for the Opposition's proposal for a prices commission to include a direct representative of the consumers, but also lauded the idea in a speech he made at the time. He said that, in his opinion, a commission of three, dealing with such a vitally important matter as the control of prices, could handle control much more effectively than could one commissioner. So he supported the Opposition move with a speech and also with his vote.

As the Premier will remember with some disappointment and sadness, the Opposition on that occasion, with the support of the two Independents, was able to carry the day. We amended the Bill accordingly. The measure then went to the Legislative Council where the direct representatives of big business interests promptly cut to pieces the proposal which we had succeeded in inserting in the Bill. They restored the Government's original proposal for one commissioner of prices

and one only. The Bill was returned to this House for our consideration of the Council's amendment, and the member for Victoria Park somersaulted completely upon his previous attitude, voted against the Opposition and supported the Government in throwing overboard the proposed commission of three and in establishing, in law and under the law, a commissioner of prices and one only.

The Premier: I think a promise was given to him that an advisory committee was to be set up.

The Attorney General: It was not a promise; it was put in the Act, and on the committee there was to be a consumers' representative.

Hon. A. R. G. HAWKE: I do not propose at this time to be led astray by the interjections of the Premier or by the speedy follow-up or re-echo by the Attorney General.

The Premier: We let you get away with your remarks about big business.

Hon. A. R. G. HAWKE: I am delighted to find at this early stage of my speech that both the Premier and the Minister for Prices, especially, are interested.

Mr. Styants: He is the "Minister for Inflation" now, not the Minister for Prices.

Hon. F. J. S. Wise: The Minister for High Prices!

The Premier: We are always interested in what you have to say.

Hon. A. R. G. HAWKE: The reason the member for Victoria Park gave for reversing his attitude was not the one suggested by the Premier or the Attorney General. Therefore neither of them has given any real help to the member for Victoria Park at this stage, despite the fact that they owe him a great deal of help for what he has done for them during the last three and a half years. The reason given by the member for Victoria Park for reversing his attitude was that Commonwealth control of prices was to cease within a few days, and, therefore, it was useless arguing as to whether there should, in our new State legislation, be provision for three commissioners or one. He went on to say that if we argued for weeks about it there would be no State legislation, and the Federal control would have disappeared with the result that the people of Western Australia would have had no protection at all against the profiteers. So he felt bound to give way to the Legislative Council, and to the big business interests, by agreeing to one commissioner instead of three, which he previously favoured.

The Premier: And did not the electors of Victoria Park endorse his action?

Mr. Marshall: He just scratched home.

The Premier: He got home.

Hon. A. R. G. HAWKE: If I am tempted sufficiently, I might have something to say about that in a few moments. If the Premier desires me to say something about it I suggest he tempt me a little further in the next three or four minutes.

The Premier: I never attempt to gag anyone; say what you want to.

Hon. F. J. S. Wise: That is news.

Hon. A. R. G. HAWKE: Because the Leader of the Opposition had issued, over his name in the newspapers, a statement of the facts covering the election in Victoria Park in connection with this matter, the member for Victoria Park, during his speech on the Address-in-reply in this House this year, became very hostile. That was his reaction to the fact that the Leader of the Opposition published the truth in the newspapers about the attitude of the member for Victoria Park on this issue. I always have a great deal of admiration for the man who can become angry and hostile when the truth is told about him. It leads me to the conclusion that he possesses an uneasy conscience. When the truth is told about the hon. member in connection with a certain matter or attitude, he becomes tremendously hot and bothered, and has to stage some sort of hostile demonstration for the purpose of trying to impress the people he represents.

It has been in the power of the member for Victoria Park, ever since that Bill was passed in 1948, to have prevailed upon this Government to set up a commission of three to control prices in this State, and to have appointed on that commission a direct representative of the consumers. As far as I know, Mr. Speaker, and as far as you know, the member for Victoria Park has not lifted a finger to achieve that objective. That is where I criticise the position. All the member for Victoria Park has to do is to say to this Government that he considers the question of prices control is so vital to the welfare of his people that he requests, or demands of the Government that it amend the existing legislation for the purpose of setting up a prices control commission of three; and the Government could not possibly refuse his request or demand without taking the very grave risk of being defeated on the floor of this House in connection with it.

Unfortunately no private member can move now to establish a prices control commission of three because if that were done the Attorney General would very quickly challenge the right of a private member to increase the burden upon the Crown; and he would, no doubt, find the Speaker in agreement with him. The result would be that any such amending Bill, brought down by a private member, would be ruled out of order. But it is still

within the power of the member for Victoria Park, who believes in the principle of a prices commission of three, including a direct representative of the consumers, and still within the power of the member for Maylands, to prevail upon the Government to set up an effective prices commission in this State. The member for Victoria Park especially believes that we need a more effective system of prices control than we have had during the last two years. As a matter of fact when he spoke in this House the other evening he pleaded the cause of a large number of men and women in Western Australia on small fixed incomes who have suffered grievously, and who are still so suffering, because prices control in Western Australia has to all intents and purposes been completely ineffective during the last two years.

The Attorney General: That is quite wrong.

Hon. A. R. G. HAWKE: Every member of this House—that is every member who moves around his electorate and who has any number of people on small fixed incomes living within his electorate—knows from personal experience how severe is the struggle these people have on their hands. I am not aware whether the Attorney General—the Minister for Prices—knows anything about this situation, but it is an extremely cruel one for every individual who is suffering as a result of it. So I suggest to the member for Victoria Park, and to the member for Maylands if he has the same view as he had two years ago, that they prevail upon the Government to have the existing prices control legislation in this State amended so that the system shall be more effective by having, associated with the control, a direct representative of the consumers.

I am positive in my own mind that the setting up of a prices control commission of three, with a direct representative of the consumers upon it, would be very effective, compared with the present situation, in giving a reasonable measure of protection to the people of this State against rising prices.

The Attorney General: That suggestion has not been followed anywhere in Australia, has it?

Hon. A. R. G. HAWKE: The Minister for Prices now comes forward with a crushing reply to my suggestion that we ought to have a commission of three, with a direct representative of the consumers upon it, to control prices in this State; and his crushing reply is that that system is not operating in any other part of Australia. What the devil does it matter to me, Mr. Speaker, or to you, or to anyone of us, whether this system is operating in any other part of Australia? Is the Minister in charge of prices control satisfied

with the prices situation in any other State of Australia? The Minister does not know whether or not he is satisfied.

The Attorney General: I am quite satisfied.

Hon. A. R. G. HAWKE: He is wondering whether, if he says "Yes," he will be committing himself one way; and, on the other hand, whether, if he says, "No," he will be committing himself in some other way; or perhaps he is wondering whether, if his answer be "Yes" or "No," he will be offending those people whom he mainly represents in the Government.

The Attorney General: I say the system has been wonderfully effective taking into consideration all the disturbing factors that have been operating.

Hon. A. R. G. HAWKE: How gloriously general! The situation is wonderfully satisfactory considering all the disturbing factors and features which have had to be taken into consideration. Is there any other member of the Government, or of the Government parties who would agree with that? Of course there is not, because we all know only too well that the existing situation is tremendously disturbing to anyone who understands its implications. I frankly admit that I am not fully aware whether the Minister for Prices fully understands the existing situation and its implications. I am inclined to think he does not, but that he genuinely believes in his own mind that the existing situation is reasonably satisfactory; and because he does, he is, as Minister in charge of prices, a menace to the welfare of the people of this State and to the future of the State's economy.

I want to pass over the question of prices for a time, which brings to the face of the Attorney General a very great smile, but I warn him that I propose to return to it at a later stage of my speech for the purpose of proving beyond any shadow of doubt,—even, I hope, and believe, to him—that the existing situation in Western Australia is completely unsatisfactory with respect to the effective control over prices exercised by him as the Minister. I want at this stage to congratulate all the new members. I thought each of them delivered his speech with a great deal of merit and distinction. I do not propose this afternoon to deal with the subject-matter with which their speeches were concerned, because it was good, bad and medium. I was particularly interested to hear what they had to say about communism because for the most part I found myself in agreement with the condemnation they expressed regarding the evils and dangers inherent in the communistic doctrine as we hear it preached and see it practised in Australia from time to time.

