

investment of British capital in our mining industry, he must have realised that the fields would last long enough to enable people who invested their money to be assured of a reasonable return. That being so, I cannot understand why equal confidence has not been shown in the goldfields by the Government by providing the workers there with homes. If they were to adopt that course, it would relieve the acute position that exists on the fields to-day. Some exception was taken to the remarks by Mr. Williams regarding £250 or £300 being adequate for homes on the goldfields.

Hon. L. B. Bolton: They would be jerry-built homes at that price.

Hon. R. G. MOORE: Not at all. From the very inception, the goldfields people have been content to start in a small way and add to their houses as they progressed. Many of us added to our houses as we added to our families. As the family grew, so did the house. We were content to have two rooms at the outset and to pay for them. We were content to put up with a certain amount of inconvenience. Later on we added another room, and so on until eventually we had what we required. That is all we are asking for now. Plenty of the workers on the fields would be satisfied to get £250 or £300 in order to erect what would amount to the start of a home, to which they could add later on as opportunity offered. They would prefer that rather than pay the extortionate rents charged to-day. I could take members to various places on the fields where four or five houses have been built on one block. They are really camps with skillion roofs and a few square feet of lattice. For that, the workers have to pay 15s. a week. Would it not be infinitely better for the workers to have a home of their own two or three times as large as those camps, for the expenditure of £250? That would make the premises their own, and they would have some yard space. Eventually they could add to their homes until they secured something worth having. Up to the present we have stressed the necessity for the extension of the Workers' Homes Board activities to the goldfields, but with no result.

Hon. C. B. Williams: We have been told we have been asleep.

Hon. R. G. MOORE: I was going to say that it had been like casting pearls before swine, but I shall not say that. It has been more like banging one's head against a brick wall. The time has come when the people on the goldfields should receive some consideration, and the position that exists to-day should be relieved. I support the second reading of the Bill.

On motion by the Honorary Minister, debate adjourned.

ADJOURNMENT—SPECIAL.

THE HONORARY MINISTER (Hon. W. H. Kitson—West) [9.27]: I move—

That the House at its rising adjourn until Tuesday, the 29th October.

Question put and passed.

House adjourned at 9.28 p.m.

Legislative Assembly,

Wednesday, 23rd October, 1935.

| | PAGE |
|---|------|
| Questions: Noxious weeds ... | 1280 |
| O.P. land, retention of trees for shade, etc. ... | 1281 |
| Orchard and garden inspections ... | 1281 |
| Egg marketing ... | 1281 |
| Bills: Wiluna Water Board Further Loan Guarantee, 1R. ... | 1281 |
| Pearling Act Amendment, 1R. ... | 1281 |
| Electoral, 3R. ... | 1281 |
| Western Australian Turf Club (Private) Act Amendment, 2R. ... | 1288 |
| Native Flora Protection, Com. ... | 1289 |
| Workers' Homes Act Amendment (No. 2), 2R. ... | 1294 |
| Metropolitan Whole Milk Act Amendment, 2R. ... | 1294 |
| Motion: Monetary and banking systems, preparation of evidence ... | 1291 |

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

QUESTION—NOXIOUS WEEDS.

Mr. SAMPSON asked the Minister for Agriculture: Because of the great difficulty in ensuring that seeds of noxious weeds are not admitted into Western Australia, will he take steps to publish such information as would enable farmers to identify weeds and thus provide opportunity for their destruction before the plants flower?

The MINISTER FOR AGRICULTURE replied: This policy has been adopted and will be continued.

QUESTION—CONDITIONAL PURCHASE LAND.

Retention of Trees for Shade, etc.

Mr. SAMPSON asked the Minister for Lands: In view of the danger of soil erosion, the need for preventing salt rising, provision of shade for stock, protection of bird life, and other reasons, will he consider inserting a condition in all future C.P. land sale agreements to ensure the retention of a reasonable percentage of growing trees on farm lands?

The MINISTER FOR LANDS replied: The request will receive consideration.

QUESTION—ORCHARD AND GARDEN INSPECTIONS.

Mr. SAMPSON asked the Minister for Agriculture: 1, What arrangements are made and payments provided for transport of supervisors to enable inspections of orchards and gardens to be made? 2, Do the arrangements give full opportunity for inspection of all orchards and gardens? 3, Do transport arrangements provide for full-time work and travelling?

The MINISTER FOR AGRICULTURE replied: 1, Officers use motor cars and are paid an allowance as provided under the Public Service Regulations. 2, Yes. Officers must arrange their itineraries to the best advantage. 3, Answered by No. 2.

QUESTION—EGG MARKETING.

Mr. SAMPSON asked the Minister for Agriculture: 1, Is it a fact that quantities of eggs sent by producers to be auctioned in the metropolitan markets are not submitted to auction but are disposed of without competition, thus depriving producers of the opportunity to secure highest market rates? 2, If so, does he propose to take action to ensure that competition is provided?

The MINISTER FOR AGRICULTURE replied: 1, It has been the practice for auctioneers to withdraw a certain proportion of the eggs forwarded to them in order to prevent the local market being over-

supplied. 2, No. If auctioneers are not sending proper returns that is a matter between the producer and the auctioneer.

BILLS (2)—FIRST READING.

1, Wiluna Water Board Further Loan Guarantee.

Introduced by the Minister for Justice (for the Minister for Water Supplies).

2, Pearling Act Amendment.

Introduced by the Minister for the North-West.

BILL—ELECTORAL.

Third Reading.

THE MINISTER FOR JUSTICE (Hon. J. C. Willcock—Geraldton) [4.36]: I move—

That the Bill be now read a third time.

Question put.

Mr. SPEAKER: I have counted the House and have satisfied myself that there is an absolute majority of members in favour of the Bill.

Question passed.

Bill read a third time and transmitted to the Council.

MOTION—MONETARY AND BANKING SYSTEMS.

As to State Committee to Prepare Evidence.

MR. BOYLE (Avon) [4.37]: I move—

That in view of the appointment of a Commonwealth Royal Commission to inquire into the monetary and banking systems in operation in Australia, and to report whether any, and, if so, what alterations are desirable in the interests of Australia as a whole, and the manner in which any such alterations should be effected, this House, with the object of assisting the Commission, is of opinion that the Government should appoint a State committee to collect within the State such evidence in relation to the terms of reference as will assist the work of the Commission, and place the committee's findings on behalf of the State in collated form before the Commission.

In moving the motion I have in mind the fact that monetary reform is to-day a burning question not only in Australia, but throughout the civilised world. I desire to compliment the Federal Government on having set up a Royal Commission of such importance to the people of Australia. The terms of reference are to inquire into the

monetary and banking systems at present in operation in Australia and to report whether any and, if so, what alterations are desirable in the interests of the people of Australia as a whole, and the manner in which alterations should be effected. The Federal Government have appointed to the Commission men whose bona fides are beyond question. The Chairman is Mr. Justice John Mellis Napier, a judge of the Supreme Court of South Australia, and the members are Mr. Edwin Vanderbord Nixon, chartered accountant, of Melbourne, who was a member of the Royal Commission on Taxation; Professor Richard Charles Mills, Professor of Economics in the University of Sydney, Dean of the Faculty of Economics and chairman of the Professorial Board; Mr. Joseph Benedict Chifley, who was Minister for Defence in the Scullin Ministry, Mr. Henry Arthur Pitt, Director of Finance, Victorian State Treasury, Mr. Joseph Palmer Abbott, president of the Graziers' Association of New South Wales, grazier of Murulla, Wingen, New South Wales. The terms of reference and the personnel of the Commission should ensure that the question will receive unbiassed and fair judgment. I suggest that the Government should appoint, on behalf of the citizens of this State, a committee to collate evidence for the Commission. In so doing I do not imply that witnesses should be called before the committee; what I propose is that the committee should act in the same way as did the committee that prepared the case for secession to place before the Imperial Parliament. There is also the precedent supplied by the case submitted by Mr. John Curtin to the Federal Grants Commission. I venture to say that the case presented by Mr. Curtin on behalf of the State was magnificent. Similarly a committee could prepare a case for the people to be placed before the Royal Commission on Banking. I feel that I am a veteran as a witness before Royal Commissions and select committees. I gave evidence before the Farmers' Disabilities Commission in 1931, before a South Australian select committee on bulk handling in 1932, before the Agricultural Bank Commission in 1933, before a Western Australian select committee on bulk handling in 1933, before the Federal Royal Commission on Wheat, and before the Western Australian Bulk Handling Commission this year. From experience gained in giving evidence

