

Legislative Assembly.

Thursday, 19th September, 1946.

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

QUESTIONS.

HOUSING.

As to Timber Required, Milled and Exported.

Mr. LESLIE asked the Minister for Forests:

1, What was the quantity of hardwood timber, of all classes, milled in Western Australia for the 12 months ended the 30th June, in the years 1939, 1940, 1945 and 1946?

2, What quantity of this timber has been available for local use, and what quantity has actually been used locally in the respective periods abovementioned?

3, What quantity of this timber was exported to other States in Commonwealth or oversea, for the periods abovementioned?

4, What quantity of timber, additional to the present output, will require to be milled to meet the demands of a programme for the erection of 3,500 houses annually?

The MINISTER replied:

1, The production of sawn timber for the 12 months ended the 30th June—

	Cubic Feet.
1939	10,770,232
1940	10,184,153
1945	8,722,815
1946	8,869,847

2, Quantity of timber available for local use—

	Cubic Feet.
1939	5,890,347
1940	5,755,518
1945	5,890,585
1946	5,503,880

The quantity actually used is not known, as some timber may have been drawn from stocks.

3, The quantity of timber exported—

	Cubic Feet.
1939	4,879,885
1940	4,428,635
1945	2,832,230
1946	3,365,967

4, It is estimated that approximately 2,200,000 cubic feet of sawn timber would be required to meet a housing programme of 3,500 houses annually.

ELECTRICITY SUPPLY.

As to Generating Capacity and Proposed Extensions.

Mr. OWEN asked the Minister for Works:

1, Is it a fact that all generating units at the East Perth power house have been used to capacity during the past few months?

2, If so, will the completion of the approved extensions in the Roleystone and Bedforddale districts have to wait until the South Fremantle power house is in operation?

3, If the answer to question No. 2 is in the negative, is there any possibility of the suggested extensions in the Westfield and Wattle Grove districts (for which guarantees have been accepted) being put in hand before the South Fremantle power house is actually generating electricity?

The MINISTER replied:

1, Yes.

2 and 3, The Commission is now giving consideration to the extent to which extensions in the Roleystone and Bedforddale districts can be carried out.

RURAL AND INDUSTRIES BANK*As to Staff Working-Week and Salaries.*

Mr. GRAHAM asked the Minister for Lands:

1, As the staff of the Rural and Industries Bank is subject to the Public Service Act, will he state the reasons why a five-day week has not been granted these officers as has been done with other Government employers, even where the services of some officers are required on Saturday mornings for the convenience of the public?

2, Is it a fact that officers of the bank received no salary adjustments in contradistinction to officers of the Public Service, who some months ago were granted increases under the recent reclassification?

3, If so, why?

4, Is it intended that adjustments will be made, and when?

5, From what date will these adjustments operate?

The MINISTER replied:

1, The hours of business of the Rural Bank are as prescribed in the Regulations for the Bank, and are: Week days—10 a.m. to 2 p.m. (now 3 p.m.); Saturdays—9.30 a.m. to 11.30 a.m. These are the usual banking hours of all Commonwealth and trading banks throughout Australia. It would not be possible to allow some officers to be dispensed with during Saturday morning.

2, Officers of the Bank have not yet received salary adjustments under reclassification, but reclassification is nearing completion by the Public Service Commissioner and salary adjustments will be retrospective to the 1st January, 1946, on similar lines to those applying to the Public Service.

3, Answered by No. 2.

4, Answered by No. 2.

5, Answered by No. 2.

**BILL—FACTORIES AND SHOPS
ACT AMENDMENT (No. 2).**

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

BILL—TRAFFIC ACT AMENDMENT.

Report of Committee adopted.

BILL—FISHERIES ACT AMENDMENT.

Second Reading.

THE MINISTER FOR THE NORTH-WEST (Hon. A. A. M. Coverley—Kimberley) [4.38] in moving the second reading said: This is not a very controversial Bill. It proposes to amend the Fisheries Act, 1905-1940. The amendments provide, first of all, for the establishment of an advisory committee, secondly for the control of fishing areas, thirdly power to enable fisheries inspectors to seize illegal nets unattended in open waters and, fourthly, the control of the sale of nets and mending-cotton used for netting purposes for a further 12 months, in lieu of the National Security Regulations. Fifthly, there is provided protection for inspectors in the discharge of certain duties. It was in 1940 that a Bill to consolidate the Fisheries Act was passed by this House, and during the past five years certain amendments necessary to bring the Act into conformity with the desire of the Fisheries Department have been discovered. For that purpose the Bill is now produced for the consideration of the House.

The object of the first clause I shall refer to is to provide for the appointment of an advisory committee. During the war, the Commonwealth Government found it necessary to take steps to control the production and distribution of fish as an essential food, and appointed advisory committees in each State. The benefit derived from the work of those committees is acknowledged by the Fisheries Department and has led the Government to ask the House to agree to the appointment of a State advisory committee. The object will be to advise the Minister and the Fisheries Department upon matters of policy and generally with regard to fishing matters in Western Australia. It will be the duty of the committee to inquire into and report to the Minister upon any problem referred to it by the Minister or the Chief Inspector of Fisheries, respecting methods by which the fishing industry of the State may be further developed.

The committee will be under the chairmanship of the Chief Inspector of Fisheries. Three other members will be appointed to the committee, one of whom will be a representative of the fishermen engaged in obtaining crayfish. That branch

of the industry has gone ahead to a considerable degree in the Geraldton district and for that reason the Government proposes to give those interested in crayfishing representation on the committee. Another member will represent the fishermen engaged commercially in fishing operations in estuaries and rivers, where we very often have to close areas and impose restrictions. It is felt that the knowledge and experience of commercial fishermen will be of undoubted benefit to the committee. The third member will represent the fishermen engaged in deep-sea operations. Thus each section of the fishing industry will have representation on the advisory committee. By this means it is felt that, with greater understanding and better knowledge, improved relations between departmental officers and fishermen generally will be achieved. After our experience with the Commonwealth advisory committee, it is anticipated that similar beneficial results will accrue from the operations of the State committee.