I think it was the member for Cottesloe who, in his remarks, referred to the rising red tide of communism. I believe he was referring at that time to what was happening in Korea, and what was likely to happen to other countries in that part of the world. I ask myself, "Is outright condemnation of the communist doctrine sufficient at this stage of our existence?"

Mr. Oliver: Of course it is not.

Mr. Graham: It is politically expedient.

Mr. Styants: And publicity against the Labour Party.

Hon. A. R. G. HAWKE: Can any public man, no matter what his politics, feel that he has discharged the whole duty which is upon him in connection with this problem by standing up in Parliament, or standing up somewhere else—anywhere else—and as it were, putting boots and all into the communistic doctrine?

Mr. Bovell: The member for Cottesloe served with distinction against a former enemy and I have no doubt that he would do the same against any future enemy.

Hon. A. R. G. HAWKE: Evidently the member for Vasse is one of those individuals who believes that the answer to communism is to be found in the cannon and the atom bomb. That might be the physical answer to an emergency situation which might be brought into existence by communist forces, or other forces working under their influence, but it is not the final answer to the menace of communism, in this or any other country.

Mr. Grayden: We can only give an answer to a question as it occurs.

Hon. A. R. G. HAWKE: In my opinion the question which the challenge of communism presents to us and to the world, is not to be found completely in guns and atom bombs; although as I suggested a moment or two ago, we might be forced in self-defence to use those weapons at various stages. I think the final answer will be found not in cannons and atom bombs but in the education of the people of the world.

The Minister for Lands: Do you think we can educate them by legislation?

Hon. A. R. G. HAWKE: I do not think we could educate even the Minister for Lands by legislation.

The Minister for Lands: That is only dodging the question. That is one way of drawing a red-herring across the trail.

Hon. A. R. G. HAWKE: That is what I thought about the Minister's interjection.

The Minister for Lands: Do you think it could be answered by legislation? Do you believe in legislation to deal with these people?

Hon. A. R. G. HAWKE: If the Minister for Lands is really serious—

The Minister for Lands: I am.

Hon. A. R. G. HAWKE:—in putting forward such a futile interjection, then the answer is, of course, "No."

The Minister for Lands: You do not think we should legislate against enemy forces such as communists?

Hon. A. R. G. HAWKE: I think that legislation against the communists, and communism, will be about as effective as this Government's legislation is against S.P. bookmakers in Western Australia.

The Minister for Lands: There you go again, drawing another red-herring across the trail. Express your opinion and say you do not believe in it.

Mr. Hoar: Why does not the Minister let the hon. member make his own speech?

Hon. A. R. G. HAWKE: If the Minister for Lands expects me to make my speech in his way then he is doomed to very deep disappointment because I do not think it would be possible, even with a superhuman effort on my part, to make a speech the way he would want me to make it.

The Minister for Lands: There he goes again, the old red-herring.

Hon. A. R. G. HAWKE: At present there is a war in Korea and, as far as we are able to understand the situation, the North Koreans under communist influence, direction and organisation have attacked the southern part of that country. The southern part of the country has in recent times been under the protection of the American nation, and America, together with what support the United Nations have been able to give, is trying as best it may in the circumstances to defend the southern portion of Korea against the northerners.

Mr. Griffith: Do you know that the Australian Peace Council calls it a civil war?

Hon. A. R. G. HAWKE: No. The Australian Peace Council does not send me its propaganda.

Mr. Griffith: I receive a copy.

Hon. A. R. G. HAWKE: Therefore I am not at all informed, let alone well-informed, as to what it says or thinks.

Mr. Griffith: You should get it. It is interesting.

Hon. A. R. G. HAWKE: My own view is that communism will make its greatest progress in those countries where the mass of the people is ground down to the greatest extent.

Mr. Griffith: Can you attribute that to the fact that communism has grown considerably in this country in the last eight years?

Hon. A. R. G. HAWKE: I understand that there are at least two members in this House who have been to Korea in

recent years, who have studied the conditions of the mass of the people in that country and who know the shocking conditions under which they have been compelled to live. It would be a great help to us in our attempt completely to understand this situation, and the world-wide menace of communism, if they were to tell us what they saw and what they personally observed during the time they were in that country. I think we are all agreed that the mass of the people in Korea has, over centuries, been ground down into almost indescribable poverty. Who ground them down?

Mr. Styants: No answer.

Hon. J. T. Tonkin: The Liberals most probably.

Hon. A. R. G. HAWKE: Who ground the mass of the people in Korea down into a condition of almost indescribable poverty? In my opinion the war in Korea today would not have happened if the people of that country—the mass of the people—had been treated as reasonable human beings over the centuries. If they had been so treated the seeds of communism, if they had been planted in that country, would have germinated only in a few instances. The fact that the mass of the people in Korea has been ground down over the centuries has put them into a mental condition—if the people have any mentality left—of readily accepting the rainbow promises—if they can be so described—which the communistic organisers have held out to them.

Mr. Grayden: And they are so ready to accept communism that Russia has to try to impose it on them by force of arms!

Mr. Styants: You have been reading "The West Australian."

Mr. Grayden: It is a pity you do not read it sometimes because you would be better informed.

Hon. A. R. G. HAWKE: Apparently the North Koreans accepted the communist doctrine, and the communistic promises, without very much force of arms.

Mr. Grayden: They could not do very much about it.

Hon. A. R. G. HAWKE: In regard to the South Koreans, I remember reading in the newspaper a few days ago where some American army officer said that the South Koreans co-operated very well with the American forces in the day time. That seemed to indicate that the South Koreans did not co-operate very well under cover of darkness. I would not be surprised if the real truth of the situation in South Korea is that the majority of the South Koreans, or a great number of them, do not give a damn which way the war goes.

Mr. Grayden: Is it not always difficult

for armies of two different nations, speaking different tongues, to co-operate at night on a joint front?

Hon. A. R. G. HAWKE: Yes, and I should say that if the South Koreans were not very anxious for American co-operation or protection, the cover of darkness would be the time when they might do something about it. I am sure that the member for Nedlands, with his experience overseas, would agree with what I say on that point. The growth of communism in the world has been made possible because of what capitalism has done to the masses of people in several countries of the world during several centuries past.

Mr. Griffith: Could you reconcile that as far as Australia is concerned?

Mr. Yates: They get better treatment here.

Hon. A. R. G. HAWKE: As the member for Canning has asked so pleasantly and so pleadingly, I will accede to his request. I do not think that the doctrine of communism has made much progress in Australia—

Mr. Yates: It has made too much.

Hon. A. R. G. HAWKE: —in regard to the number of people in Australia who have become communists or are sympathetic to their ways to any great extent.

The Attorney General: It has made great progress in official positions in the unions.

Mr. Rodoreda: They are losing their hold.

Hon. A. H. Panton: They make a lot of noise and receive a lot of publicity.

Hon. A. R. G. HAWKE: The progress which communists have made in Australia has been made because of the easy-going attitude of the average Australian.

Hon. A. H. Panton: Hear, hear!

The Attorney General: And a certain amount of intimidation.

Hon. A. R. G. HAWKE: I would like to ask the Attorney General whom they have intimidated. Does the Attorney General suggest that the communists can intimidate the average Australian?

The Attorney General: I remember reading a short time ago that a man was nearly kicked to death on the wharves in Queensland.

Hon. A. R. G. HAWKE: And I have read where somebody was nearly kicked to death on the Esplanade in Perth the other day. The average Australian is complete proof against the doctrine of communism. As a matter of fact, most of the leading communists in Australia were not born in this country. It is true that some of the

communists in Australia have been able to reach high positions in different organisations and not only in some of the unions.

Mr. J. Hegney: In the universities, too.

Hon. A. R. G. HAWKE: They have reached high positions in other organisations.

Hon. A. H. Panton: Lionel Carter thinks so.