at those inquiries, I am satisfied that in order to place evidence satisfactorily before a commission so that it will be of value, it must be carefully collected, sifted and collated. We must remember that the growth of public opinion on monetary reform has been phenomenal. Neither this House nor any member of it can afford to disregard public opinion on that point. Here I would interpolate that I am not a member of the Douglas Social Credit Association or of any organisation for monetary reform. But this is not a new question to me for the simple reason that for the past five years at least I have given careful and sustained consideration to it. On the 15th June, 1932, I presided over a conference representative of 14 Western Australian organisations, including the Labour Party, the Nationalist Party and the Country Party. There were 44 delegates from the 14 organisations, and the conclusions arrived at were to the effect that a speedy alteration should be brought about. I should like members to carry their minds back to the period previous to the depression. We are often twitted that certain things have developed into public questions simply on account of the depression. Anyone who seeks reform in any way at all is told that the question would not have arisen but for the depression. May I be permitted to take hon. members back to the period 1920-28. Mr. Reginald McKenna—who was Chancellor of the Exchequer during 1915 and 1916, was a member of the British House of Commons from 1905 to 1918, and to-day is Chairman of the Midland Bank—in a series of lectures laid the position bare from the orthodox banker's point of view. The lectures extended over the period 1920 to 1928. On the 27th January, 1928, Mr. McKenna pointed out in a lecture that it was essential that an inquiry in England be conducted into the monetary position of the United Kingdom. That he did not get any further was not his fault. In 1920 he began his series of lectures, and in 1928 he concluded it, having made out really a most excellent case from the orthodox banking point of view. He was an orthodox banker with most unorthodox opinions, and that possibly is why they did not prevail. He pointed out that prior to the war period, in 1914, the total amount of currency in the banks of Great Britain was £75,000,000, and that the total currency and bank deposits amounted in the year 1914 to

£1,070,000,000, and that nevertheless during the war period £5,800,000,000 were found to carry on military and naval operations. In 1928, it will be remembered, Britain re-instituted the gold standard. From the outbreak of war onwards, the gold standard had been departed from; and in 1928 a period of deflation was brought into the financial transactions of the Old Country. Truly, as an American candidate for the Presidency said, "mankind was again crucified upon a cross of gold." Mr. McKenna points out that deflation cannot be moderate; that, in short, deflation must go the whole hog. In 1928 he declared that the deflation which was aimed at by the banking authorities would bring about a period of financial and business stagnation hitherto unknown in the world. The truth of that prediction is evident to-day. That is the reason why we have in this country a growing feeling that credit must be in the hands of the people and not in the hands of the few. The Commonwealth Bank on the 27th January, 1913, was regarded as a most unwelcome intruder into the realms of finance. We remember the outcry made against the institution. We remember that its note issue was contemptuously referred to as "Fisher's flimsies." Now we find that the Commonwealth Bank has not lived up to what we expected in that year of 1913. To-day we find that the Commonwealth Bank has degenerated, by the amendment Act of 1924, into a reserve bank for the trading banks of Australia. The Commonwealth Bank started with no capital whatever. In 1913 it opened its doors without any assistance from any Government or from any other source. In the third year of its existence its deficits had disappeared, and to-day the total net profits of the bank stand at £10,750,000. In 1924 there was instituted what is known as the Rural Credits Department of the Commonwealth Bank. I suppose it was called the Rural Credits Department because rural credit was the last thing the bank gave. The function of the Rural Credits Department was to market the rural products of Australian primary industry. Up to the present, £75,000,000 have been found by the bank for this purpose, and out of that advance it has made a profit of £500,000: but not one penny-piece has been advanced to the States or to primary producers to assist in the production of those products which the bank finances, with this exception, that of the Rural Credits

Department's profits of nearly £500,000 the bank has set aside one-half for the use of the States in behalf of primary producers. Up to date £186,000 has been given to the various Governments to assist primary producers in the improvement of herds, and by the granting of stallion subsidies, and so forth. But the Commonwealth Bank to-day is not in the control of the people of Australia. The Commonwealth Bank to-day remains in the hands of the Bank Board, and during the later period of its existence it has been nothing more than a sort of back-stop or reserve for the private Associated Banks. A telegram from South Australia published in this morning's "West Australian" illustrates what is, in my opinion, the difference between what the Commonwealth Bank is to-day and what it should be. It should be of assistance to the Australian primary producer particularly. It is supposed to be a people's bank. There is no reason why in that Rural Credits Department a mortgage banking system should not be set up. I notice that when South Australia is mentioned, it is mentioned as a poor State, as one in which taxation is heavy while ordinary material wealth is low. Yet the telegram in this morning's "West Australian" informs us that the Premier of South Australia, Mr. Butler, has announced that his Government have decided to increase the capital of the State bank by £1,000,000 in order to provide long-term mortgages for the farmers and also to limit the trading operations of the bank. The Premier said that a Bill providing for these changes would be introduced in Parliament during the current season. The telegram reads—

Adelaide, October 22.—The Premier (Mr. Butler) has announced that the Government has decided to increase the capital of the State Bank by £1,000,000 to provide long-term mortgages for farmers and also to limit the trading operations of the bank. The Premier said that the Bill providing for the changes would be introduced in Parliament this session.

Originally the State Bank did not have general trading powers, but had assisted primary producers with mortgages, the Premier said. About £400,000 profit had been earned by the bank in this manner. The functions of the bank had since been extended and various branches had been established. The Government was not of the opinion that the bank's functions in this respect should be limited, and that it should carry on with its present branches and customers.

"The present system of trying to finance farmers by overdrafts is silly and most dangerous," he added. "These overdrafts are called

up only when things are going bad. We are anxious to get away from this system to long-term mortgages which will give more security, but the State Bank will not lend money under this scheme without adequate security."

Here we have one of the more backward States of the Commonwealth leading the way in the long-term mortgage bank system. But this is not the first organisation in that regard.

The Minister for Lands: You notice that it is stated the bank shows a profit.

Mr. BOYLE: Yes, of £400,000.

The Minister for Lands: The bank must have been very generous.

Mr. BOYLE: To show that the farm mortgage is the coming method of financing primary production, let me mention that during the onset of the depression in the United States of America a most deplorable state of affairs arose. In the United States there are 6,000,000 farmers. An organisation of which I happen to be president exchanges weekly periodicals with the corresponding organisations in the United States. The primary producers of the American Union were bordering on revolution. Steps were taken in 1932 to call out the State militia because American farmers were endeavouring to prevent foodstuffs sold at less than the cost of production from going into the towns.

Mr. Patrick: They were driven to distraction.

Mr. BOYLE: Yes; and that has been the case all over the world. It has been the case in Australia and New Zealand. I speak from five years' experience of trying to hold in check men who were desperate. I can assure the House that we shall have to consider seriously the question of a new financial outlook as regards the debt position. That great American, Roosevelt, whom I in all humility class as one of the three greatest Presidents the United States have ever known, the other two being Washington and Lincoln, on the 1st January, 1934, made a most memorable declaration. To-day we are being poisoned with anti-Roosevelt propaganda. We know the reason why that propaganda is manufactured and broadcast. It represents an endeavour to destroy the present standing and reputation of one of the greatest Americans that the United States have ever known. On the date I have mentioned, the 1st January, 1934, President Roosevelt altered the chaotic condition of overdraft mortgage by an Act which Con-

gress approved on the 31st January, 1934. The United States Federal Farm Mortgage Corporation was established on the 31st January, 1934, to aid in financing the lending operations of the Federal Land Banks and the Land Bank Commissioner, particularly the farm debt refinancing programme begun in the spring of 1933. To carry out its purpose, the corporation is authorised to issue and to have outstanding at any one time a total of not more than £400,000,000 of bonds. The corporation is managed by a board of directors consisting of the Governor of the Farm Credit Administration, who is chairman of the board, of the Secretary of the Treasury or a Treasury officer designated by him, and of the Land Bank Commissioner. The corporation is capitalised at £40,000,000. Its resources also include consolidated bonds of the Federal Land Banks taken in exchange for the corporation's bonds, and the farm mortgages accepted by the Land Bank Commissioner. All assets of the corporation are available for the payment of the bonds. The corporation's bonds are guaranteed fully and unconditionally, as to principal and interest, by the Government of the United States. They are marketable in the same manner as United States Government bonds; they are lawful security for fifteen-day borrowings by member banks of the Federal Reserve system; and they are lawful investments and may be accepted as security for all fiduciary, trust, and public funds of which the deposit or investment is under the authority or control of the Government. It is intended that the bonds will carry interest rates comparable to those on long-term United States Government bonds. The first issue, dated the 15th March, 1934, bears interest at $3\frac{1}{4}$ per cent. per annum payable semi-annually. Bonds of the first issue mature in 30 years, and are callable upon notice 10 years after the date of issue. The bonds, together with the income therefrom, are exempt from all Federal, State, municipal and local taxation, except surtaxes, estate inheritance and gift taxes. Let us contrast that position with the position of a farmer working under, say, one of the Associated Banks in Western Australia. I wish to be fair to the Associated Banks in this regard. For example, I will give the figures of one bank operating in this State to-day. It has on its books 2,400 farms. Seven years ago there were

on those securities 200,000 sheep; four years ago there were 600,000 sheep on them; to-day there are 1,250,000 sheep on those properties. They have raised the wheat yield on their farms—I say “their farms” advisedly, because they are their farms—by three bushels above the State average. In the important and responsible position I previously occupied as head of a large organisation, I had a lot to do with the financial people, and I found them ever willing to show me the open door, both coming and going.