It is intended to repeal Section 17 of the parent Act, replacing it with a provision taken from the Pearling Act. The object of that move is to control the operations of fishermen in certain areas, the main reason for this being that quite recently a new fishing ground was located by local residents in the Hopetoun district. A most peculiar aspect of the position there is that there is a small channel through which large quantities of salmon pass each day and, after the first cast of the net, the fish completely disappear. Such a state of affairs is unknown in any other part of the world. In the circumstances, it is necessary to control the number of fishermen who operate in that area, otherwise the local industry will be ruined. If too many fishermen net there, the salmon will not visit the channel at all. To safeguard the position is important not only to the Hopetoun people but to Western Australia generally. Members will appreciate that the whole of the salmon to be caught are those obtained at the one cast of the net.

A small syndicate promoted locally has established a canning factory, and those associated with the work have been making a good living out of supplying their product to the metropolitan area. It was not long before information about the new fishing

ground spread among those interested, and quite a number of fishermen went to Hopetoun to participate in the industry. Under the present Act, a license to net gives the right to a fisherman to operate anywhere in Western Australia. As I mentioned previously, the necessity has arisen to control the number of fishermen operating at Hopetoun, and unless the necessary steps are taken to protect the industry the salmon-fishing operations will be ruined. That would mean that the canning industry at Hopetoun must come to an end. If we can provide the necessary protection without unduly interfering with other people, we should endeavour to assist those who have had sufficient initiative to devote their money and energies to the establishment of this new industry.

The Bill contains another clause that will empower fisheries inspectors to seize unattended illegal nets placed in open waters. Under the principal Act, inspectors can commandeer any unattended illegal net in closed waters and, when the Act was amended in 1940, the fact that they should have power to seize unattended illegal nets in open waters was overlooked, and that defect is remedied in the Bill. Another clause has been inserted for the purpose of extending for another 12 months the power vested in the Fisheries Department to control the sale of nets and cotton goods required for the purpose of making and repairing nets. Under the Commonwealth National Security Regulations, power to control all nets and fishing gear was vested in the various advisory committees in the several States.

Owing to the world shortage of cotton goods and the necessity to protect the interests of professional fishermen, they were given a high priority in connection with the purchase of materials required for the repair of nets. To some degree this was quite successful. In the interests of the professional fishermen themselves and for the production of an essential food supply for hospitals and other institutions, that priority should have been provided under the existing circumstances. The world supply of cotton is still very short; very little is coming to Australia and so, in the interests of the industry, the fishermen have requested that, as the National Security Regulations have already expired in some States and are due to expire in this State

shortly, the department should exercise control until December, 1947. They desire that control be continued until conditions more nearly approximate normal. They are not asking for the control of lines or hooks for which anglers might be competitors, but the object is to keep professional fisherman supplied with the requisite nets and the cotton necessary for repairing nets.

The other proposal in the Bill is a provision similar to one in the New South Wales Act, the object being to free from liability an inspector who has with reasonable cause made a seizure. At present, if an inspector deprives a fisherman of the use of his net by seizing it, the fisherman has the right to take proceedings against the inspector personally. Since I have been administering the department, there have been only two complaints and requests for the return of nets on the plea that they had been wrongfully seized. In one case the net was returned; in the other it was not. The position of an inspector is an awkward one. Fishermen are not all the same; there are a few who deliberately break the law and have "cockatoos" to give a screech when an inspector appears. It is very difficult to catch up with such offenders. An inspector, perhaps on a dark and stormy night, has to make a snap decision. He does not deliberately set out to do anything simply to irritate people, but he may have to make a snap decision and, 24 hours later, after more mature consideration, may feel that he ought not to have seized the net. This sort of thing does happen, though seldom.

Some matters are left to the discretion of the inspector and, when he has to make up his mind on the spur of the moment, he might seize a net in circumstances that would give the fisherman the right to take legal action against him. I agree with the view of the department that some protection should be afforded to inspectors. The Bill proposes that the inspector must satisfy the magistrate that he seized the net in all good faith. This will not permit of an inspector running wild and acting indiscriminately; he must be able to convince the magistrate that he has acted in good faith. The Bill is essentially one for consideration in Committee. If members desire any further information, I shall be pleased to supply it so long as it is within my power to do so. I

commend the measure to the House and move—

That the Bill be now read a second time.

On motion by Mr. Stubbs, debate adjourned.

BILL—FRIENDLY SOCIETIES ACT AMENDMENT.

Second Reading.

THE MINISTER FOR JUSTICE (Hon. E. Nulsen—Kanowna) [4.55] in moving the second reading said: This Bill has been passed by another place and transmitted for our consideration. The measure proposes to make two amendments to the Act, one to Section 7, and the other to Section 12. The first amendment proposes to increase the maximum of funeral insurance benefit from £300 to £500. This matter was investigated by the late Mr. S. Bennett when he was Registrar of Friendly Societies, and he intimated that he had no objection to the increase being made. The proposal has also been scrutinised by the present Registrar General and he has no fault to find with it. It has also received the consideration of the consulting Government Actuary, Mr. Gawler, who is the Victorian Government Actuary, and he has recommended that the amendment be agreed to. The object of this amendment is to attract new members to friendly societies because, with the advancement of the Commonwealth's social service programme, the incentive to join the societies was being lost. By permitting an increase in the funeral insurance benefit from £300 to £500, there will be an incentive for present members to continue and for new members to join friendly societies.

The second amendment has been included following a dispute with a leading friendly society regarding the procedure to be applied in calculating the amount of interest to be retained in the society's benefit fund. The Act provides for the payment of death and sickness benefits, which are financed from contributions by members and interest accruing from the investment of such moneys. For the purposes of the Act, it is necessary that interest up to and including 4½ per cent. earned by any benefit fund be retained in that fund. This interest, plus the contributions of members, makes possible the payment of the benefits. Any interest

in excess of $4\frac{1}{2}$ per cent. may be diverted to other purposes such as management expenses, etc.

The main reason for this provision is to protect members and to ensure that sufficient funds will be available to provide the benefits laid down in the rules of the various societies. For many years there had been no difficulty in securing compliance with the provisions of the section until a leading society—a very financial society—objected to the procedure for calculating the contribution to the fund. Recently, however, the largest friendly society refused to comply with the requirements of the regulation made to implement the provisions of Section 12. This regulation provides that the interest of $4\frac{1}{2}$ per cent. shall be calculated on the total amount in any fund at the beginning of the year. This regulation, with the section, has been interpreted by the Deputy Registrar of Friendly Societies to mean that the $4\frac{1}{2}$ per cent. interest shall be calculated on the balance of the fund at the beginning of the year, such investments to include moneys in the Savings Bank, funds derived thereby to be applied to the benefit fund, any surplus to be used for other purposes, including management.