Hon. A. R. G. HAWKE: And if the Governments of Australia punish these people when they break the laws of the community then I am sure a great deal more can be done against them than has been done up to date. Of course, we all know the political value of the communists to the parties opposed to Labour.

Mr. Styants: They make the most of it.

Hon. A. R. G. HAWKE: We know that at every election, and between elections, the parties opposed to Labour exploit to the utmost the existence of the Communist Party in Australia, and we know too that much more is blamed upon it than it is always responsible for.

The Minister for Lands: Where does the communist preference vote go at election time?

Hon. A. R. G. HAWKE: I would not know, but I do know—

The Minister for Lands: Examine the Guildford-Midland election.

Hon. J. T. Tonkin: And examine the Mt. Hawthorn votes for the election before.

Hon. A. R. G. HAWKE: And examine the figures for the by-election for Victoria Park when the present member was first elected.

Mr. Styants: I could tell you dozens of instances.

Hon. F. J. S. Wise: The Minister is on the wrong foot there.

The Minister for Lands: No, I am not.

Hon. F. J. S. Wise: Of course you are.

The Minister for Lands: What about Dr. Jolly? Where did his votes go?

Hon. A. H. Panton: Ask some of your members how they voted in their electorates.

Mr. J. Hegney: Ask where Cruikshank's votes went.

Mr. W. Hegney: In the Nedlands electorate, 50 per cent. of the preferences went your way.

Mr. Grayden: If 50 per cent. had gone our way in the Guildford-Midland electorate, we would have won.

The Minister for Lands: I am sorry. I seem to have started something!

Hon. A. R. G. HAWKE: I think it will be generally conceded that we all have great respect for the Prime Minister of India, Mr. Nehru. He was in New York

recently, and, on the 20th August, he gave a special interview in connection with the growth of communism in his part of the world. He was interviewed by Robert Trumbull, of the "New York Times," and, amongst other things, Mr. Nehru said—

In the West there is a lot of talk of communism and communist danger and there is a great deal in it. However, the average Asian could not be carried away by the cry of the communist danger because he had not so much to lose.

I suggest that every member of this House, irrespective of to which party he belongs, ought to study this particular matter far more deeply than some appear to have done so far. We will never solve the problem simply by condemning communism or by passing repressive laws, because every communist is such either because he believes in the doctrines and policy on which communism is based or he is a communist, as many of them are, because of something that has happened during his lifetime. I know several in Western Australia who are communists, and they are quite open about it. I know one who is in a very high position in the trade and commerce of the City of Perth. He is a communist by accident because of an accident. Some years ago he suffered the loss of a limb. He was quite young at the time. I think he was only 16 years of age. The loss of that limb deprived him of any opportunity of participating in sport, and hampered him respecting opportunities to make his way in his future life. Because of his situation, he developed a complex that was completely anti-social and he gave expression to his anti-social ideas by becoming a communist.

The Attorney General: You would not agree that such people should remain in positions of great authority, would you?

Hon. A. R. G. HAWKE: I say that the man, whether he be a communist or a Minister for Prices, who by his actions damaged the welfare of the people and undermined the State's economic system should be punished very severely.

Mr. Styants: Hear, hear!

Hon. A. R. G. HAWKE: I say that because there is no difference between them except, perhaps, that one does what he does deliberately, and the other does what he does, either by a desire to help those with whom he associates or because he does not know the ultimate effect of what he is doing. Communists in Australia have rightly been charged in many instances with having committed sabotage in connection with industries and the production of urgently required goods within the Commonwealth. But sabotage carried out by communists is not the only type of sabotage from which Australia is suffering. There can be sabotage committed against

the community by individuals affecting the economic system. It can be, and has been, done by Governments. It can be, and has been, done by individual Ministers of various Governments.

I have no respect at all for the man or woman, especially the public man or public woman, who looks at this whole situation with only one eye—no respect for him or her at all! In fact, I hold each such person in a good deal of robust contempt in so far as his or her ideas, thoughts and beliefs are concerned. We ought, when we endeavour to trace down those who are acting adversely against the welfare of the people and the economics of the State or Commonwealth, to endeavour to place our fingers upon everyone who contributes by his actions to those results. For instance, the industries of Western Australia have been sabotaged to a considerable extent, and in support of that one can point to the fact of Mr. Fernie's resignation from the position of Director of Industrial Development in Western Australia. If, as I suspect, this Government was responsible for forcing his resignation upon him, then this Government is responsible for that sabotage.

The Premier: Let me tell you now that the Government did not exercise any force in the matter at all. You can put your mind at rest there.

Hon. A. R. G. HAWKE: It could very well be that the Premier has in mind a different kind of force from that which I have in my mind. Will the Premier say now to me that the Government exercised no action which could possibly have had the effect of compelling Mr. Fernie to resign from his position?

The Premier: If disagreeing to some of Mr. Fernie's suggestions and that disagreement can be described as force, that certainly did arise.

Hon. A. R. G. HAWKE: I propose to quote from some newspaper controversy that I carried on with the Minister for Industrial Development some weeks ago in connection with this matter. Most members will recollect that at that period rumours were flying around the metropolitan area about the possibility or probability, of Mr. Fernie resigning from his position. Ultimately, the Press took the matter up and published a statement in connection with it. Although the air was full of rumours about this particular probability or possibility, no member of the Government had anything to say publicly about the matter.

The Premier: I never heard any such rumours. The first I heard of the resignation was when I was in Melbourne.

Hon. A. R. G. HAWKE: All I can say on that point is that hundreds of people here knew all about the possibility.

The Premier: I did not know there was a possibility of the resignation.

Hon. A. R. G. HAWKE: I am afraid that some of the Ministers in the Government and some supporters of the Government, must have heard of it, and it would seem that they do not take into their confidence, as they should, the Premier of the State.

Mr. Yates: Mr. Fernie resigned, did he not? Any person is entitled to put in his resignation if he wishes to do so.

Hon. A. R. G. HAWKE: On the 14th June last, after "The West Australian" had published its article, I made a statement to the paper in the course of which I said—

Having worked with Mr. Fernie as his Minister for some years, I was sure that Mr. Fernie would not abandon lightly the task of trying to develop further the progress already achieved in the field of secondary industry.

I then called upon either the Premier or the Minister for Industrial Development to make a statement about the rumours which were current and banded about in every direction regarding the impending resignation of Mr. Fernie. The Minister for Industrial Development sprang to it straight away—after he had been silent for many days, and even weeks. When he was challenged, as it were, in the newspaper to say something about the matter, he came at it and had a statement published in "The West Australian" of the following day. The statement by Mr. Watts read as follows:—

The Acting Premier, Mr. Watts, announced yesterday that the resignation of Mr. N. L. Fernie, Director of Industrial Development, from the State Public Service had been received. He said that Mr. Fernie had accepted a position as managing director of a substantial Western Australian company. He had discussed the matter with Mr. Fernie and had ascertained that his decision was irrevocable. In the circumstances, he could only recommend to the Executive Council that Mr. Fernie's resignation be accepted.

That seemed to be a complete answer. I am sure that before the Minister for Industrial Development handed his statement to the Press reporter he spent a good deal of time upon it to make sure it was properly sealed in every direction so that there could be no possibility of the inquisitive member for Northam returning to the attack. On the following day, the 16th June, I sent another statement to "The West Australian," and my remarks were published in the issue of the 17th June. Portion of my statement read as follows:—

The Deputy Leader of the Opposition (Mr. Hawke) said last night that the information given by the Minister for Industrial Development (Mr.

Watts) concerning Mr. Fernie's resignation seemed to be far from complete. Mr. Fernie might have accepted a position with a private firm, as stated by Mr. Watts, but it was not likely that Mr. Fernie would resign without having arranged to take employment elsewhere.

Mr. Hawke said that the vital point was whether Mr. Fernie obtained the other position because of difficulties placed in his way by the Government in connection with the effective discharge of his duties as director. Now that Mr. Watts had shown his willingness to discuss the matter publicly, he should make the fullest information available in an endeavour to clear away the suspicion created by the resignation.