Mr. Marshall: Going, in particular.

Mr. BOYLE: I will not discuss that phase, but I certainly have no complaint to make regarding my treatment, as the representative of that particular organisation, in my dealings with the financial institutions. In respect of any case I was able to submit on behalf of my organisation, we certainly received a measure of justice. Nevertheless, that does not say that the whole position regarding the farming community is not absolutely rotten. The 2,400 farmers on the books of the associated banks to which I referred earlier, are working on the overdraft system. Their overdrafts are liable to be called up on demand. I mentioned that phase to officials of one institution, and in reply I was informed that “it simply is not done.” Why give those institutions the authority to call up such mortgages on demand? That is the trouble I find throughout the farming areas to-day. It is the absolute uncertainty of the man on the land regarding his security on his holding and his security of tenure generally, that is so disheartening. Writing down of debts is of paramount importance to the farming community of this or any other State of Australia. I will offer to bet, figuratively speaking, that no client of any associated bank in Australia to-day is game to ask his banker for a writing down of his debts. If any such client were game to do so, his future with the bank would probably not be as happy as it would have been otherwise. After all, when one looks at the position, it has to be admitted that the banks are adopting a perfectly reasonable attitude, from their point of view, which is financial. They say that they have lent £1,000 and they want £1,000 back. That is the position.

Mr. Marshall: No, it is not the position; they want their £1,000 back, plus interest.

Mr. BOYLE: Yes, with interest compounded. Over £151,000,000 is owed by the wheatgrowers of Australia to-day, and of that amount £51,000,000 is owed to the Associated Banks of Australia. How much of that amount is represented by interest compounded? When I was in the Great Southern a little while ago, one bank manager, in an expansive moment, threw some light on the point when he said that of every £100 owed to the bank by farmers, more than £50 was for interest and interest compounded. That is the position to-day. I hope the House will agree to appoint the State committee I suggest in my motion. The phase of the problem I have been referring to is one that the committee would find fruitful of results. It is essential to have some such committee because such an inquiry could not be pursued by an individual. It could be embarked upon successfully only by a committee with authority to enforce the production of information. I do not say that the banks, insurance houses or ordinary creditors would refuse to furnish the required information; in any event, it could be obtained by other means should they refuse to furnish it. It is of paramount importance that the orientation of the position shall be undertaken immediately. We hear South Australia referred to occasionally as the backward State, and it has been dubbed the Scotland of Australia. I will say of South Australia and the Government in power there, led by a gentleman who has been called “Dismal Dick,” that Mr. Richard Butler was the first Premier in Australia to inaugurate the system of mortgage banking for the relief of the farmers.

Mr. Patrick: That was introduced by Sir Frederick Holder many years ago.

Mr. BOYLE: Mortgage banking is quite different from mortgages having a currency of three or five years, as the case may be. The system in South Australia will probably be similar to the New Zealand system. I recall to memory that in drafting my 1934 annual report to the organisation with which I was earlier associated, I referred to the fact that Henry Ford had told the world that it was not experiencing a cycle of depression but the beginning of a new era. That is what we must face. It has been no ordinary cycle of depression as we know it at all. Cycles of depression in the

past have been cycles of scarcity. There have been contributing influences in which plenty and superabundance did not play any part. To-day we find, as in the wheat belt of Western Australia, the greatest proportion of the yield will be derived from the despised light lands. Production from that class of country has been made possible only by the use of modern farming methods and superphosphate. Those facilities were unknown 50 years ago. I have traced the position from 1861 to 1931, and the increased average yield since the introduction of superphosphate has been amazing. To-day we have all types of modern machinery to assist farmers to gain wealth from the soil. In consequence, we are confronted with present-day conditions in the face of plenty. It is a most paradoxical position. There are the few with plenty and plenty with very little at all. I do not care on which side of the House a member may sit; surely we are at one in a realisation of the position that exists to-day. It is our duty, as representatives of the people, to put a period to it. I listened with interest to the speech of the Minister for Justice last night, when he told us that to-day 9,000 men are in relief camps. I do not hold that against the Government. I believe they have done all they could with the material at hand. I would not quarrel with them for one instant; but surely that is a reflection on our civilisation of 1935. Surely it is a reflection that men have to be placed on sustenance work. I received a letter yesterday from a constituent of mine at Merredin. He is a good citizen who would not think of wasting money by spending it in directions that are usually regarded as wasteful. Of course, latter-day theorists consider that wasting commodities is something that we should encourage! This man belongs to the old school, and in his letter he informed me that he was keeping his wife and four children on the proceeds of three or four days' work per week on a water supply undertaking. And he was glad to get that work. The complaint he made was that he had been put off the job, for what reason I do not know. I suppose it is quite all right, and it is just one of those departmental happenings that must be. Nevertheless it is a most unfortunate position for that man to be in. It is extraordinary that nearly 10,000 of our wheatgrowers cannot call their souls their own on account of the rotten, detestable financial control that

is exercised over them. I do not lay the blame for that against the Associated Banks, nor yet at the door of the Government. I regard it as our own fault, but we should not tolerate it for one moment longer than is necessary. We are supposed to be a self-governing community, and a sovereign State, and yet to-day, despite the superabundance of primary products in Western Australia, we are faced with the condition of affairs I have indicated. It is for Parliament to see that at least the position is set out properly for the information of the Federal Commission, and that is why I ask for the appointment of the State committee. I desire to place before the Federal Commission the position as it is in Western Australia and, for that matter, in Australia as well. I do not intend to detain the House any longer than is necessary, but I noticed in the "West Australian" this morning a reference in "Current Comments" to the banking inquiry. In it the paper stated—

That the inquiry into the banking and monetary system of Australia had been instituted mainly to inform the public mind was the sound reason given by the Federal Treasurer, Mr. Casey, for the recently appointed Commission.

Surely to goodness Mr. Casey did not say that. If he did say it, then it is evident that the Commission will merely conduct an inquiry into the banking system, and inform the public mind. I think the public mind is fully informed regarding that matter.

Mr. Needham: That Commission will not do much.

Mr. BOYLE: What we require is for the Royal Commission to proceed in accordance with their terms of reference, indicate where the trouble lies, and set out proposed reformative measures in order to secure improved conditions. Again, the "West Australian" said—

Whether any particular policy adopted by the Commonwealth Bank creates panic or resentment depends too much at present on the type of propaganda associated with it. The inquiry now instituted will not settle finally the controversy between the traditionalists in central banking who would adhere to established customs, and the "modernists"—among them a number of distinguished monetary experts—who would give central banking a field and function in which it has not yet been tested, and would use central bank credit on a scale never before attempted to supplement the energies of private enterprise when these flag.

I think the energies of private enterprise are absolutely dependent upon the amount of credit furnished by the financial institutions. We had the spectacle, during the

early stages of the depression, of traders practically closing their doors. They did that from one end of the State to the other because credit facilities were withheld from them. In my opinion, it is the duty of the Federal Royal Commission not to inform public opinion but, in accordance with the terms of reference, to report upon some means of improvement and furnish guidance for the people of Australia, with a view to reforming the present system with which we are burdened. I think I have made out a case in support of the appointment of the committee I suggest. It is interesting, while on the subject of debts, to deal with a few extracts from "G.K.'s Weekly"—of course, that refers to G. K. Chesterton—which I regard as one of the highest grade of publications entering Australia to-day. In one issue it was astounding to learn that during last year 53,000 persons in Britain were imprisoned for debt. Just imagine that happening in civilised Britain, all because of the crime of being poor! That is what it amounts to, and no wonder it is intended to amend the law.

The Premier: That imprisonment was not necessarily suffered for the crime of being poor.

Mr. Sampson: It may have been on account of inability to pay.

The Premier: Or disinclination to pay.

Mr. BOYLE: That is not necessarily so. "G.K.'s Weekly" refers to the cause as "the offence of poverty."

The Premier: Many people do not pay because they are poor, but because they do not want to pay.

Mr. BOYLE: In any event, I think imprisonment for debt is a relic of barbarism.

The Premier: I do, too.

Mr. BOYLE: If credit is given, and the debtor does not pay, there may be qualifications regarding the non-payment. Because a man refuses to maintain his wife and family, that is not a debt against people but against common decency.

The Premier: The responsibility is with the creditor, who must take the risk.