The society to which I referred recently stated that investment does not cover moneys in the Savings Bank, with the result that the benefit fund is deficient. In order to overcome the difficulty, it has been decided to insert the regulation in the Act. Such insertion would mean that it would be mandatory for the $4\frac{1}{2}$ per cent. interest to be calculated on the opening balance of the benefit fund, including bank deposits, at the beginning of the year. The amendment will be to the benefit of the members of friendly societies, as it will increase the benefit from £300 to £500. The Bill passed another place without debate, and I commend it to the House. I move—

That the Bill be now read a second time.

On motion by Mr. Leslie, debate adjourned.

BILL—TOTALISATOR DUTY ACT AMENDMENT.

Second Reading.

Debate resumed from the 11th September.

HON. N. KEENAN (Nedlands) [5.2]: This is a Bill to amend the existing law governing the conditions for payment of

dividends to the holders of winning tickets, either on the straight-out totalisator or place totalisator, as conducted on the registered racecourses of the Western Australian Turf Club and the West Australian Trotting Association. The present law provides that no such dividend can contain any part of a shilling; in other words, that when the amount divisible among all the winning tickets has been arrived at—and it is arrived at by taking $13\frac{1}{2}$ per cent. off the amount that has passed through the tote—it is then divided by the number of the winning tickets, and if on such division any fraction is left over it is not distributed among the holders of winning tickets, but is appropriated in part, to the extent of $92\frac{1}{2}$ per cent. to the club operating the totalisator and to the extent of $7\frac{1}{2}$ per cent. to the State Treasury.

This Bill proposes that that undivided dividend or fraction should be changed from a sum less than one shilling to a sum less than sixpence. Such a proposal will involve more than a mere division by one-half of the amount which will, under the new circumstances of this Bill, be appropriated to the club operating the tote and to the Treasurer, because it will eliminate all the sixpences, seven-pences, eight-pences, nine-pences, ten-pences and eleven-pences from the possible sum of fractions and will include the one-pennies, twopences, threepences, four-pences and five-pences. If any member is industrious enough to work it out he will find that the sacrifice will be more than half, not very much more, but substantially more.

Hon. J. C. Willcock: A good deal more than half.

Hon. N. KEENAN: I say substantially more. I think that is pretty well the same language, but the member for Geraldton has a better way of putting it. That means, of course, that the adoption of this Bill will involve serious loss to the clubs. The first representation I desire to place before the House is that this money, which accrues in this form to the club, is not used for the profit of members of the club but is used entirely for the purpose of promoting the sport that they are formed to encourage and govern. Secondly, there is this consideration, that here in Western Australia—as also in Tasmania—the amount which passes through the tote on the racecourses is infinitely smaller than the amount which passes

through the totes in the other States of Australia; and, correspondingly, the amount of fractions which are available for the support of the clubs which are conducting the totes is considerably smaller in Western Australia than in the Eastern States. Therefore, any comparison with the practices of the Eastern States is unfair and would lead us to wrong conclusions.

In that connection, I might draw attention to the figure quoted by the Premier. He very properly, and correctly, quoted £24,000 as having been the figure representing the fractions in the particular year he dealt with, but although that was not a war year in reality yet, although war had stopped, all the conditions of war were still prevailing. We still had a certain number of allied Servicemen here who had more dollars than sense; and, of course, we had our own men returning with some money in their pockets that they were all burning to spend, and did spend. It is, however, a very different matter when we turn to the pre-war days or normal conditions. I propose to tell the House what those conditions were. Let us take the year 1936-37. From a racing point of view, the year ends on the 31st July, not the 30th June. In that year the whole of the fractions received by the W.A.T.C. amounted to £2,590 15s. 10d. In the next year, ending July, 1938, the whole of the fractions amounted to £2516 14s. In the following year—the year before the war began and ending the 31st July, 1939—the fractions amounted to £2,326.

Hon. J. C. Willcock: Are those the figures of the Turf Club or the Trotting Club?

Hon. N. KEENAN: The Turf Club. It is clear, therefore, that what one might term the norm of the fractions is very much lower than the figure quoted, and correctly quoted, by the Premier for the war years. There is no return at all for the year ended the 31st July, 1940, because, as all members are aware, racing was disturbed. The figure would be misleading, as it is so small. In 1941 the military authorities were in possession of the course and there was no racing at all at headquarters. So, too, in 1942 and 1943. Then the big figures begin; they are purely and simply wartime figures. I mention that not with the purpose of challenging in any way the statement made by the Premier, but to show that in normal times it would be absurd to expect anything

like the figure that the war period produced.

Tasmania is the nearest State with which we can compare ourselves as regards population and developed resources. Our undeveloped resources are possibly greater than those of all the rest of Australia put together. But for our developed resources, which represent current wealth, possibly Tasmania is the nearest State with which we can compare ourselves. In Tasmania the racing clubs which conduct totalisators are treated in a much more generous manner than are those here. In this State the Treasury takes $7\frac{1}{2}$ per cent. out of the $13\frac{1}{2}$ per cent. which is deducted from the whole amount that goes through the tote, and the club which conducts the tote gets 6 per cent. Take the case of the Turf Club. It receives six per cent. of this $13\frac{1}{2}$ per cent., which is solid money, because fractions may be sometimes quite promising and sometimes none at all or very little. But the solid money is $13\frac{1}{2}$ per cent. of that which goes through the tote, and of that solid money the State takes $7\frac{1}{2}$ per cent. and the Turf Club gets six per cent.

Out of that six per cent. the club has to pay the whole cost of conducting the tote, and, of course, maintaining it in proper order so that there may be no mistake in its calculations. That represents a cost of $2\frac{1}{2}$ per cent. The final figure that the club receives out of the amount of money taken by way of commission is $3\frac{1}{2}$ per cent., and the Treasury receives $7\frac{1}{2}$ per cent. In other words, the Treasury receives something more than twice as much as the club from the commission, if one may use that word, which is taken from the amount passing through the tote. In Tasmania the amount taken from the gross sum passing through the tote in order to arrive at the sum to be divided amongst the holders of winning tickets is $12\frac{1}{2}$ per cent. Of that $12\frac{1}{2}$ per cent. the Treasury takes only $2\frac{1}{2}$ per cent. and allows 10 per cent. to the club conducting the tote. In addition, it takes no share whatever of any fractions. All the fractions are paid to the club.