"I am certain," said Mr. Hawke, "that Mr. Fernie would not in normal circumstances abandon the vital task of directing the expansion of secondary industries in Western Australia simply because he received an offer of employment from a private firm with which his opportunities to assist industrial development would be extremely limited compared with those which should exist in the position of State Director of Industrial Development."

"Therefore, it is very necessary to ask Mr. Watts whether he is prepared to assure the public that the real and only reason for Mr. Fernie's resignation is an anxiety on his part to accept employment privately as against continuing in the vitally important position of Director of Industrial Development."

Whereas the Minister for Industrial Development has sprung to it with the greatest possible alacrity following publication of my first letter, he has not sprung to it yet again following the publication of my second letter. Therefore it is reasonable to think that Mr. Fernie's resignation was not a resignation which he would have made in normal circumstances. It is not a resignation he would have made from choice but was a resignation which the Government forced upon him because of some factor or other.

The Premier: Would you say that refusal to accept all the advice that a Government expert gave would be to force resignation?

Hon. A. R. G. HAWKE: I would not.

The Premier: Did you always accept the advice of your officers?

Hon. A. R. G. HAWKE: I did not.

The Premier: The same thing applies here.

Hon. A. R. G. HAWKE: Time will tell. If the Premier has nothing to hide in connection with the matter—

The Premier: Nothing to hide!

Hon. A. R. G. HAWKE: —he will be completely favourable to the motion that the member for Melville has on the Notice Paper.

Mr. SPEAKER: There is no mention of that motion in the matter now being discussed.

Hon. A. R. G. HAWKE: No, Mr. Speaker. The Premier will also be completely favourable subsequently to any form of inquiry which we may ask for with a view to assuring ourselves and the public that the Government's attitude in the matter was one not deserving of censure. Would the Premier say now that he and the Government would not offer any objection to the fullest possible inquiry into the circumstances surrounding the resignation and all the reasons for it?

The Premier: The Government has nothing to hide in regard to Mr. Fernie's resignation.

Hon. A. R. G. HAWKE: Very well! This matter will now proceed in the proper way. We will ask for all the necessary papers to be tabled and in due course we may ask for the setting up of an inquiry which will have the effect of completely sifting the whole situation.

The Minister for Lands: And time will tell.

The Premier: I have heard your side refuse to produce papers on more than one occasion.

Hon. A. R. G. HAWKE: It seems to me that the Premier is already going into reverse gear.

The Premier: No, I am reminding you of past happenings and facts.

Hon. A. R. G. HAWKE: It seems to me the Premier is realising that he was a bit too free and easy a moment ago when he said the Government had nothing to hide in connection with the matter and would welcome the fullest inquiry. I come back again to the very vital question of prices and the lack of price control and the ineffectiveness of the price control system in Western Australia. The Minister for Prices, earlier this afternoon, said that the prices situation in Western Australia was reasonably satisfactory. I want to quote figures covering the cost of food and groceries based upon the prices in the five principal towns of Western Australia, those towns, for statistical purposes, being the metropolitan area, Kalgoorlie, Bunbury, Northam and Geraldton. The figures are based upon the figure of 1,000 for the period 1923 to 1927. In other words, the base figure is 1,000 for the years 1923, 1924, 1925, 1926 and 1927.

For the quarter ended March, 1945, the figure had risen from 1,000 to only 1,068. For the quarter ended March, 1946, the

figure was 1,071, an increase of three points over the previous year. For the quarter ended March, 1947, the figure was 1,078, an increase of eight points over the previous year. For the quarter ended March, 1948, the figure was 1,204, an increase of 136 over the previous year. This was the period when there was all the uncertainty and indecision and lack of control due to the fact that the Commonwealth Government's legislation and standing had been challenged and that a referendum on price control was forthcoming. For the quarter ended March, 1949, the figure was 1,370 and this was the first year under the control of our Minister for Prices and under the system of State control.

The Attorney General: When wages ceased to be pegged and margins were applied for.

Hon. A. R. G. HAWKE: It represents an increase of 166 points over the previous year. Even if we admit the interjection of the Minister, we would imagine that after that year he would get hold of the situation and would have it under firm control, and he would give the utmost measure of protection to the consumers. Yet, for the quarter ended March, 1950, the figure was 1,565, an increase of 195 points over the previous year, or the greatest yearly increase of all time. How would the Minister explain that?

The Attorney General: I can explain this: that if you read the evidence put before the Arbitration Court here in connection with the basic wage inquiry, you will find that retail prices have risen much less in percentage than wages have.

Mr. Styants: Never!

The Attorney General: They are the figures. They were admitted and they were not challenged. The difference was about 20 per cent.

Hon. A. R. G. HAWKE: The Minister is putting forward an impossible proposition. I am not saying that the figures he submits were not put forward in the Commonwealth Arbitration Court by the employers' representative.

The Attorney General: By Mr. Carver, the Commonwealth Statistician.

Hon. A. R. G. HAWKE: I am saying that the interpretation which the Minister draws from those figures must be completely erroneous. As a matter of fact, I intend to have something to say about wages and prices, because they are both very closely connected. Ever since prices began to increase after the war, wages have been carrying on a hopeless chase, trying to catch up with prices. If the Minister cares to confer with the Minister for Labour, who sits next to him in this House, he will find that the adjustment of the basic wage in connection with

any cost of living adjustment is based upon the movement of prices for the quarter three months prior to the date on which the wage adjustment is made.

The Attorney General: That does not deal with margins, does it?

Hon. A. R. G. HAWKE: I hope the Minister is not going to try to wriggle out of the difficulty he is in by talking about margins, because these basic wage adjustments represent a much greater factor in the cost of production than do any increases in margins which might be granted to special groups of workers. Increases in margins are granted only to odd groups which happen to be able to present to the Court from time to time an extremely strong case.

The Attorney General: Most workers are on margins, are they not?

Hon. A. R. G. HAWKE: Most workers, I should say, are not on margins for skill; but even if they are, all margins for skill are not being increased every so often. But every worker covered by an industrial award or agreement does have his wage or salary increased whenever there is a cost of living adjustment upward in the basic wage. Therefore, I should hope that the Minister understands that it is the upward movement of prices during, say, the present quarter which causes the upward adjustment in the basic wage in three months' time, which increase in the basic wage is paid and payable, of course, to every worker, male or female, senior or junior, covered by an industrial award or agreement.

The Attorney General: I understand that the evidence given was that there was a lag of six months in prices, taking it by and large. That was the evidence in this case.

Hon. A. R. G. HAWKE: I am not informed as to the evidence the Minister is talking about, but I am informed and he is informed, too—very well informed—as to the system which operates in Western Australia under our Industrial Arbitration Act and under the Arbitration Court set up under the provisions of that Act. That is what the Minister is well informed about. That is what the people of this State are well informed about. That is what the workers of Western Australia are well informed about. It is not desirable that the Attorney General should try to get away from the main issue by attempting to intrude into the discussion something about some evidence given by some partisan group in the hearing of some claim for wages in the Commonwealth Court of Arbitration. Obviously prices must go up first in this State before wages can go up, because our adjustment to the basic wage is tied absolutely

and exactly to the increase in prices during the previous quarter. Therefore there can be no argument as to which rises first.

The Attorney General: Those prices may have increased as a result of the increase of the previous quarter to that. It is the same old tale.

Hon. A. R. G. HAWKE: The Minister is now becoming supremely profound. He is plumb the utmost depths of mental brilliance. Obviously if prices go up this quarter and the basic wage is correspondingly adjusted next quarter, the higher cost of wages to industry has to be included in the prices of the goods produced on the basis of the higher wage and consequently people have to be called upon to pay higher prices for the goods they buy subsequent to the increase in the basic wage as compared with what they paid prior to it. It is that pernicious system in Western Australia with which I am mainly and most gravely concerned.