Mr. BOYLE: Yes, and imprisonment for debt is largely a thing of the past; we rarely hear of it now. The growing feeling in the Old World to-day is a guide to us in this younger world. Featherstone Hammond in "Nature of Wealth" has this to say—

We need do little more than study the statistics of the productive capacity of the world,

and of each economic unit forming the individual nations which make up the World Commonwealth of Nations, to complete the picture of a world, not only of plenty, but of superabundance for all. That such a "World of Plenty" is potentially here already, hardly anyone who has given the subject a thought would care to deny. The contradiction of poverty amidst plenty is also abundantly manifest. Economic justice is therefore far to seek even yet. Therefore it is the duty of every man to question a state of affairs in which such a condition of things is allowed to exist.

It is our duty, not only to question it, but as far as possible to put an end to it. I appeal to the Government and the House to appoint the proposed committee. It is a common-sense idea for collecting and placing before the most important Royal Commission ever appointed in Australia the evidence they will require. Upon the findings of that Commission we shall be able to demand justice from the Commonwealth Parliament. I realise that this State Parliament has little or nothing to do with credit facilities or other problems of that kind, but certainly we have a voice that can be heard. I would pay to the Premier the compliment of saying I think that in these financial matters he has done a very good job in fighting for the State as he has, and in getting what he has for the State. But this is a totally different matter. This is a question in which we must assist this important Commission in putting forward a case for the State. Individual evidence is of little value. I have known commissioners who valued the evidence according to the source from which it had come. Individuals who go before a commission merely express their own views. Before this Royal Commission now appointed will go people who have certain proposals to submit. Others will go to put forth their own ideas. Their evidence, probably, will be disposed of finally before they leave the room. I have it in mind that a gentleman on the wheat belt put in 18 pages of typewritten evidence before the Federal Wheat Commission. As soon as the chairman saw what was coming, he formally thanked the witness for the time and attention he had given to the preparation of that evidence, and said the Commission would study it at their leisure. That gentleman's evidence was all finished in five minutes. I do not want that sort of thing to go before this new Commission. The committee I ask for would not cost the Government anything, for we could get

men who would act in an honorary capacity. Alternatively, a small sum could be made available for clerical assistance. I am sure the Government could procure men of the type of Professor Murdoch, men who have open minds on the question. I trust the House will agree to my motion.

On motion by Hon. W. D. Johnson, debate adjourned.

BILL—WESTERN AUSTRALIAN TURF CLUB (PRIVATE) ACT AMENDMENT.

Second Reading.

Debate resumed from the 16th October.

MR. MOLONEY (Subiaco) [5.22]: I listened the other evening to the arguments advanced by the member for North-East Fremantle (Mr. Tonkin), and I may say at the outset that I am entirely unbiassed in regard to the Bill. Still, I am satisfied that there are certain anomalies in the operations of the Western Australian Turf Club so far as they apply to insurance. Parliament is the supreme power in Western Australia and has the only constitutional authority to make laws. In view of that, we must realise that there are certain operations practised by the W.A.T.C. which are not akin to those matters that generally speak for the good conduct of those who come into contact with the club. Parliament has vested certain powers in certain authorities as, for instance, all the local authorities, and the W.A.T.C. also comes within that purview. But the Club have arrogated this right to make rules of racing which are not subject to revision by any other body. Under the Act of 1892, which was a private measure, certain powers in regard to racing were vested in the W.A.T.C. I find they are not an incorporated body, and consequently it is not competent from a legal point of view for them to conduct insurance. There is also another anomaly applying to jockeys and apprentices. It does not matter who else is engaged in the industry, even though the nominator of a horse has to pay as far as it applies; and also, having previously insured the particular people, there is no escape for him, but he must apply that nomination of a horse with the rules and by-laws of this body. They may prescribe that he must be insured, but the catch is that the only people to come within the ambit of

that benefit are the registered jockeys and the apprentices. Stable boys or others employed do not come within its scope. There is no authority in the Workers' Compensation Act for those people to act as they are doing, and I understand the purport of the Bill is that it shall be made retrospective to apply to many of those transgressions that have occurred, which seems to be an essential if the premises on which the Bill is founded are correct. Also it will ensure for the future that if there are any rules, they shall come within the same provision as the by-laws of this body; that is to say, they will have to run the gauntlet of perusal and acceptance by the Executive Council, and if not disallowed by the Executive Council within a month, they will be duly gazetted and so become law. I do not think any person could then question their operation. It is interesting to find the angle taken by certain persons associated with the judiciary, how they view the application of the law and the effect it has on the people generally. The newly appointed Chief Justice of the High Court had something to say when being sworn in the other day. His views are edifying and illuminating in regard to the particular aspect which the Bill touches upon. This is what Sir John Latham said at the time—

When I consider the qualities and attainments of my predecessors, I feel very deeply the responsibility of the position which I occupy, and the important duties which have fallen to my lot to perform. It is unnecessary to emphasise the importance of the proper and faithful administration of justice. The effective protection of the rights of the citizens against infringement by other persons, and, may I add, the effective protection of the rights of citizens against infringement by a Government, depend on the impartiality, the integrity, the capacity and the efficiency of the courts through which the King's justice is administered.

We can all subscribe to those sentiments, but we find other bodies, not necessarily racing bodies, sheltering behind a wall of privilege and arrogating to themselves rights to which they are not entitled, and very often occupying the position that Disraeli was occupying when challenged as to his power. "You cannot do that," they said, "you have not the power." His reply was, "It is not the power I have; it is the power I take." And so it seems that the W.A.T.C. are occupying the same position as Disraeli occupied on that occasion. And there is this, too, that unlike others, as instanced in the

"West Australian" on the 19th October, they can invest thousands of pounds in blood stock purchased annually. However, the regulations must be preserved and I think any reasonable person will subscribe to that. The W.A. Trotting Association, in their desire to protect those who are functioning under their jurisdiction instituted an insurance scheme, providing for cover for drivers and others who are liable to suffer injury. As a result of their operations, which have been in the public interest, they have amassed a considerable amount of money. That was entirely due to their foresight. They have now been able to reduce the premiums to an amount that is considerably lower than they would otherwise be. In striking contrast to this we have only to look at the extremely high premiums charged in the case of the W.A. Turf Club. Notwithstanding that the Turf Club must make considerable profits out of these funds, by reason of their being able to inflict the charges they do upon those concerned, they have the right to divert the money involved to the general revenue fund. There is nothing to compel the club to act up to the compact that was entered into. I do not say that those responsible men who make up the Turf Club would for a moment break a contract they had entered into. The fact remains that the fund comes within their jurisdiction, and it is competent for them, by reason of the manner in which their by-laws are framed and given effect to, to draft such provisions as will enable them to do these things. They have only to insert two advertisements in the Racing Calendar for such laws as they choose to promulgate to become part of the rules of racing. Who are these people that they should receive such preferential treatment? Have they any right to this monopoly? Many people no doubt will say they represent the backbone of racing in this State. Possibly many of the gentlemen associated with the Turf Club have done a good deal to foster the sport. Whether it is a board that is appointed or some other tribunal their activities are circumscribed and regulated by the statutory power that is vested in the Turf Club. Surely it is competent for Parliament to lay down the procedure under which the Turf Club should operate. Since the Act of 1892 was passed a considerable amount of tightening up is required. Someone should see that those who are operating within the jurisdiction of this racing

body receive that justice that is so lucidly referred to in the remarks I have quoted of the Chief Justice of the Federal High Court. I am not wedded to any particular method. All I desire is that whatever activity the people associated with racing are engaged in they shall receive that justice to which they are entitled, whether it is in the form of wages or a safeguarding of their interests in the case of injury. Those are the main principles of the Bill. It lays down definitely that anything that is done shall be retrospective in order to cover any anomalies that have occurred in the past. The W.A. Turf Club, which operates on certain land, is at present a law unto itself. It is competent for any of the officials to eject summarily any member of this Chamber who visits the course, notwithstanding that he will have paid the admission money. I do not suggest that any member of Parliament would come under such a ban, but it is competent for the officials to eject any member should the occasion arise. The member for North-East Fremantle (Mr. Tonkin) is to be commended for bringing the searchlight of Parliament to bear upon the activities of this particular organisation. In the past the Turf Club has been able to "get away with it." I do not think there is anything very drastic in the Bill. It is an extremely reasonable measure, and on that account I give it my support.

On motion by Hon. N. Keenan, debate adjourned.

BILL—NATIVE FLORA PROTECTION.

As to Committee Stage.

MR. SAMPSON (Swan) [5.37]: I move—

That Mr. Speaker do now leave the Chair for the purpose of considering this Bill in Committee.

Question put, and a division called for
The House divided.

MR. SPEAKER: As I am satisfied there is an absolute majority of members in favour of the motion, I will call the division off, and will now leave the Chair.