The W.A. Turf Club is at present facing a very large expenditure for the future, principally for the erection of a new totalisator, for which I am informed a contract has been signed, and which will run to £50,000. This new totalisator is said to be

one that will be a great improvement on the existing machine and will be a very great convenience to the public, because it will tell a person at all times, by his looking at the dials, what the exact odds are that are at the moment being laid against any particular horse by the money that is in the tote. For every horse that is starting, there is a column; and as that horse is backed and therefore the odds against his winning become smaller, the column shows it. If another horse is backed, and therefore makes the percentage better, it is shown again. So, at any moment, any of those people whom the Treasurer calls investors—and I accept the word, although I doubt whether it is accurate—

The Premier: What word would you substitute for it?

Hon. N. KEENAN: I would ask the Treasurer to suggest one to me! Whatever word may be selected, I will use the word "investors." The investors will be able to know exactly what odds, assuming the tote closed at that moment, he will get against a particular horse he wishes to back. That is undoubtedly a great advantage; because if a man is gambling, at least he wants to know what the odds are that are being laid against the chance he prefers to back. It will be a great convenience and a great improvement; but that great convenience and improvement will cost £50,000, which will be a very severe drain on the finances of the club.

In addition—to those who are accustomed to racing, it is not a matter of any news, but to others it may be—the prize money for every race nowadays is very much higher than was the case in pre-war days, with the result that it is said—I do not vouch for its accuracy—that the better class of horse is attracted. It ought to be; because if a good prize is offered, that should attract the owners of good horses to race them. So in providing higher stakes the club also serves the public by ensuring that there will be better horses and better racing. But that again means there is a drain on the resources of the club and any reduction of its resources would mean a considerable risk of that drain not being met. However these things may be, speaking not only for the Turf Club but also for the Trotting Association, I wish to say that both of those organisations desire to meet the wish

of the Government to reduce the fraction which is not distributed from the figure of any sum less than 1s. to the figure proposed in the Bill of any sum less than 6d.

All that I desire to put forward on behalf of both clubs, but particularly on behalf of the Turf Club, is that this Bill, when it becomes an Act, should not come into operation until the 1st January next in order to allow the club, which has forecast its expenditure on the basis of having this money available—or the probability of having it available—to enjoy the present position for a period of three months. I think the Treasurer will agree that is not unreasonable, because the club has entered into these obligations to spend this money. The club must spend it and, of course, the club will be handicapped seriously in providing for that expenditure if this reduction in its receipts takes place earlier. So when the Bill is in Committee, I propose to ask the Committee and the Treasurer to consent to add a new clause to the Bill which will provide that it shall come into operation by proclamation not earlier than the 1st January, 1947. The other provisions are machinery clauses and do not require any comment. Subject to the remarks I have already made, I support the second reading.

MR. NEEDHAM (Perth) [5.19]: I understand this Bill is for the purpose of enabling the investor who has invested his money in a totalisator to get a greater proportion of his winnings than has been the case in the past. To use the words of the Premier when moving the second reading, the public who invest in a totalisator have the right to be repaid a greater proportion of the money they have invested. This is a very laudable object, but I am very much of the opinion that the end the Premier had in view in introducing this legislation will not be achieved. He said that it is the thousands who pay their entrance fee to the course that keep racing going. Well, that is a truism. But there is another side to the question. Those people pay for good entertainment, good racing and to see good horses running. So there is some responsibility on the management of racing organisations to see that proper entertainment is provided.

If the law is changed to provide for a fractional part of 6d. instead of a fractional

part of ls., I suggest that the revenue of the racing clubs will be considerably depleted, and they may not be able, as a result, to maintain the past high standards of racing. This alteration would probably lead to a reduction in the totalisator and gate revenue with the result that the Government, and the investor too, would suffer. Whilst it is proposed to give back something to the members of the public with one hand, there is a danger of taking something else from them with the other. It will be admitted that the grounds must be maintained in proper condition. The organisations concerned must provide good stakes, bear the cost of installing totalisators, and do other things. I have a few figures from the W.A. Trotting Association that are somewhat informative. That body, as well as the W.A. Turf Club, will be affected by this legislation. We know that both organisations have contributed largely during the war years to patriotic and charitable funds.

Mr. Fox: They will have that money to play with in the coming years.

Mr. NEEDHAM: They will. The W.A.T.A. has assisted country clubs to provide and maintain satisfactory courses, and has also aided many patriotic and charitable organisations. I quote the following figures to show the expenditure by the W.A.T.A. necessary to maintain a course at the proper standard:—

REPAIRS AND MAINTENANCE.									
			Ground Maintenance Wages.		Repairs and Materials.		Lighting and Power.		
			£	s. d.	£	s. d.	£	s. d.	
1931	....		1,870	0 0	443	0 0	1,460	0 0	
1946	....		2,084	0 0	2,930	0 0	3,651	0 0	
IMPROVEMENTS.									
					£	s. d.			
1929	....				20,180	18 1			
1946	....				337	10 0			

The W.A.T.A. has provided high stakes to encourage large attendances and good racing. By doing this it has adopted a far-sighted policy. In 1929, the gate receipts of the W.A.T.A. amounted to £23,659 17s. 5d. and in 1946 they amounted to £82,218 11s. I will now give a few figures dealing with the stakes paid, number of meetings, etc. They are—

STAKES PAID.					
	Total Stakes.	Number of Meetings.	Average per Meeting.	Average per Race.	
	£		£	£	
1929	31,815	....	....	....
1930	33,405	40	836	120	
1946	101,247	54	1,920	274	

The people who pay entrance money are a great factor in keeping the racing business going. In this regard I quote the following figures—

PAID ATTENDANCES.			
	Number.	Number of Meetings.	Average Attendance per Meeting.
1930	153,627	40
1946	289,458	52
			3,840
			5,891