Unfortunately it seems to me—I hope I am wrong—that the Attorney General and other Ministers of this Government accept the existing situation as inevitable; as something about which the Government can do nothing. What is the answer of the Premier to any discussion of this problem or any criticism of the Government in connection therewith? It is "Have the people of the State ever been better off?" Does the Minister for Prices consider that to be an adequate answer, or even an answer of any kind? I know a number of people in this State who are at present worse off than they have ever been in their lives. I refer to people on small fixed incomes, who have had the purchasing power of their incomes reduced to half by the fact of prices having risen and continued to rise.

The Attorney General: Inflation is a world-wide problem. Everyone would like to know how to solve it.

Hon. A. R. G. HAWKE: Even if we take the statement of the Premier from another angle, and admit that the people of the State, generally speaking in a financial sense, are better off today than ever before, is that sufficient? Are we to be concerned only about today? Has this Government no concern about next year, or the year after that?

Hon. F. J. S. Wise: It will be concerned about the year after that.

Hon. A. R. G. HAWKE: If I remember rightly the Premier said in this House, last year, that he was convinced that the rising spiral of prices would cease by the 30th June, 1950. No-one on this side of the House believed him, and whether any of his colleagues in the Ministry or his supporters on that side of the House believed him, I know not. The 30th June,

1950, has come and gone. The 31st July, 1950, has come and gone and the 31st August, 1950, is just around the corner, yet the spiral of rising prices is gathering greater speed every week. It is not sufficient to try to meet this situation and answer this problem by asking whether the people of Western Australia were ever better off. What does the Minister for Prices think will happen to the economy of this State when the world situation gets into reverse—as compared with the position today—and the prices receivable for the wheat, wool, meat, butter and so on that we send to other countries of the world begin to fall?

How will our costs and prices structures stand up to that situation when it develops, as it is sure to, perhaps within three years time? In my opinion Western Australia would be in the most hopeless position of all the States of the Commonwealth. It will be in the most hopeless position when that situation does develop—as undoubtedly it will. It is therefore not nearly sufficient to ask whether the people of this State were ever better off than they are today. That is not the answer to the problem. It is only dodging the issue and looking at the existing situation to the total exclusion of the future and of what should be done to meet the position that will develop next year, the year after, or the year following that.

We have heard a lot about the effect of wages and of the 40-hour week on the cost of living. If we listened to speakers who belong to the parties opposed to Labour, and read the newspapers that are opposed to Labour, we would be convinced that the workers of Australia, and they alone, were completely responsible for the fact that prices are high and are still rising, but, in this matter, as in connection with the menace of communism to which I referred earlier, those speakers and newspapers take the same one-eyed view.

I admit that the 40-hour week must have had some effect on the cost of living, and that increases in wages and salaries have an effect, but there are many other factors also that have a substantial effect on the cost of living. I propose to mention some of those factors. I will deal first with the manufacturing industries of the whole of Australia for the year 1947-48. The total value of output was £1,210,000,000. The value added in the process of manufacture of the raw materials was £489,000,000 and 816,000 employees in the manufacturing industries of Australia received, in salaries and wages, £284,000,000. The margin for profit, miscellaneous expenses and charges was £205,000,000.

Without discussing that statement and those figures in detail—it would be interesting to do that if time permitted—I would say that managements and shareholders took an ever so much greater share

—comparatively—out of the production of the manufacturing industries of the Commonwealth, than did the 816,000 workers employed in those industries.

The Attorney General: Is not the bulk of the national income in the hands of the workers?

Hon. A. R. G. HAWKE: When I extracted those figures from the Commonwealth Year Book I thought I would watch the Press to see, yesterday and today, whether anything was published in the financial columns of "The West Australian" that would give an instance of profit making on an excessive scale and prove that profit takes too great a margin out of the value of production and thereby assists in putting prices up to levels that are much higher than they should be. In that newspaper yesterday morning some particulars were given regarding the profits made by two firms, Elder, Smith & Co. Ltd. and Noyes Bros. This is what the financial writer of "The West Australian" had to say in respect of Elder Smiths—

Boom conditions in the primary industry and further expansion of the business, particularly in Victoria and Western Australia, lifted net earnings of Elder, Smith & Co. Ltd. to a new peak in the year ended June 30 last. Disclosed profit—

The disclosed profit, mind you!

—has jumped from £380,687 to £641,367 and equals a return of 14.4 per cent. on shareholders' funds. The latest result was arrived at after increasing tax provision from £270,000 to £463,500, lifting the depreciation allowance from £60,986 to £83,336 and making unspecified provisions—

Unspecified provisions, it will be noted!

—for bad and doubtful debts. Shareholders' distribution is being increased from 10 to 12 per cent. on capital by a lift in the bonus from two to four per cent. The total distribution requires £339,156 or little more than half the profit earned.

The Premier: Mr. Fadden will be pleased to see that balance sheet.

Hon. A. R. G. HAWKE: More than Mr. Fadden. I would not be surprised if the Premier himself were mightily pleased to see it.

The Premier: You are on the wrong track. I am not one penny interested.

The Attorney General: Did you get their turnover increase at all? That would have some effect on it. They had double the turnover.

Hon. A. R. G. HAWKE: I am not aware of whether their turnover was doubled or not, but I am aware that for the same service—

The Attorney General: Oh, no!

Hon. A. R. G. HAWKE: For the same service, by and large, they are getting double the return. I would not rely much on the Attorney General's knowledge in this matter. I would rather rely on the knowledge of the member for Avon Valley. It stands to reason that if sheep were being sold last year at £5 per head and were sold this year at £10 per head, at the same rate of commission for selling, although there would be double the turnover in pounds, shillings and pence, there would be only the same amount of work involved in the selling. The article from "The West Australian" continues—

Record Profit by Noyes Bros.

In the year ended April 30, 1950, Noyes Bros (Melbourne) and subsidiaries earned a record consolidated profit of £100,923, an increase of £22,998. Taxation provision was £12,000 higher at £69,000. The dividend is unchanged at 20 per cent. and includes a bonus of 5 per cent. It requires £36,200. Consolidated assets rose to £1,090,833. Reserves have been increased to £241,128.

Sitting suspended from 6.15 to 7.30 p.m.

Hon. A. R. G. HAWKE: In "The West Australian" of the 21st August, 1950, the financial editor deals with some companies which have been earning very good rewards for their shareholders. In one part of the statement the following occurs:—

For example, an investor who bought 100 shares in Woolworths' Ltd. (Australia) for 50s. in 1930 would now hold 9,075 shares as a result of bonus issues and rights to new issues which would have cost him £2,265. Their market value today is £12,364. In addition, he would have received £3,066 in dividends.

Hon. J. T. Tonkin: That is 6,000 per cent. on turnover in 20 years.

Hon. A. R. G. HAWKE: I do not want "Hansard" to record that article twice, but I commend it to members for their information. From the few instances I have quoted, members are able to obtain some appreciation of how the cost of living is pushed up to dangerous levels by the way in which various companies are allowed to make profits which are out of all reason. It is very necessary, as I said earlier, that we should take a two-eyed view of this situation instead of, as some people do, always blaming the workers, wages and the 40-hour week for the fact that prices are as high as they are.

Those who are always criticising and condemning only the workers for the fact that production is not as high as they think it should be, and that prices are higher than they think they should be, are most eloquent in accusing the workers of going slow on the job, with not doing a fair day's work for a fair day's pay, and so on. Professor Copland, who is now

Vice-Chancellor of the Australian National University, addressed the Canberra branch of the Economics Society late last year. In his speech, he made three main points. One was that the real production per man in Australia had increased by 12.5 per cent. since before the war. The second point was that the increased output had occurred largely in non-essential industries. The third point was that the output of basic industries had fallen far short of urgent demands and of long-term conditions of national prosperity.

I propose to quote some remarkable contrasts in regard to the production of a number of commodities in Australia in recent years to indicate that while some industries producing non-essential, or only semi-essential goods, have been increasing production substantially, other industries producing goods which are in short supply, and are absolutely essential, are not increasing their production. In some cases, production in those instances is being decreased. The output of chocolate confectionery in 1948-49 was 50 per cent. higher than in 1938-39. The output of black coal for the same year was only 24 per cent. higher, while the output of ice cream rose by 243 per cent. in the same period, and the production of iron and steel fell by 4 per cent. The production of beer increased by 64 per cent. whilst the manufacture of bricks declined by 13 per cent.