Question thus passed.

In Committee.

Mr. Sleeman in the Chair; Mr. Sampson in charge of the Bill.

Clauses 1 and 2—agreed to.

Clause 3—Interpretation:

The PREMIER: I move an amendment—

That a new definition be inserted as follows:—"Minister" means a Minister of the Crown for the time being, and from time to time charged with the administration of the Forests Act, 1918-31.

This will clarify the position as to what the word "Minister" means.

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

Clause 4—agreed to.

Clause 5—Penalty for picking protected flower or plant:

Hon. P. D. FERGUSON: I move an amendment—

That in paragraph (c) after the word "be-half" the following words be added:—"Verified or attested in the prescribed manner."

I want to provide that when the owner of private land gives permission to anyone to gather flora from his property the approval he gives shall be attested. I desire to prevent anyone from forging a written approval, so that he may be compelled to produce a properly attested written authority.

Amendment put and passed.

Mr. MOLONEY: I am opposed to the clause. It will prevent any person from cutting any flowers that may be growing during any period of the year. No particular period is laid down, and it is possible that the prohibition will go on for ever. In his zeal to protect the flora of the State the hon. member who introduced the Bill may be the means of preventing people from cutting flowers at any time. Picked flowers mean cut flowers. We were told that the object was to prevent people uprooting flowers and in that way preventing their re-growth. If we carry the clause it will mean that people will be prohibited from picking flowers even on private land. I do not subscribe to that. I have yet to learn that vandalism in this direction has been as rampant as has been described. The position will be as it was many years ago when people were transported for shooting a hare or something like that. Look at the penalties prescribed in the Bill for this terrible crime of picking wildflowers! This kind of thing will get us nowhere. I always regarded the hon. member who introduced the Bill as broadminded, but in this instance, in his zeal to conserve the native flora he has

over-reached himself to an extent that I might say is akin to madness.

Mr. J. H. SMITH: I admire the hon. member's zeal in bringing forward the Bill because undoubtedly vandalism is taking place with regard to native flora. But we are protected now, and prosecutions frequently take place for the offence of picking flowers in King's Park and National Park. Would the hon. member suggest that we should prevent the picking of boronia in the South and selling it in the streets of Perth?

Mr. Sampson: Certainly not.

Mr. J. H. SMITH: I know of instances where people are depending on the sale of boronia for a livelihood. The member for Albany knows that.

Mr. Wansbrough: And they never pull it up by the roots.

Mr. J. H. SMITH: Of course not. Go to a boronia patch and it will be found that where it was picked the year before there is a magnificent growth. It is not the person who picks it that does the damage, it is the bush fire and the stock. I intend to move that paragraph (c) be struck out because we should not prevent people going on private lands unless they have written permission to do so.

The CHAIRMAN: The hon. member may not now move an amendment. The clause as amended is before the Committee.

Mr. SAMPSON: I draw the attention of hon. members to the fact that the picking of boronia will not be prohibited by the Bill, which provides for a penalty in the case of the mutilation of native flora. It need not be pulled up by the roots. The Bill will be administered by the Minister for Forests because the Conservator of Forests will be the authority on the matter. Only those plants that are proclaimed will be fully protected. They are the plants that have suffered so much because of the rooting up that has taken place and because of the consequent danger of their complete extinction. One plant in particular is the black kangaroo paw. It is not proposed to take the action that the member for Subiaco fears will be taken unless a particular plant is proclaimed by publication in the "Government Gazette." If there is wilful destruction, then an offence will be committed. The owner of private property can do as he likes on his land, but an unauthorised per-

son has no right to go on that land to pick wild flowers.

Mr. Moloney: Do those flowers belong to the owner of the land?

Mr. SAMPSON. Of course. A person may be picking flowers on private property and he may say that he has permission to do so. The Bill provides that the individual shall produce that permit and it must be in writing.

Hon. P. D. FERGUSON: I doubt whether hon. members have any conception of the destruction that has taken place in connection with native flora. It is well known that in Western Australia we have probably a greater variety of wildflowers than has any other country in the world, and although some of them are not affected by being plucked or pulled up, there are many that are. The orchids of Western Australia are the finest in the world, and it is not generally known that once an orchid is plucked the whole plant is destroyed. Therefore, it is a crime to pick an orchid of any description. The time will come when there will no longer be a variety of orchids because of the wanton destruction that is going on. If we proceed at the present rate it will not be long before all the orchids in the State will be destroyed. There are business people in the metropolitan area who are augmenting their incomes by sending our wildflower plants to the Eastern States. They employ children and give them a few pence for collecting what they can. Those plants are sent to the Eastern States where well-known florists are advertising them for sale at a thousand per cent. higher price than that which they paid for them. The Western Australian wildflower plants are being advertised for sale over there every week.

Hon. C. G. Latham: In which State is that?

Hon. P. D. FERGUSON: Week after week wildflower plants are being sent from Western Australia to Victoria.

Hon. C. G. Latham: What about getting them through quarantine?

Hon. P. D. FERGUSON: Only last week a merchant of this city went out into the back country, and incidentally to the district the Leader of the Opposition represents, and brought back several cases of wildflowers of different varieties. They were taken from his place of business to the Fremantle wharf and put on a boat, and subsequent investigation revealed half a ton

of roots in the backyard. They could have been seen there a few days ago. Such an act is almost criminal. Unless we have legislation such as this, the time will come when we shall all deplore the depletion of our native flora, because we shall be the poorer for the loss.

Mr. F. C. L. SMITH: The clause is an instance of zeal outrunning discretion. Some protection may be necessary in certain parts of the State, but the provisions of the measure are to apply throughout the State. Flowers that grow profusely in one district may grow only sparsely in other districts, where there would be no temptation to uproot them in quantities. The provision that possession during the protected period is to be prima facie evidence of an offence is a reversion to times a hundred years ago when a man in possession of a hare, or with a bit of rabbit fur on his coat, was deemed guilty of an offence. Under the measure, if a man wore a wildflower in his buttonhole, he could be deemed guilty of an offence. The member for Swan read an article written to encourage the growth of wildflowers in private gardens. Yet a provision of this kind would prevent that. I oppose the clause.

Hon. C. G. LATHAM: The clause goes too far. To make it apply from one end of the State to another would be absurd. We have reserves at King's Park, National Park and Yanchep, and practically the whole of the forest areas are reserves, and yet we are asked to prevent people from picking a few wildflowers on the roadside. When I was in England, wildflower excursions were attracting thousands of people, who went out to pick the flowers. Yet here it is to be made a crime to pick a few flowers on the roadside. Half the people who visit the hills go there to pick a few flowers, and on their way they often purchase commodities from roadside stalls. Probably we do not appreciate our wildflowers as greatly as do visitors, but if necessary let us provide special reserves for them. I doubt whether the member for Swan has ever seen a Qualup bell. The only place where have known it to grow is Ravensthorpe, and yet local people are to be precluded from picking them for table decoration. Even wildflower in Western Australia, even, suppose, the Cape weed, would be protected.

Hon. P. D. Ferguson: That is not flor it is an importation, like you.

Hon. C. G. LATHAM: It has been here a long time. Any wildflower could be brought under the provisions of the Bill.

Mr. SAMPSON: I regret that the Leader of the Opposition has not read the Bill. The clause merely seeks to prohibit the taking of a protected wildflower during the protected period. Before a plant could be proclaimed, the Minister for Forests must approve of the proclamation. Is it reasonable to think that a proclamation would be issued except where flowers were being destroyed to such an extent as to be almost exterminated? There is no reason why people should not pick flowers in a reasonable way from the roadside unless they have been proclaimed.

Sitting suspended from 6.15 to 7.30 p.m.

Mr. SAMPSON: Two points I wish to make clear. Firstly, there is no penalty for the picking of flowers shown in the schedule unless the picking is done so roughly as ultimately to destroy the plant. Secondly, where proclamation is referred to, it means that those particular plants are fully protected, but protected only after the Minister for Forests has proclaimed them.

Mr. DONEY: The unfortunate part is that the word "pick" means not only to gather or cut but also to destroy or injure or pull up. That is the point which the sponsor of the Bill is called upon to explain and has not explained.

The MINISTER FOR AGRICULTURE: The sponsor of the Bill is largely on the right track, but his measure is so drastic that it will become impossible for people who admire flowers to pick them unless they act with great care. While preserving our flora, we must instil into everyone admiration of that flora, and not only give people opportunities to pick wild flowers but also encourage them in the cultivation of our native flora. I have had a good deal to do with bringing into cultivation many of our native plants. The New Guinea Cassia, which is now grown in the metropolitan area, is a native of Western Australia. I confess to having made that flower popular in the metropolitan area. The member for Swan would be well advised to reconsider the drastic penal provisions of his Bill.