I understand that the W.A.T.A. is negotiating for a new totalisator to provide more modern machinery. It is contended that the totalisator is becoming more popular each year. I quote the following totalisator receipts, which might be of interest—

TOTALISATOR RECEIPTS.			
		£	s. d.
1929	....	53,044	1 10
1946	....	215,391	3 2

TOTALISATOR TAX.			
		£	s. d.
1929	....	23,766	19 2
1946	....	90,852	11 3

ENTERTAINMENT TAX.			
		£	s. d.
1929	....	2,030	0 11
1946	....	20,521	6 1

TOTALISATOR LICENSE.			
		£	s. d.
1931	....	397	15 0
1946	....	701	8 4

PROVISION FOR INCOME TAX.			
		£	s. d.
1931	....	1,760	0 0
1946	....	24,500	0 0

I have quoted these figures to show that, if the Bill becomes an Act and the fractional part of 6d. is paid instead of the fractional part of 1s., the revenue of the racing organisations will become depleted and they may not be able to provide such high-class entertainment as they are at present. I hope the Government will accept the suggestion made by the member for Nedlands, that if this Bill becomes an Act it should not come into operation until January of next year, in order to give the racing organisations a chance to prepare for the new legislation.

HON. J. C. WILLCOCK (Geraldton) [5.31]: I am quite in accord with the Bill as printed. I have no enmity, but the greatest admiration, for the manner in which both the West Australian Turf Club committee and the W.A.T.A. conduct the business of racing in their respective spheres. I think racing, which is called the sport of kings, is conducted on a scale too extravagant and costly for many people who wish to attend the meetings. If the committees of those bodies wish to conduct the sport with the

idea of attracting people to their meetings, they should make the admission charges more consistent with the incomes of those for whom they are catering. A charge of 13s. or 14s. to go to a race meeting, plus 2s. or 3s. train fare, or more if one goes by taxi, is too much.

Mr. Abbott: It is only 2s. if you go in the leger.

Hon. J. C. WILLCOCK: There is an amount of class distinction in the case of the leger that is entirely un-Australian in outlook, and the quality of the service is different. It costs five or six times as much to go into the reserve as into the leger. I think the admission charges are too high and that by attracting greater numbers the racing clubs should spread the business more, get better attendances and receive more money in the aggregate, because all those attending the meetings would put a certain amount of money on the tote, thereby making for greater receipts. Everyone would benefit. Apparently it is fashionable for those catering for the racing public today to do things on a lavish scale.

It can be said for the Railway Department that when the train takes people to the races the crew have to be paid and steam kept up for three or four hours, while the train is doing nothing, all to provide a small mileage each way, which is not a very paying proposition. The problem of how to get more money in order to provide improvements to the sport of racing should be tackled by popularising the races. That could be done by reducing charges so that persons of average income could afford to attend if they so desired. I agree that the main cause of people patronising starting-price bookmakers is that they cannot afford to go to the races. I do not think anyone would place 5s. on a race with an S.P. bookmaker if he knew it would only cost him another 1s. or so to see the race run. I see no fun in dealing with starting-price bookmakers. I have not bet with one in the last five years.

Hon. N. Keenan: Do you say you did have a starting-price bet five years ago?

Mr. SPEAKER: Order! The hon. member is getting away from the Bill.

Hon. J. C. WILLCOCK: The argument put up is that the racing clubs want a certain amount of money in order to keep the sport going and cater for the recreation

needs of the people. I think that objective has been tackled from the wrong angle and that the charges should be reduced in order to make the sport attractive to a far greater number of people. The member for Netherlands said that the Turf Club is about to instal a totalisator that will show the odds at any time, but that is not much good. Within five minutes of the commencing time of the race the odds shown might be ten to one, yet if a lot of money is placed on that horse the odds go down very quickly. On big courses there is what is known as a £5 window, and one could place a bet of £100. If that were done the tote odds, which had previously been better than the odds offered by the bookmakers, would probably break down completely.

Hon. N. Keenan: Is there a £5 tote on our racecourses?

Hon. J. C. WILLCOCK: Has not the hon. member used it?

Hon. N. Keenan: No.

Hon. J. C. WILLCOCK: I think there is a £5 window.

The Premier: It is 50s. at the trots.

Hon. J. C. WILLCOCK: I may be thinking of Melbourne.

The Premier: I believe there is a 50s. maximum here.

Hon. J. C. WILLCOCK: I do not bet heavily enough for it to make much difference. At the Flemington course one may put 5s. or 10s. on a horse five minutes before the race, if the odds are good, but when one goes to collect the winnings it is found that the amount is not half of what was expected. There is no means by which the totalisator could guarantee a specific contract as to the betting. The total amount of money is divided by the number of tickets, and the ticket holders share equally after the fractions are deducted. I reiterate that I have nothing against the management of either the Turf Club or the Trotting Association, but I think they have been on a good wicket during the last four or five years. It is certain that the Trotting Association has got out of debt to a great extent. The Turf Club has made a number of improvements, and the prospects were thought so good that it bought two or three courses.

Hon. N. Keenan: Was not that necessary?

Hon. J. C. WILLCOCK: It was not necessary, though it was a good thing.

Hon. N. Keenan: Proprietary racing could only be got rid of by that means.

Hon. J. C. WILLCOCK: It was a good thing, inasmuch as it did away with the pernicious principles of proprietary racing.

Mr. J. Hegney: The headquarters course was under water for a considerable time.

Hon. J. C. WILLCOCK: In addition to making a considerable amount of money for themselves, the racing clubs raised a lot of money for patriotic and charitable purposes. While the racing dates of the Trotting Association were fixed, they were allowed a certain number of meetings for charitable purposes and they doubled or even quadrupled the amount of money that they gave to charitable and patriotic organisations. That was very considerable. If people have a lot of money to spend on betting it is just as well that charitable institutions should get something out of it. The member for Nedlands says that the attendances at race meetings are not great, but racing is run on a different scale here from that in the Eastern States. The prize money here is not so large seeing that at most meetings at Flemington and Randwick the programmes show that for each race the prizes amount to £500 or £600.

Mr. Abbott: That is why there is such good racing there.

Hon. J. C. WILLCOCK: I do not think the amount of prize money makes such a wonderful difference with regard to the racing. There is a desire inherent in the average Australian to go to races.

Mr. Leslie: To have a gamble.