The Premier: Are those Australian figures?

Hon. A. R. G. HAWKE: Yes, figures for Australia as a whole. When the Chifley Government left office in December last year, there was still in operation the Capital Issues Board. The members of that board decided for what purpose capital should be raised and for what purpose it should be invested. Through that method the Chifley Government exercised some measure of control over the development of essential industries, semi-essential industries and non-essential industries. The Menzies-Fadden Government had not been very long in office when it decided to abolish the Capital Issues Board. Since the abolition of the board, those desiring to invest capital have been reasonably free to invest it according to their own desires and wishes. As a result, as I have shown in the figures quoted, there is in progress at present a most unhealthy trend in what might be termed the development of non-essential or semi-essential industries as against the development of essential industries.

We have to remember that Australia today is short of labour and as a result there is keen competition among firms for the labour available; much more so in New South Wales, Victoria and South Australia than in Western Australia. Whilst over in South Australia three or four months

ago I was extremely surprised to read the advertisements of some of the big firms in that State, which, in effect, almost invited would-be employees to write their own tickets as to employment conditions, generally.

I think the Minister for Prices would agree that non-essential and semi-essential goods are, in a broad sense, no longer under control in relation to the maximum price. That means that those producing non-essential and semi-essential goods are able to make whatever profit they can by charging the highest price the public will pay. That, in turn, enables those employers controlling those types of industries to offer all kinds of inducement out of the much greater profits they make and thereby are given a great advantage in the competition for labour as against those employers and those firms which are operating industries producing goods essential for the existence of the people. That is a dangerous situation insofar as providing, in full, the essential needs of the people of Australia. It might be one reason why the member for West Perth is able to stand up in this House and say with absolute justification that the housing situation in Western Australia is becoming worse and worse all the time.

Hon. J. B. Sleeman: And worse.

Mr. Needham: What is the Government going to do about it?

Hon. A. R. G. HAWKE: So, if we look at the situation in Australia and in this State from that point of view we can see that these people who preach the abolition of all controls in times which are abnormal are preaching an extremely dangerous doctrine. The theory sounds wonderful. The theory that everybody should have complete freedom and liberty, that free enterprise should be unrestricted, is all so very beautiful. In normal times it is practicable and works, but in a time such as the present when there is an acute shortage of labour in Australia the theory will not work in practice at all and, when put into practice in an abnormal period such as the one we are now experiencing, it works to the great disadvantage of the most vital industries of the nation because it encourages the development of semi-essential and non-essential industries which, as they are not under price control, have all the advantages in the keen competition for labour that exists in the three main States of Australia. So there might be need, despite the views of the Minister for Prices in this State to the contrary and possibly the Ministers for Prices in the other States to the contrary, to bring more goods under price control instead of less goods, and there might be an urgent necessity for the Commonwealth Government to reimpose some effective method of control over investment in Australia.

If time permitted I could quote from the April monthly summary of the National Bank to indicate the extent to which it is suffering considerable anxiety about this development of which I have spoken. Also, I could quote from the 1948 report of the Commonwealth Bank about the severe competition for labour in non-essential and semi-essential industries.

The Premier: The figures also show that public works throughout Australia are taking a great deal of skilled labour.

Hon. A. R. G. HAWKE: Yes, they are.

The Premier: Which affects the building of houses.

Hon. A. R. G. HAWKE: However, I think the Premier would agree that there has been a rapid development of non-essential industries since the war: of industries producing luxury and semi-luxury goods, and every man and woman absorbed by them is a man and woman denied to the essential industries of the nation which are struggling along today without the labour forces required.

The Premier: Does the hon. member think those industries are taking skilled labour?

Hon. A. R. G. HAWKE: Yes, they most certainly are.

The Premier: Such as would affect the building industry, for instance?

Hon. A. R. G. HAWKE: Presumably, young fellows who might well be trained for employment in the building industry are going into those non-essential industries and, what is more important, they are men who might otherwise accept employment in the industries which produce building materials. I think the Premier might admit—I know the member for West Perth would—that the greatest bottleneck in the house building programme today is not so much the shortage of building tradesmen as it is the shortage of men in the industries which produce building materials, and I would suggest that the Premier and the Minister for Prices should have a private heart-to-heart talk with the member for West Perth about that point.

The Attorney General: Would not the most effective method of dealing with the problem be to direct the labour forces into the industries which are most essential?

Hon. A. R. G. HAWKE: I would not be in favour of directing labour to those industries at all.

The Attorney General: The hon. member would sooner it be done by indirect methods.

Hon. A. R. G. HAWKE: During this abnormal period of labour shortages I would not be in favour of non-essential industries developing and expanding, because the people of Australia can do without luxury and semi-luxury goods during an abnormal

period for the purpose of ensuring the greatest possible volume of production in the essential industries of the nation. I pass now to a brief examination of figures set out in the Australian cost index for March, 1950. These figures deal with the average increase in housing costs in the six capital cities of Australia. They are as follows:—

	Mar. Qr. 1950.	Year. 1949.	Mar. 1947- Mar. 1950.
	%	%	%
Sydney	4	7	33½
Melbourne	5	8½	39½
Brisbane	1½	4½	34
Adelaide	3½	8	37½
Perth	4½	11	49½
Hobart	4½	10½	37

In other words, the average increase in housing costs for the six capital cities from March, 1947, to March, 1950, was 37 per cent—

Mr. Nimmo: And we are still below the other States.

Hon. A. R. G. HAWKE: —and the increase in Western Australia for the same period was 49½ per cent.

The Attorney General: We are still less than the Eastern States—very much less.

Hon. A. R. G. HAWKE: I do not agree that, generally speaking, the construction of houses can be carried out more cheaply in Western Australia than in any of the Eastern States.

The Attorney General: New South Wales, for instance.

Hon. A. R. G. HAWKE: If it is so, it must be because the cost of constructing houses in this State prior to March, 1947, was ever so much lower in comparison with the cost of building houses in the other States.

Hon. F. J. S. Wise: That is a fact.

Hon. A. R. G. HAWKE: The figures prove that, whilst the average increase in housing costs for the six capital cities from March, 1947, to March, 1950, has been 37 per cent., Western Australia has exceeded the average by 12 per cent. Consequently, it is obvious that prices-control in this State has not only been ineffective in regard to its application to food including meat and groceries, etc., but has also been very ineffective indeed in regard to the cost of housing when comparison is made with the costs in the other States.

Mr. Graham: Six hundred pounds in three years.

Hon. A. R. G. HAWKE: I did intend to have a lot to say about the Government's control of meat prices. However, I propose now to say very little about it. As members know, there has been a good deal of newspaper controversy in recent weeks about meat prices. At one stage the Premier was unwise enough to undertake a controversy in "The West Australian" with the president of the W.A. Division of the Meat & Allied Trades Federation, Mr. L.

Pethick. "The West Australian," on this occasion, seemed not to give the Premier the amount of protection it usually grants him. Whenever he handed the paper a statement for publication, the management of "The West Australian" sent a reporter to Mr. Pethick, evidently showing him the Premier's statement before it was published, and gave Mr. Pethick an opportunity to study it and prepare a detailed reply in order that Mr. Pethick's statement might appear in the same issue as that of the Premier. I rather imagine that that is why the Premier was so impatient and testy during the days this controversy was waged in "The West Australian."

The Premier: I did not notice it.

Hon. A. R. G. HAWKE: Those who have studied the controversy will know without my telling them that on each occasion Mr. Pethick left the Premier without a feather to fly with, so much so that the Premier quietly faded out of the controversy and left Mr. Pethick holding the stage completely to himself.

The most remarkable parts of the statements made by Mr. Pethick against the Government were those dealing with blackmarketing operations, which have been going on in this State, apparently not only in recent months, but also during the whole of the period the present Government has been in office. On that point I want to quote from a statement made by Mr. Pethick. This was a statement by him published in "The West Australian" on the 16th August of this year—

Mr. Pethick said that the public should note Mr. Kelly's free admissions concerning the trade's financial losses and the huge blackmarket of up to 6d. per lb. on beef and 5d. on mutton . . .