Hon. P. D. FERGUSON: The Bill would operate only during the period of protection.

Mr. Marshall: That is the only period during which picking flowers is worth while.

Hon. P. D. FERGUSON: I take it that the Minister for Forests would proclaim a protected period only for flowers bordering on scarcity. The measure would not operate as harshly as the Minister for Agriculture believes.

Mr. LAMBERT: It is absurd for Parliament to proscribe the picking of wild flowers. A member representing one of the hills districts should encourage people to visit the hills, even if in doing so they pick a few wildflowers. This legislation is pettifoggery, and takes up the time of Parliament without any prospect of giving protection to our native flora.

Mr. SAMPSON: The Bill is modelled on New South Wales and Victorian Acts. Perhaps the measure does not go as far as it should, but in legislation of this nature one must proceed by degrees. Plants mentioned in the schedule may unquestionably be picked, but not picked in such a way as ultimately to destroy the plants. Picking must be done carefully.

The Minister for Agriculture: It may be necessary to uproot plants in order to propagate them for cultivation.

Mr. SAMPSON: Any uprooting must be done with the consent of the owner of the land on which the flowers grow. The Bill contains nothing to prevent the owner of the land from disposing of the flowers on it as he may think fit. It is just as wrong to steal flowers as to steal firewood.

Mr. Lambert: Who will police this legislation? It could not be enforced.

Mr. SAMPSON: The policing would be done by various societies concerned for the preservation of Western Australian flora. Proclamation would be made at the instance of the Minister for Forests; that is to say, the Premier.

Mr. HEGNEY: The clause is too wide and too drastic. Its operation should be confined to specified areas instead of extending throughout the State. If the Bill becomes law, boys and young men strolling in the bush would be unwittingly committing an offence by picking wild flowers. Assuredly, boys would not know the law in this respect; but they could be brought

up and fined under the measure. The digging-up of a kangaroo paw in the country and the replanting of it in one's garden will be an offence under the Bill.

Hon. P. D. Ferguson: Has anyone been prosecuted for that sort of action?

Mr. HEGNEY: The magistrate will say that he is bound by the law, and we know that in many instances, although common-sense dictates that the action should not be regarded as an offence, the law regards it as such. If the Bill be agreed to, it will be confirmation of the old adage that "the law is an ass." Recently I visited a nursery and found that an expert nurseryman had planted the noxious weed known as "Pater-nus's Curse," and was endeavouring to cultivate it. He did not know what a pest the plant was, but when he was informed on the point, he discarded it.

Mr. Sampson: That plant is not included in the schedule.

Mr. HEGNEY: The punishment provided is altogether too severe. If I were to stroll through the bush and pick up a kangaroo paw that had been dropped by someone else, the fact that I had that flower in my possession would be *prima facie* evidence that I had picked it.

Mr. Sampson: That would not be an offence; you have not read the Bill.

Mr. CLOTHIER: If we pass this legislation, what will happen to our wild flower shows? The Leader of the Opposition pointed out that people motored to the hills and en route purchased products at stalls along the roadside. If we prohibit the picking of wildflowers, that trade will be lost. As the Minister mentioned, we shall also lose revenue because flower excursion trains will not be run. The Bill will hamper the tourist traffic. I oppose the clause.

Mr. LAMBERT: I am absolutely surprised that the House allowed the member for Swan to introduce the Bill and put the country to the cost of printing it. If the member for Swan had any sense of obligation to his constituents, he would endeavour to cultivate a hills' conscience, instead of introducing pettifogging legislation of this description. We have seen the slogan "Springtime in the Hills," and the member for Swan should encourage facilities to enable people of the metropolitan area to visit the hills and admire their scenic beauty. If he thinks he can get a little self-advertisement before the elections by intro-

ducing legislation of this description, well and good.

Mr. Thorn: That is absolutely contemptible.

The Premier: He is the last man in the House who would do such a thing.

Mr. LAMBERT: We should encourage our young people to visit the hills, and if they should pick a few wildflowers, what harm would they do?

The Premier: It breaks the monotony while they are picking them.

Mr. LAMBERT: As a matter of fact, they could probably do far worse than pick wildflowers. The Committee should take a definite stand against legislation of this description. We should not waste our time and incur expense on such a Bill.

Mr. Thorn: You are doing your share.

Mr. LAMBERT: Merely by way of a forceful and definite protest. Even if the Bill should go through the Committee stage, I hope we will not have the indecency to send it to another place.

Mr. MARSHALL: As one of those who opposed the Bill at the outset, I am not altogether opposed to it, and I think members have not interpreted the clause correctly. There will be no interference with the picking of wildflowers during spring, unless, by proclamation, that course is prohibited. No such prohibition would be contemplated if the wildflowers concerned were growing in profusion.

Mr. Sampson: Exactly.

Mr. MARSHALL: Only when there was a possibility of a variety becoming extinct, would such a proclamation be issued. Members who have spoken strongly in opposition to the clause should consider what will happen in the near future if there are no wildflowers left to pick.

Mr. Sampson: That is the point.

Mr. MARSHALL: With our lust for picking all to-day, there may be nothing left to pick to-morrow.

Mr. Thorn: Then people will have to adopt other pastimes.

Mr. MARSHALL: The member for Swan was not explicit enough when he moved the second reading of the Bill. Can he indicate that there is grave fear that any particular species of wildflower will become extinct within the near future?

Mr. Sampson: Yes, the black kangaroo paw.

Mr. Lambert: There are millions of them growing.

Mr. MARSHALL: If there were any likelihood of one of our beautiful native flowers becoming extinct, I would be inclined to support the clause.

Mr. Lambert: There are millions of black kangaroo paws growing in King's Park.

Hon. P. D. Ferguson: There is not one there.

Mr. MARSHALL: When I contemplate the large reservations where flowers are protected, I am compelled to wonder whether the Bill is premature. It is not premature if there is a possibility of any of our native flowers becoming extinct in the near future.

Mr. Moloney: Would not the present Act do all that is necessary.

Mr. MARSHALL: I think it would.

Mr. Sampson: I can assure the Committee it would not.

Mr. MARSHALL: After listening to the discussion, I am reluctantly compelled to oppose the clause, because I do not think there is any fear of our wildflowers becoming extinct in the near future.

Mr. MOLONEY: The sponsor of the Bill points out that the black kangaroo paw is in danger of becoming extinct. If that is so, it is quite possible to meet the contingency by an amendment of the existing Act, which has been in operation since 1912 and which provides sufficient penalties. If what the hon. member says is true, all that is necessary is a slight amendment of the Act, which would gain his objective.

Clause, as amended, put and a division taken with the following result:—

| | | | | | |
|------------------|----|----|----|----|----|
| Ayes | .. | .. | .. | .. | 10 |
| Noes | .. | .. | .. | .. | 23 |
| <hr/> | | | | | |
| Majority against | .. | .. | .. | .. | 13 |
| <hr/> | | | | | |

AYES.

| | |
|----------------|-----------------|
| Mr. Boyle | Mr. Sampson |
| Mr. Collier | Mr. J. M. Smith |
| Mr. Cunningham | Mr. Willcock |
| Mr. Ferguson | Mr. Wise |
| Mr. Hawke | Mr. Johnson |

(Teller.)

NOES.

| | |
|--------------|--------------------|
| Mr. Clothier | Mr. Seward |
| Mr. Coverley | Mr. F. C. L. Smith |
| Mr. Fox | Mr. J. H. Smith |
| Mr. Hegney | Mr. Stubbs |
| Mr. Lambert | Mr. Tonkin |
| Mr. McLarty | Mr. Wansbrough |
| Mr. Marshall | Mr. Werner |
| Mr. Moloney | Mr. Welsh |
| Mr. Needham | Mr. Wilson |
| Mr. Nulsen | Mr. Withers |
| Mr. Patrick | Mr. Doney |
| Mr. Redoreda | |

(Teller.)

Clause thus negatived.

Mr. SAMPSON: I move—

That the Chairman do now report progress and ask leave to sit again.

[The Speaker resumed the Chair.]

Question (that leave be given to sit again) put and a division called for.

Mr. SPEAKER: Under Standing Order 200, in case there should be only one member on a side on a division, the Speaker without completing the division, shall forthwith declare the resolution arrived at.

Question thus passed; leave given to sit again.

BILL—WORKERS' HOMES ACT AMENDMENT (No. 2).

Second Reading.

Order of the day read for the resumption of the debate from the 16th October.

Question put and passed.

Bill read a second time.

BILL—METROPOLITAN WHOLE MILK ACT AMENDMENT.

Second Reading.