Hon. J. C. WILLCOCK: And to see the races. There is innate love of horses and of racing in the average Australian.

Mr. Leslie: Cut out the betting and there would not be anyone on the course!

Hon. J. C. WILLCOCK: Irrespective of the value of the prize money distributed, I think that the same proportion of the population in Perth where the stakes are comparatively low, attend race meetings as are present at the meetings in Melbourne where the stakes are relatively high. In my opinion, there is no excuse for the racing clubs taking advantage of the fractions. They should not be regarded as part of the

club's income but as being purely fortuitous revenue. For month upon month there might not be any such amounts of any consequence and sometimes there may be two or three races on the programme from which there would be a matter of 11d. which otherwise would go into the dividends.

The Premier: It suits the clubs to have favourites fill the places.

Hon. J. C. WILLCOCK: Of course it does. If there is very considerable support by speculators—I cannot make use of the word “investors” because I have tried this business out for myself—for a large proportion of heavily backed horses in a race, the possibility is that there will be a greater percentage of fractions than in races where the backing is not so heavy. The whole thing is merely fortuitous. On the whole, I heartily commend the Bill. Had I been in the position of Treasurer, I might have—

Hon. N. Keenan: Grabbed the lot.

Hon. J. C. WILLCOCK: —taken a greater proportion than 7½ per cent. because the means of getting easy money is becoming scarcer and in the future the Treasurer will have to look for every avenue by which he can increase his revenue.

Hon. N. Keenan: But Tasmania is satisfied with 2½ per cent.

Hon. W. D. Johnson: And South Australia requires 10 per cent.

The Premier: And South Australia is more comparable with Western Australia.

Hon. J. C. WILLCOCK: The population of South Australia is half again as great as that of this State whereas Tasmania has only half our population.

Hon. W. D. Johnson: And Tasmania has Tattersall's Consultations.

Hon. J. C. WILLCOCK: Yes, and the Tasmanian Government gets immense sums out of Tattersall's every year.

Hon. N. Keenan: But we have the Lotteries Commission here!

Hon. J. C. WILLCOCK: There is no comparison between the two. Speaking in no spirit of hostility, I think the clubs, in order to popularise their sport and make it more attractive to ordinary people, should give a trial over a year or so to decreasing admission charges, making them more acceptable to the individual of small means. If such a policy were adopted I am sure

larger crowds would be attracted to race meetings. I know it has paid some race clubs to issue 100 or 1,000 complimentary tickets in order to encourage people to attend race meetings, knowing that if the attendances increase the investments on the totalisator are greater and the income derived by the sporting bodies is thereby enhanced. While I support the Bill, I think the controlling bodies associated with racing should be given fairly extensive notice before the Act is proclaimed. The clubs have to budget well ahead for their expenditure and I am rather in agreement with the suggestion advanced by the member for Nedlands that if the Perth Cup, for instance, is run on the 1st January, the Premier should not proclaim the Act until the 3rd or 4th January.

The Premier: You almost incite me to give money away.

Hon. J. C. WILLCOCK: I think that course should be adopted because the clubs have budgeted for their twelve months' expenses and they should be allowed to complete the year. I am aware that the prices charged by the West Australian Trotting Association are much less than those applying to the W.A.T.C. course. In addition, one can get to the trotting grounds by the payment of a 3d. tram fare as against the expenditure of 2s. 6d. to go to the galloping headquarters by train. The bodies concerned could popularise their sport, attract greater attendances and derive better totalisator percentages if they were to lower the charges of admission and thus make both trotting and racing more attractive and more within the limits of the spending capacity of the people.

MR. STYANTS (Kalgoorlie) [5.46]: The principle underlying the Bill, which is practically a one-clause measure, is one that, speaking generally, I can support. I do not think it will have any serious financial repercussions upon racing bodies in the metropolitan area but, from figures supplied to me by the Kalgoorlie Racing Club, I believe it may have a detrimental effect upon the country and Goldfields clubs. In the metropolitan area the racing bodies—I refer to the W.A.T.C. and the W.A.T.A.—received large revenues during the war period. Their stakes have increased enormously. I can remember a time within the last six or seven years when they found it difficult to provide stakes of £100 for each race. Today the pro-

grammes show that the stakes range from £200 to £350. The weekend handicaps conducted by the W.A.T.C. are for stakes much in excess of the prizemoney available at country meetings. It would be no exaggeration to say that the W.A.T.A. has received sufficient from the undistributed fractions in connection with investments on the totalisators since trotting began at Gloucester Park, to pay for the whole of the expense incurred in connection with the purchase of the ground and the cost of putting it into racing order. I should say, too, it is no exaggeration to state that the Association has received over £150,000 from that particular source.

I am not surprised that the W.A.T.C. and the W.A.T.A. are prepared to concur in this proposal, provided the Act is not proclaimed until after the 1st January. The W.A.T.C. has bought out the proprietary clubs and has also purchased the properties of those bodies. In those circumstances no particular hardship can be pleaded in respect of either the W.A.T.C. or the W.A.T.A. On the other hand the position regarding the racing clubs in the country and Goldfields districts is totally different. The Kalgoorlie Racing Club, on whose behalf I am speaking, is just balancing its budget from year to year. I have particulars of the financial returns for the year 1945. I wish to point out that sometimes the Kalgoorlie Club races second and sometimes the Boulder Club races second, and that the club that races first gets the better financial return.

Hon. N. Keenan: Are you referring to the annual meeting?

Mr. STYANTS: Yes.

Hon. N. Keenan: The position is quite the reverse.

Mr. STYANTS: I have the financial returns which show that the club that races first on the Goldfields always gets the better financial return, but perhaps the hon. member knows better than does the secretary of the club. I do not wish to weary members by giving a lot of figures, but I have the position set out briefly. The annual race meeting of the Kalgoorlie Club realised a profit of £2,155 12s. 10d. and the ten monthly meetings showed a profit of £31 10s. 3d. The net profit from all race meetings for the year was £2,187 3s. 1d., while the revenue from all other sources amounted

to £1,428 19s. 6d. The total overhead expenditure for the year was £4,144 6s. 1d. compared with £4,236 1s. 9d. in the previous year. The net result of the 12 months' operations was a loss of £528 3s. 6d., compared with a profit of £255 9s. 8d. in the previous year.