Mr. Kelly was the gentleman the Government brought here recently to inquire into the system of controlling meat prices.

It will be interesting to see if the Premier's promised drive against the black market ever materialises. His Prices Minister (Mr. Abbott) has sickened us with promises of similar action that have never been kept. Had action been taken three years ago when we urged it, the black market would not have assumed its present proportions, affecting practically every household and retail butcher as it does today. My committee doubts whether every officer in the W.A. Police Force, working full time, could now stamp out the blackmarket in meat effectively.

Mr. Kelly's report was a grave indictment against the Premier and his Government . . .

The McLarty Government stands condemned for its weak handling of the meat position. The Government instigated the Kelly inquiry to cover its own weaknesses and to delay taking decisive action.

My committee will continue to expose the Government's weak and inept handling of the position until we are restored to a fair and equitable basis of trading.

The Attorney General: His only suggestion is de-control, is it not?

Hon. A. R. G. HAWKE: I am not concerned with what his suggestion is.

The Attorney General: He is somewhat biased, that is all.

Hon. A. R. G. HAWKE: I am not concerned whether he is biased, but I am concerned that what he said about black-marketing in the meat trade was confirmed by the report presented to the Government by Mr. W. S. Kelly. Had the Attorney General read Mr. Kelly's report in detail, he would know that that gentleman pinpointed blackmarketing in the meat trade as being one of the most important factors in creating shortage of meat to local consumers and also creating very high prices for the meat that is available, particularly at this time of the year. It was very significant during the controversy that the Premier had in the newspapers with Mr. Pethick that the former did not attempt to deny the charges made by Mr. Pethick on behalf of his organisation about the manner in which blackmarketing in meat trading had been allowed to develop in this State. It is not sufficient for the Minister for Prices to say that Mr. Pethick's organisation is biased. That does not wipe out the charge of Mr. Pethick's organisation against the Minister that under his administration of price control during the last three years blackmarketing in the meat trade has been allowed to get absolutely out of hand.

The responsibility the Minister has upon his shoulders at this time in connection with this matter is to tell us and to explain to the public of Western Australia why under his administration blackmarketing in the meat trade was allowed to get completely out of control. That is the responsibility upon the shoulders of the Minister for Prices and it is a very heavy responsibility. As a matter of fact, in his report Mr. Kelly laid stress upon the difficulties which would now face the Government in its attempts to carry out a determined drive against these blackmarketers in the meat trade. We know only too well the types of individuals who get into the blackmarket in respect of any class of goods. We know the sort of system and the technique they build up if they are left practically unmolested for any period of time.

The Attorney General: That is why the Kalgoorlie butchers closed down, was it—because they were not prosecuted?

Hon. A. R. G. HAWKE: I am not concerned about the Kalgoorlie butchers or why they closed down. The probability is that the Kalgoorlie butchers were innocent victims of the blackmarketing system in the meat trade down here.

Labour Members: Hear, hear!

Hon. A. R. G. HAWKE: That is probably the fact. I am not saying it is a fact but—

Mr. McCulloch: It is a fact.

Hon. A. R. G. HAWKE: If the Minister for Prices had carried out effectively or with only a small degree of effectiveness, the responsibility on his shoulders by virtue of the office he holds—the responsibility of controlling or curbing or wiping out these blackmarketers in the meat trade—the retail butchers or the master butchers at Kalgoorlie might never have been put in the position they were in. As a matter of fact, if I had more time, or desired to take more time, I could quote from statements by Mr. Pethick published in the newspaper about the repeated requests made to the Minister for Prices over the last three years to do something about this problem. I could quote Mr. Pethick as stating in the newspaper how he and his organisation approached the Minister for Prices frequently.

The Attorney General: And asked for de-control, and that only, and never put forward any other suggestion or made any other complaint.

Hon. A. R. G. HAWKE: According to the statement made by Mr. Pethick in the newspaper, they warned the Minister about the development of the blackmarket in the meat trade and they called upon him to take action to overcome it. It might well be that in their representations to him they asked for de-control. They may have felt the situation was so extremely difficult from the honest trader's point of view, with the blackmarket absolutely unrestricted—

The Attorney General: That is not correct at all.

Hon. A. R. G. HAWKE: —that the sooner there was de-control and everybody had the same free and easy go, the better.

The Attorney General: That is not correct at all. Prosecutions have been taking place all the time.

Hon. A. R. G. HAWKE: The Minister now compels me to quote from the report of Mr. Kelly. Mr. Kelly said—

One powerful influence was the bidding of the butcher who was selling on the blackmarket.

Does the Minister admit that?

The Attorney General: I admit that that was in Mr. Kelly's report.

Hon. A. R. G. HAWKE: I am not asking the Minister to admit that what I have said was in Mr. Kelly's report. I am asking him to say whether the statement made by Mr. Kelly was factual.

Hon. J. B. Sleeman: You had better put that on the Notice Paper.

Hon. A. R. G. HAWKE: The Minister makes no reply. Mr. Kelly goes on—

If control was to be continued the operations of the blackmarketer must be checked.

Mr. Kelly is thereby saying, in effect that they had not been checked previously.

This was a very difficult task, requiring a specially trained staff and a helpful and sympathetic public. The blackmarketers in the wholesale trade were professionals in this evil, and generally had a well-worked scheme, difficult to track down. They must be fought without gloves.

That is what Mr. Kelly says to the Minister for Prices. The blackmarketers in the meat trade must be fought without gloves. He went on—

They must be fought without gloves, for they caused disruption to the whole social structure. If they got their deserts they would finish up in gaol.

So there is no doubt at all about what Mr. Kelly thinks of the activities of these individuals in the meat trade in this State. He says to the Government: "Cease trying to handle blackmarketers in the meat trade with gloves on. Take your gloves off! Fight them with every means at your control. Throw them into gaol if that be necessary to bring about an end of their evil machinations in connection with the sale and distribution of meat in this State to the people of this State."

The Premier: I think the most effective way to deal with them or prevent black-marketing is by trying to get more meat, and we did that. We brought in 35,000 carcasses of lamb and mutton and also brought down all the frozen meat we could from Broome.

Hon. A. R. G. HAWKE: On that point, Mr. Kelly, in his report, suggests that the Government did not do half enough, and that for next season's lean period the Government should do twice as much as in the lean period now ending.

The Premier: We were advised that the 35,000 carcasses would greatly assist. In fact, after we had bought them, doubt was expressed in some quarters as to whether we had not bought too much.

Hon. A. R. G. HAWKE: The facts of the situation are that the Government did not buy nearly enough.

The Premier: No, we did not buy enough.

Hon. A. R. G. HAWKE: And Mr. Kelly has recommended that for the next lean season the Government should buy twice as much as it bought to meet the present lean period.

I think I have shown during my speech that some very urgent steps are necessary if price control in Western Australia is to be made effective. I have shown, for instance, that those who are taking profits out of industry are taking far too much compared with what they give to industry. I have suggested that it might be necessary to re-establish control over some luxury and semi-luxury goods, some semi-essential goods, in order that the margin of profit in those concerns might be lessened so that their competitive value in the labour market will be reduced or completely wiped out. I presume that every member of this House has a good knowledge of the influence of middlemen upon prices. I presume every member has some personal knowledge of the very high commissions and other charges which are made by those men in trade and commerce who establish themselves between the point at which goods are produced or processed, and the point at which they are ultimately sold to the public.

I can imagine that the present Government, and especially the Minister for Prices, have treated these gentlemen with the utmost kindness and consideration. This is where a direct representative of the consumers upon a prices commission could do tremendously effective work in safeguarding the consumers of this State from undue exploitation, because a consumers' representative would fight like a tiger to ensure that the margins, commissions and whatnots of these middlemen would be greatly reduced and, in as many instances as possible, wiped out altogether.

The Attorney General: You do not think Mr. Schnaars is a competent consumers' representative.