THE MINISTER FOR AGRICULTURE
(Hon. F. J. S. Wise—Gascoyne) [8.9] in moving the second reading said: As the Title indicates, this is a Bill for an Act to continue the operation of the Metropolitan Whole Milk Act, 1932. Prior to 1932 the milk industry in this State was in a parlous condition; as a matter of fact, neither the producer nor the consumer was satisfied with the condition of the industry. The existing Act is due to expire at the end of the year, and since it has been in force for two years, we have past experience to guide us, including endeavours to improve matters in the industry and in the control of the industry by the board. The Bill gives us an opportunity to remedy many anomalies and to present a much more workable measure to those in control of it. I have been very careful to review the operations of the board during my brief term in an administrative capacity. I have sought the opinions of all connected with the industry, and where any persons have expressed a desire to present their side of the case to me, I have willingly received them in order to give opportunity

for the expression of their views and of their inclinations towards the industry and the Bill. In addition, many people personally affected in one way or the other have approached me. So all possible light has been thrown on the Bill and on the administration of the board. All sections, and may I say both sexes, have had opportunity to express their opinions, not only in respect of the industry but in respect also of the operations of the board and even of the representation on the board. Necessarily, many and various opinions have been expressed by all sections and both sexes. In addition, consideration has been given to and a study made of similar legislation in other States and other countries. So the Bill, although short and simple, is the result of an accumulation of information supplied locally, and a great deal of information as to how similar legislation operates in other States and countries. In many ways and to many people the Bill will be a disappointment. It will be claimed that it does not go far enough. Still, it is my interpretation of what is best and most needed in the industry at the present time. A lot of controversial matters considered by some people to be necessary to the industry will not be found in the Bill. I reiterate that as a whole the Bill is simply what, after the summing up of every aspect, is considered to be in the best interests of the industry. Admittedly it is in the interests of all concerned that the greatest quantity of the very best of whole milk should be made available to the public of the city. There are three parties particularly interested in the production and consumption of whole milk, namely the producer, the middleman and the consumer. Of these three, the consumer is the most important market factor. All commodities are produced to be consumed. The consumer is the only market. What is best for the consumer it is in the interests of the producer to supply. The satisfied consumer is not only the best market, but the satisfied consumer offers the sole market. In this State we have the peculiar circumstance of producer-retailers in the industry. To a great extent this has led to a certain amount of irritation. There are very few industries where the producer and the middleman are one and the same person. It is very difficult to administer the affairs of both parties, having separate interests,

when the interested parties are the same person. It has presented many difficulties to the board, and many difficulties which, in the Bill before us, we are endeavouring to overcome. It raises a question also that does not occur in the marketing of most commodities. In the case of most commodities, the producer has very little in common with the consumer. The producer very often in most instances ignores the consumer, because he has no direct dealings with him. If it is a case of a farmer sending a bad egg to market, he neither sees nor hears the expressions of the housewife who happens to buy that egg. It is a grocer who receives the abuse. It is an unusual circumstance to find that the producer is also the middleman. It presents a difficulty which should not be ignored, and reveals a position that we are endeavouring to simplify. I desire to stress the important truth that although the board in all their activities are particularly interested to foster and increase the consumption of wholesome milk, there is only one way, so far as the producer is concerned, to increase its consumption, and that is by ensuring that only the best quality shall be supplied. In the capital cities of the world, even cities of the size of New York, where quality is insisted upon, since quality has been the basis of administration the consumption has increased. In New York capital city the consumption has increased from 92 quarts per capita to nearly 150 quarts per capita in 20 years. I desire to stress the absolute necessity for ensuring quality, and only the best quality. There is no better food than clean, good milk, and no worse food than milk if it is unclean. Unclean milk is positively dangerous. It is not only bad for the health of the community, but it has a direct reflex upon the upbringing of the children who represent the future race. I desire in every instance to stress the necessity for quality, not only quality from the point of view of standard, but from the point of view of the bacteriological content of the milk. It is in the best interests of the producer that a full appreciation should be held by him of the importance of quality. It is not possible to increase the consumption of milk by featuring it as a health drink if it is deleterious to health. In that connection the producer can assist materially by providing the market with the

best possible commodity. Even though the percentage is small, there are still too many producers not producing good milk. They are endeavouring to sell bad milk. It places the board in a very difficult position if any dairymen who are supplying milk to the city do not fully appreciate what dairy sanitation means.

Hon. P. D. Ferguson: Do you mean it is inferior milk as it comes from the cow, or is inferior because of bad handling?

The MINISTER FOR AGRICULTURE: It is due to bad handling. There are many men in the industry who will never make dairymen, and are unsuited for that occupation. They do not understand sanitation or what represents the media for disease, nor do they understand what poor milk really is.

Mr. Stubbs: Does not the Act provide a sufficient penalty in such cases?

The MINISTER FOR AGRICULTURE: There are many anomalies presented in that connection which this Bill endeavours to clear up. I desire again to stress the importance of quality, and point out the effect quality must have not only upon the present generation but future generations. Whole fresh milk has a competitor in condensed milk. The onus is on the producer to see that no substitute, even within the commodity itself, is likely to take the place of the wholesome fresh milk. The Bill is more than a measure to control the supply of and demand for milk. The producer who is not efficient must, by the action of the board, be denied the right to remain in the industry. The old jungle law, "the survival of the fittest," which has dominated the world's affairs throughout history, still holds good, and I am suggesting that the word "efficient" is synonymous with "fittest." Fortunately the tendency, due to the activities and operations of the board, is towards a general uplifting of the quality of the product provided to the consuming public. I say without fear of contradiction that owing to the operations of the board there has been a material improvement in quality during the past year or two. A great responsibility rests upon the producers of milk. I should like, without in any way being offensive to the champions of orderly marketing, to say that with milk, as with every other commodity, there is much disorder in marketing due to disorderly production. That in many ways is the begin-

ning and end of many of our marketing problems. Having endeavoured to show the importance of cleanliness in this connection, and to show that no other food surpasses milk in healthfulness, if it is good milk, I should like to proceed to the question of supply. Scarcity is the problem in the supply in the metropolitan area. The flow of milk from the cow is not adjustable to the flow necessary for the supply of the city. Owing to the difficulties of supply due to seasonal circumstances, the difference between summer and winter supplies, we come to the reason for the necessity for quantity or quota, and the incidence of accommodation milk. The quantity permitted must be elastic. In the operations of the board every possible means has been adopted to make it elastic, so as to render it possible for the producer to supply quantities varying with the demand of the season and the increase in population. There is a very narrow margin separating the avoidance of a glut from the creation of a scarcity. That applies particularly to milk. Not only is rigid control necessary in the distribution of the product, but it is also necessary in the evolution of some means of dealing with the quantity that each producer should be permitted to supply. I would like to deal briefly with some of the activities of the board. On many occasions the board have been seriously criticised by interested persons. I am sure that every member has received, as I have, circulars, both recently and in the past, from people having varying interests in the industry. Some of the statements made by these interested people will not bear analysis. Although it is not my intention specifically to deal with them, I hope some of them will be raised during the debate. It must be conceded that the board have a very difficult task. They were presented with an Act which constituted experimental legislation. Many anomalies existed, and still exist, in that Act. In many cases the position of the board and the amount of control exercised by them were not made sufficiently clear. The outcome of this lack of clarity has led, as we all know, to some vexatious legal proceedings. It is in an endeavour to avoid such actions that much of the existing Act has been clarified, or an attempt is being made by the Bill to do so. There is ample evidence to justify the claim that the operations of the board have meant a definite and distinct gain to the producers of ap-

proximately £30,000 in cash. That figure has been challenged.

Mr. Marshall: How many producers are there?

The MINISTER FOR AGRICULTURE: The producers in the metropolitan area are distinct from those in the country. Many other benefits have been enjoyed by the producer. The reasonable security of the producers' position as the result of contracts has led to a more effective system of production. The producers have been able to secure a better class of herd, have been able to instal better plant, and to equip themselves with much better premises. The whole tendency is towards better milk. There has also been the elimination of all bad debts between the producer and retailer. The control of licenses has given the producer a chance to recover from the unfortunate circumstances which prevailed prior to the introduction of this particular legislation. There is also close co-operation between the officers of the board and the officers in Government departments in an endeavour to present to the consumer the best commodity possible. Improved methods have been applied and it has been possible to eliminate from herds, cows suffering from diseases common to milk, such as mammitis, and due to the co-operation of the Department of Agriculture and its officers with the officers of the board, a great deal of valuable work has been done for the community. Vendors also have benefited by the restriction of licenses. It will be within the memory of all in this House that a number of milk rounds prior to the operation of the board were repeatedly and regularly being offered for sale. It so happened that a small man in the business would build up a small round, and in very many ways act detrimentally to the interests of the consuming public and the producer. There is a tendency towards an increased value in milk rounds, and it is very rare that to-day a milk round is offered for sale. Many of them are putting in plants of modern type. The whole method of production and distribution is improving immensely. There is much difference of opinion in that connection but the facts speak for themselves that the quality in the number of tests made—somewhat over 600 during the current year—show a remarkable uplift in the quality of the milk being sold to the public.