Dealing now with the totalisator figures, the Government tax—this is apart altogether from the tax on fractions—and stamp duty amounted to £2,505 2s. 6d., making a total of £92,967 18s. 10d. paid to the Treasury since the tax came into operation in December, 1905. On top of that, there was entertainment tax on the entrance fees, the amount paid for the year having been £1,044 0s. 4d., making a total of £14,565 7s. 6d. paid since January, 1917. Thus members will appreciate that the Kalgoorlie Club is barely paying its way. When it races first, it usually shows a surplus, and it will show a surplus as a result of the record two days' meeting this year.

The totalisator turnover for 1945 was £33,149 15s. and the fractions totalled £864 16s. 4d. The amount of tax at 7½ per cent. on the fractions, which the Government received, was £64 odd, making a total of fractions of £928. If we work this out on the number of totalisator tickets issued, we find that it represents 2¾ per cent. of the amount invested or about 1¾d. on each 5s. ticket issued. I have no wish to confuse or mislead members. I was unable to ascertain the number of winning tickets or what the average of the fractions was on them. The amount, of course, would be more than 1¾d. per ticket. At the two days' annual meeting of the Kalgoorlie Club—a 10s. tote and not a 5s. tote is operated for the annual round—the tote turnover was £18,795 compared with £33,000 odd for the whole year, and the club received only £389, while, for the ten monthly meetings, the tote turnover was £14,354, but it returned £539 in fractions because of operating the 5s. tote at the monthly meetings. This works out at about 2½d. per ticket on the tickets sold. What it would work out on the winning tickets, I cannot say, but the amount would be in excess of 2½d.

The percentage of fractions and tax to the totalisator turnover was about 2½ per cent. Assuming that about 15,000 people attended the ten monthly meetings and the

two days of the annual round, if one-half of the fractions of £928 were refunded, would mean about 8d. to each racegoer. The point I wish to make is that while in the aggregate the fractions make a fair sum of money and affect particularly the count and Goldfields clubs, the actual sum to the individual is so small that I do not think the average racegoer would trouble about it at all. Taking the rough figures given by the Premier that £1,000,000 had been invested on the tote during the 12 months and that the fractions had amounted to £50,000, that would work out at about five per cent. of the total amount invested, which would be equal to 3d. per ticket on the tickets sold. Taking that five per cent. and calculating four tickets to the pound, the average would be about 3d. per ticket.

The Kalgoorlie Club is in the position of being committed to installing a new reticulation service over the whole of its racecourse because the pipes have become corroded with age. If the club is to be enabled to keep the lawns in the desired condition, this reticulation system must be put in. I am not aware that there has been any demand from racegoers for this alteration. Were the matter represented to the 500 or 600 people who regularly patronise the monthly race meetings at Kalgoorlie that it was necessary for the club to have this money, seeing that in addition to the £500 loss in 1945, the taking away of half the fractions would increase the loss to about £960 a year, and that by the club having the money, it could keep the course in order and pay reasonable stakes to owners who are put to the expense of training their horses, I believe they would not worry over the 6 per cent. they might be paid on the tote tickets that turned out to be winners. Speaking from the point of view of the owners, I may inform members that they do not race for a main stake of £250 every fortnight. The main handicap is worth about £40 and most of the races carry stakes of only £30 or £35. Thus we have a very different picture when we view the proposals in the Bill from the angle of the country and Goldfields clubs.

The upkeep of a racecourse on the Goldfields entails enormous expense. To keep the lawns, shrubs and flower gardens in good order, entails heavy outlay for water. The Kalgoorlie Club alone pays between £750 and £800 a year to the Goldfields Water Supply

Department for water used on the course. Another point to be borne in mind is that the Kalgoorlie course is something more than a racecourse to the residents. It is a park for the use of the people, and the Kalgoorlie Racing Club committee always leaves the gates of the grounds open. These grounds can be used as a park not only on week days but also on Sundays. Further, should any church or any sporting body require to use the grounds for a picnic, they are always available for that purpose. So that, apart from horseracing, the upkeep of the grounds in a spick and span condition—as they usually are, with good lawns, shrubs and flowers—means that the revenue of the club must not be allowed to drop. It might be said that the Kalgoorlie Racing Club should be subsidised by the parent body, the W.A. Turf Club. For the last couple of years the parent body has subsidised the Kalgoorlie Club. I think that in 1945 the club got £300 from the parent body for the purpose of increasing stakes, as an inducement to owners to bring their horses to the annual round at Kalgoorlie. The annual round of two days provides more than 50 per cent. of the club's revenue. Last year I think the parent body provided £350. In spite of this assistance, the club still shows a loss or is merely balancing its budget.

If the Bill is to apply to country and Goldfields clubs, they perhaps will cut down stakes or neglect the course and its surroundings. As I said, I do not think any good case could be put up for the prosperous metropolitan clubs; but there is a case for the Goldfields clubs. If these are to lose half of their fractions, a serious financial problem will ensue as far as they are concerned. If we take away the £400 that would be involved in the return of half of the fractions to the public, it will work out at about 7d. or 8d. over the year for the 15,000 people who attend the two days of the annual round and the ten monthly meetings. I would again say that I believe the feeling of regular racegoers in Kalgoorlie would be that they were prepared to forgo this amendment if it meant that the club could keep the racing on a high plane and maintain the lawns, flowers and gardens in the condition in which they have been kept in the past. I am not opposing the Bill, because I think the principle is quite a good one if the clubs are operating profitably. I hope the Premier will, how-

ever, give some consideration to special provisions for the Goldfields clubs.

MR. ABBOTT (North Perth) [6.3]: It might almost be suggested, listening to the debate, that we were discussing a business concern run for the profit of its members.

Mr. J. Hegney: Do you oppose the Bill?

Mr. ABBOTT: That is my business. Listen!

Mr. J. Hegney: It is Parliament's business.

Mr. ABBOTT: It is generally admitted that the Australian public are very fond of horseracing and, in order that they might have it, many people have to be employed in connection with it. I consider it only right that those employees should receive reasonable remuneration. In my opinion, they are not getting it, not for a minute! I do not think the jockeys receive enough. If they win, they get 10 per cent. of the stakes, but they receive only £1, or some small sum, for a losing ride. They are not entitled by law to a reasonable remuneration.