Hon. A. R. G. HAWKE: He has no more legal standing or power in the situation than I have.

The Attorney General: Yes, he has.

Hon. A. R. G. HAWKE: Will the Minister for Prices tell me what legal power Mr. Schnaars has to reduce the margins, commissions or payments which the middlemen receive?

The Attorney General: He has power to consider it.

Hon. A. R. G. HAWKE: I asked the Premier the other day whether the Minister for Prices had handed in his resignation. I think I should suggest to the Premier now that he ask the Minister to hand it in at the earliest possible moment.

The Attorney General: You do not like Mr. Schnaars' name being brought up. You know that he is thoroughly reliable.

Hon. A. H. Panton: We trained him.

The Attorney General: I know that, and I have the greatest respect for him. That is all. I do not like his name being taken lightly.

Hon. A. R. G. HAWKE: I do not mind the name of Mr. Schnaars being brought up. If it pleases the Attorney General, he can mention it every hour of every sitting. What I object to is the claim the Minister for Prices made a moment ago when I asked him what legal standing and authority Mr. Schnaars had to reduce and, if necessary, wipe out the margins, commissions and charges which middlemen inflict upon the price of goods before they reach the consumer.

The Attorney General: Was not the advisory committee established by law?

Hon. A. R. G. HAWKE: It was, and for the benefit of the Minister for Prices, who is the Attorney General—Heaven save the State!—the very name of the committee proves it has not one scrap of legal power or authority in respect to the prices which shall be charged for goods in this State. It is an advisory committee, so all it can do is to advise that this might be done, or that might be done. Even if Mr. Schnaars were tremendously anxious to do the very best possible, which no doubt he is, he would find himself outnumbered on the committee by, I should say, possibly seven to one.

Mr. Graham: He has a full-time job elsewhere.

Hon. A. R. G. HAWKE: And, as the member for East Perth says, he has a full-time job elsewhere. What we say is necessary in this respect is that the consumers should have a full-time direct representative upon a prices commission in this State, such as we proposed some two years ago and which, I suggest again tonight, should be set up at the earliest possible moment and that that direct representative should have equal legal standing and power with the other two members of the commission.

The situation in regard to prices in Western Australia is so desperate now that any Government would be justified in pegging prices for a period of, say, six months. I know that would not be completely effective because, unfortunately, we have to rely on the Eastern States for great quantities of goods because we do not produce sufficient here to meet our own requirements. I know we cannot exercise any control over the prices of goods produced in the other States until they are actually landed here. Nevertheless, it would be a good thing, and certainly worth trying, to peg the prices of locally produced goods, and the price of imported goods when they land in Western Australia, and cut to the bone the margins, charges and commissions which the middlemen inflict on the price structure. I think we

might find, in such circumstances, that the prices situation would steady to some extent.

The Premier: Would you peg wages as well?

Hon. A. R. G. HAWKE: Wages would be automatically pegged.

Mr. Marshall: Haven't you fellows over there learnt anything yet?

The Premier: We haven't learnt anything from you in the last 20 years.

Hon. A. R. G. HAWKE: I am sure the Premier was not in the Chamber during the few minutes before tea when I had a discussion across the table with the Attorney General upon that very point. The Attorney General, who is the Minister for Prices, tried to argue that prices followed wages. I explained to him in some detail, and with amazing patience I thought, that the very opposite was the case because each adjustment to the basic wage in this State is declared by the Court of Arbitration upon the cost of living figures for the period of three months immediately preceding such declaration. So, if we could peg prices for, say, six months, cut down the margins which the middlemen receive—cut them out altogether where possible—I think we would steady the prices situation and, if that were so, then the upward adjustment to the basic wage would automatically steady.

The Attorney General: So you would prevent the import of goods like onions, say, which would need an increase in price if they were to be marketed at all.

Hon. A. R. G. HAWKE: How dare the Minister for Prices say I would do that!

The Attorney General: I asked you whether you would.

Hon. A. R. G. HAWKE: That is much better. If there were a shortage of essential commodities or goods in Western Australia I would import those goods from wherever I could, at the least possible price; and I should hope that in the process I would not, as a member of the Government, have to indulge in black-marketing.

Hon. F. J. S. Wise: Like the potatoes from Tasmania.

Hon. A. R. G. HAWKE: If we could act along the lines I have just suggested, and steady the price rise and the upward adjustment to the basic wage, I think we would be doing something effective in regard to getting back the control of our economy in this State. Unless we do that—and the time might now be too late to some extent—a great number of people in this State will suffer even worse living and economic conditions in three, four or five years' time than they did from 1930 to 1936.

The Premier: I have not seen any sign of our people wanting to leave Western Australia to go to any of the other States.

Mr. W. Hegney: They have not got enough to go away with.

Hon. A. R. G. HAWKE: That is no answer to the problem I am posing. Surely the Premier will agree with me—I am sure he will, if not as Premier then as Treasurer of the State—that the existing cost-of-production level and the existing cost of doing things are beyond the danger limit.

The Premier: Not only in Western Australia.

Hon. A. R. G. HAWKE: It is getting worse every week and every month.

The Premier: That applies not only to Western Australia.

Hon. A. R. G. HAWKE: It might apply to every other State of Australia and every country in the world.

The Attorney General: I think it does.

Hon. A. R. G. HAWKE: Let us admit that it does. Is that a justification for us to fold our arms and say, "This dangerous situation exists in every other State of Australia and in every other country in the world, and therefore we will do nothing about it?"

The Attorney General: Great Britain pegged wages.

Hon. A. R. G. HAWKE: I am suggesting to the Minister for Prices—

The Attorney General: I appreciate your argument.

Hon. A. R. G. HAWKE: That makes it much easier. I thought that, in addition to failing to appreciate my argument, the Minister had failed to understand it, which would have worried me much more. I am suggesting to the Minister for Prices—with unlimited patience, I think—that if prices were pegged in this State to the extent that they could be pegged, and if they were held in check to a reasonable extent for a trial period of six months, wages, by and large, would automatically be pegged also, as most increases in wages and salaries these days come into existence because of the upward adjustment of the basic wage owing to increases in the cost of living.

The Attorney General: Why not go the whole hog and do both?

Hon. A. R. G. HAWKE: If the Minister for Prices is now telling me that he has been converted and is willing to do both, that will make a great difference. Do I understand that he is now prepared to recommend to the Government that it should peg prices in this State for the next six months?

The Attorney General: And wages!

Hon. A. R. G. HAWKE: And wages.

The Attorney General: I am asking what is your reaction to it?

Hon. A. R. G. HAWKE: My attitude has been made abundantly clear. I say that prices in this State should be pegged for a trial period of at least six months, the effect of which would be, by and large, to peg wages and salaries.

Mr. J. Hegney: But that would be interfering with private enterprise.

Hon. A. R. G. HAWKE: The Court of Arbitration, knowing the policy of the Government in its attempt to control prices, would then treat each application for an increase in a margin for skill with the consideration and attention that it should receive. Will the Minister for Prices tell me that he is prepared to recommend to his Government, at the next meeting of Cabinet, the setting up in this State of a strict pegging of prices for a trial period of at least six months?

The Premier: This is not question time.

Hon. A. R. G. HAWKE: I have shown the House how the present Government has allowed prices to get completely out of control and has allowed blackmarketing to develop upon a widespread scale in the meat trade. I have pointed out the increasing dangers of this situation, which has been allowed to go from bad to worse, like the housing position, from week to week and from month to month. I have tried to obtain, from the Minister for Prices especially, some assurance that he will take steps, or even one step, in an endeavour to wrestle, with some effectiveness, with the situation. I have failed absolutely to receive any such assurance and therefore, regarding the situation as being extremely serious and dangerous, I now move an amendment:

That the following words be added to the Address-in-reply:—That we deplore the failure of the Government to control prices effectively; we consider it is deserving of censure, and because of the damaging effect of that failure upon the welfare of the State's people and upon the future of the State's economy, we consider the Government has lost the confidence of the Legislative Assembly.

On motion by the Premier, debate adjourned.

House adjourned at 8.26 p.m.