Hon. P. D. Ferguson: And there is still room for improvement.

The MINISTER FOR AGRICULTURE: Yes. In connection with the increase in consumption, immediately following the appointment of the board, a daily average of less than 10,500 gallons was sold. This figure can be proved by the actual returns from the dairymen. In the aggregate the annual turnover was 3,832,000 gallons. Since that time the annual turnover has increased to 4,367,000 gallons. This is the quantity disposed of in the 1934-35 period and it represents an actual increase of 14 per cent. Allowing for the increase in population of 5 per cent., the increased consumption must stand. The question may be asked in connection with what I would term the elasticity of the quota as to how the varying requirements are provided for. The record day's consumption of milk since the board came into being is less than 13,000 gallons, so that hon. members can readily see that there is no question or any possibility of a shortage. To again refer for a moment to the improvement in the quality of the milk, I might give the result of the examination of 600 samples taken between the 16th May and the 31st August of this year, and the result of the examination of a similar number in a similar period last year shows a definite uplift in quality. Of the 600 samples taken this year, 439 were shown to be first grade as against 236 last year. This is a remarkable improvement in the quality of the food the public consume. This year 108 samples can be classed as good to fair against 231 last year, while in the samples classed as bad there are only 53 this year compared with 133 last year. It is not contended that there is much improvement in the butter fat or solids other than fats content, but these factors are closely watched and they are certainly well above the minimum required by law. A definite endeavour is being made to see that no one gets below the minimum prescribed by the law. To deal with the Bill for the purpose of analysis, it may be considered under five heads. Its object is not to effect any radical change in the law as it exists but to extend to the board what the original framers of the Act intended. In no way have I endeavoured to increase the powers of the board; I have tried to present to them a measure which will be more easily worked and more capable of interpretation when applied to the producer and consumer

alike. Firstly, clarifying the definition of milk, and in this connection it might be mentioned that the present Act does not go far enough inasmuch as it does not deal with milk which is used in certain preparations such as milk blocks or in flavoured drinks sold at milk bars. The proportion of milk sold in milk bars and in milk blocks is increasing, and from the producers' point of view and the public point of view, it is essential that the board should be able to control this phase of the question. A great deal of confusion exists regarding the powers of the board in this connection and we desire to encourage in every way not only the opening but the operating of milk bars and the furnishing by them of the best food the public can get. It is also essential that we should encourage the consumption of cream, and that the board shall control the operations of the purveying of cream. The present Act uses the term "quota milk" in the definition section, although that term is nowhere else used. The words "under a written contract" in the definition of "quota milk" are liable to lead to many arguments and therefore they have been struck out. Not much milk, as it can well be imagined, was ever produced and sold under a written contract, so that in the best interests of all it is proposed to delete the words from the definition of "quota milk." The term "surplus milk" also creates difficulty because it has been found in practice that it conflicts with the terms "quota milk" and "accommodation milk," the latter being, to put it into simple language, milk used to vary the quantity. The second matter to be dealt with is the question of representation on the board, not that the personnel of the board is to be altered. In connection with the representatives on the producing side in the metropolitan area there has been trouble with the dairymen's representatives. The present Act states that one of the representatives shall be elected by the dairymen who are owners or occupiers of dairies within the dairy cattle compensation area, and having dairy cattle registered under the Dairy Cattle Compensation Act, and the other by dairymen registered outside that area. An anomaly presents itself inasmuch as a dairyman registered under the Compensation Act may not be a registered dairyman under the Metropolitan Whole Milk Act. So that in regard to the dairymen in the compensation

area, it is not provided that they shall be registered dairymen under the Act. Consequently we have the farce of a number of unregistered dairymen having the right to vote and being able to exert an influence in the election of a representative on the board. It is sought to cure this evil by providing that one representative shall be elected by those registered dairymen who are in the dairy cattle compensation area, and the other by those registered dairymen who are outside that area. The third major object of the Bill is to avoid the duplication of authoritative control. In this connection it is found that there are certain sections in the present Act which do not fit well together, particularly Sections 2, 17 and 28. To straighten the matter out, Section 2 which preserves all existing laws has been remodelled and simplified. The existing anomaly whereby a person is required to take out a registration for dairy premises with the local authority as well as with the board has been removed. Section 28 of the existing Act merely provides that the personal license which was formerly necessary under the local government Acts is not necessary where a license is obtained under the Metropolitan Whole Milk Act, but it does not go far enough. It ought to say that registration of the premises with the local authority is also unnecessary. Hitherto the board's inspectors have not exercised the authority of health inspectors under the Health Act, and for that reason they found themselves stultified on many occasions when action was necessary. It is not proposed to override the provisions of the Health Act, but the board are given power to appoint their own inspectors, subject always to the approval of the Minister for Health, and such inspectors are to be invested with the powers of health inspectors. To prevent any overlapping or any dual control the inspectors will be under one central control and their appointment will come within the ambit and approval of the Minister for Health. The fourth principle of the Bill relates to the kinds of licenses available under the Act and the conditions under which they are to be held. A great deal of trouble has been caused by dealings in licenses. Not only firms but individuals have purchased licenses and traded in them, removed them from the property where it is intended they should apply and acted in many ways

directly antagonistic to the best interests of the community. Where a license was granted for a specified dairy area and supposedly applied to the premises in that area, which may have been reasonably good and suited to the production of milk, the license was carted away and used on a property, in premises, and by a person who it was never intended should have a license. On the Peel Estate, for example, many licenses were bought and traded in, and the board had no control. Under the Bill a license shall apply to a specified dairy area. As to the type of license, it will be clearly shown to which persons and premises each license shall apply. Otherwise it is not possible for the board to exercise control over the properties; that is to say, to determine whether suitable properties, premises and persons exist in the area. The board having been set up as an authority, not only to regulate prices but to ensure, as specifically set forth in the Act, a clean, sufficient and wholesome supply of milk to the city, it is very necessary that they should have the power of control over licenses. If a license be granted on the faith of the holder having suitable dairy premises, it is only right and fitting that the license shall apply to those premises only. The same point applies to a person who may be unsuitable, who may be unclean in habits, or who may be suffering from a disease. It is very necessary that strict control and supervision shall be exercised before licenses are issued. There are three classes of persons who sell milk retail. There is the retail vendor who sells milk from house to house, the man whom most of us call the "milko"; there is the person who sells milk in a shop to be consumed away from the premises, and the person who sells milk for consumption on the premises, such as in a milk bar. If effective control is to be exercised over the sale and consumption of milk in the metropolitan area, there must be a difference in the licenses issued. Experience has shown that when a license has been granted to a person with a small dairy in an outer suburb, he might set up a shop within the suburb under the same license, or from a shop might start a milk round. That is not in the best interests either of the people in the industry or of the consuming public. We have stipulated that no license is to be transferred except with the approval in writing of the board. The fifth principle in the Bill arises out of the control

or lack of control at the present day. There is nothing in the Act to prevent a person who has bought milk for treatment from mixing it with milk purchased for whole-milk purposes. Milk bought for treatment purposes is purchasable at a much lower rate, and consequently neither interest is receiving the benefit. Another important point is the alteration of Section 30, paragraph (9), which deals particularly with the fixing of maximum rates for road transport of milk from dairy areas to milk stores to be paid by dairymen to milk vendors. When the dairyman and vendor are one and the same person, great difficulty arises over transport. The remaining provisions of the Bill are of a machinery nature. Provision has been made for the imposition of a daily penalty. I realise that that sounds very drastic, but it has been found in practice that when returns have not been furnished and a fine has been imposed by a magistrate, the person fined has carried on and continued to defy the board, refusing to furnish the returns and refusing to be in any way fair to the board.

Hon. P. D. Ferguson: The profit was probably greater than the penalty.

The MINISTER FOR AGRICULTURE: Quite so. Therefore provision is made for a daily penalty if a person repeats the offence in defiance of the law. Certain adjustments regarding existing licenses have been found necessary. The Act lapses at the end of the year, but licenses under the Act extend from the 1st July to the end of June. The Crown Solicitor has advised the board to issue licenses to expire in June next, and the only practical way to overcome the difficulty is to have all existing licenses returned to the board—surrendered, as it were—and for the board to renew them in specific form for a specific purpose. A reference to the Bill will show that provision has been made for a dairyman's license, vendor's license, shop license, and so on. Hence it will be necessary to stipulate specific premises where the business is to be carried on. I do not wish to over-explain the Bill; to a large extent it is self-explanatory. I realise, however, that there is a great diversity of opinion on the subject. I have pleasure in moving—

That the Bill be now read a third time.

On motion by Hon. P. D. Ferguson, debate adjourned.

House adjourned at 8.55 p.m.