The Minister for Lands: They ought to form a union.

Mr. ABBOTT: They should. At any rate, they should do something. A man who wishes to own a horse and run it for the sake of the sport cannot possibly do so on the stakes. We therefore get a condition of affairs where the gambling element predominates. If a man wishes to make money, he has to run his horse "dead" for a considerable time and then get a good price and come in. That is the way racing will be run if reasonable stakes are not paid. What the public wants is good fair racing.

The Premier: What proportion of owners would race for the stakes only, do you think?

Mr. ABBOTT: A very small proportion. Although racing is the sport of kings, the average Australian has not the income of a king, and that is the whole difficulty. Many people would like to own horses and race them for the love of the game, but cannot afford to do so. The only people who can are the very wealthy or those who are prepared to utilise the gambling side of the game. That is very objectionable. It is generally admitted that the horses in Melbourne and Sydney, where large stakes are

paid, give the public a much fairer deal than they get in Western Australia. Undoubtedly, the clubs and the stewards try to ensure that racing is conducted in a fair manner; but as long as stakes are paid that do not enable the trainer, the jockey or anyone else to make a living, otherwise than by gambling, they will gamble. They will take a chance.

If any member wishes to see the condition of the stables where a lot of these horses are trained and the way the trainers are living, let him go out and inspect them! In many instances those men are not getting a fair living wage and are not operating under fair conditions. I do not think the general public begrudge such people a fair wage, or a fair stake for a winning horse. I think they would be only too delighted to see the stakes made higher if possible so that there would be more inducement for an owner to rely on the winning of the stake rather than on what he can get by means of the books. He has to secure remuneration either from the stake or from the public through the books. He must get it one way or the other if he is going to race. Admittedly stakes have been a good deal better lately, but they are not good enough to support the average horse at present. If these fractions are reduced, I suggest that the stakes will have to be reduced too. I see no reason why a man who obtains his amusement on the racecourse should be taxed to the extent he is. The Government took out of the totalisator receipts last year in stamp duty and totalisator tax from the W.A. Turf Club £60,000. That represents a special tax on that part of the community which happens to enjoy racing. I am not going to say it was not justified. I do not intend to oppose such taxation.

The Premier: I am not going to apologise for it.

Mr. ABBOTT: No; I think the Premier was inclined to apologise for the fact that it was not 10 per cent.

The Premier: No, I did not say that.

Mr. ABBOTT: Some very heavy taxes are deducted from those who win or invest on the totalisator. I do not think that the money which comes out of the pockets of those who have been fortunate on the racecourse is begrudged, but I think it is a pity money is being taken away from the clubs. I would like to see the present position continue for a little while longer—say a year or two—until racing is on a higher plane

than it is today. I oppose the second reading.

Question put and passed.

Bill read a second time.

In Committee.

Mr. Rodoreda in the Chair; the Premier in charge of the Bill.

Clause 1 to 8—agreed to.

New clause:

Hon. N. KEENAN: I move—

That a new clause be added as follows:—

"9. This Act shall come into force a date to be proclaimed and not be earlier than the first day of January 1947."

This is the clause I indicated I desired move in Committee. I gave my reasons in the course of my second reading speech. I think the clause is amply justified, and commend it to the Committee.

The PREMIER: I wish to be quite reasonable about this matter. I realise the responsibility of the clubs and also what a remarkable turn of good fortune they have had. If we go back through the years to the very arguments propounded by the member for Nedlands, when fractions income was low, it did not amount to very much and it did not matter much. If we compare it with like—that is, South Australia and Western Australia—we find that the clubs in this State have had a very good deal. After all, it is the indivisible portions of public money from which they have prospered, and the public is entitled to consideration. But I do not wish to cut off suddenly or unfairly this part of the clubs' income, so I do not object to the amendment.

New clause put and passed.

Title—agreed to.

Bill reported with an amendment.

Sitting suspended from 6.15 to 7.30 p.m.

BILL—CATTLE INDUSTRY COMPENSATION.

Second Reading.

Debate resumed from 12th September

MR. McLARTY (Murray-Wellington [7.30]): This is a Bill to provide compensation to the producers of beef cat

slaughtered as the result of disease. It also includes those owners whose stocks are slaughtered to prevent disease. The measure follows many of the recommendations of the Honorary Royal Commission that investigated diseases, vermin and scourges, but it is departed from some the proposals in a number of respects. We have other stock compensation funds to which the Treasury has made contributions.

The Minister for Agriculture: Not all of them.

Mr. McLARTY: That is so, but it has one so to cattle compensation funds. This Bill, however, does not propose that the Treasury shall make any contribution and, furthermore, should the fund run short of money and the Treasury have to make a loan, it provides for interest to be charged at the rate of five per cent.

Mr. Seward: Is that the bank rate?

Mr. McLARTY: The Minister might give some consideration to waiving that charge. The Royal Commission referred to by the Minister did suggest the need for a compensation fund, but it also recommended that the Department of Agriculture should carry out an investigation to determine what amount of money would be needed to provide it. I would like to have heard from the Minister as to what investigations have been carried out. He stated that, by the Bill, he proposed to impose a maximum tax or levy of not more than 2d. in the £. The Royal Commission, however, suggested that the tax should not be more than 1d. in the £. The Minister gave the figures as to condemnations, and told us that for every 10,000 cattle slaughtered in the metropolitan area 10 were condemned. That works out at 0.5 per cent. of condemnations. They were the result of tuberculosis. Also, in every 10,000 there were 35 condemned because of actinomycosis, that is, cattle affected with lumpy jaw. From the meat point of view, very often such beasts are not wholly condemned but only the head, with the result that very little loss is suffered. There were 10 cases of pleuro-pneumonia.

The Bill deals with only three diseases, namely, tuberculosis, actinomycosis and pleuro-pneumonia. Others can be brought in. The Minister said that £4,000 per year would be sufficient to pay compensation as a result of these diseases. He also said that it was proposed that the levy, to start with,

would be $\frac{3}{4}$ d. in the £. I have prepared a few figures because I want more information about this fund from the Minister. The districts that will come under the fund are to be prescribed. The Minister stated that it was not the intention to bring the whole of the State within the fund. I take it that the districts he will not include will be our pastoral areas. He will make the Bill apply more particularly to the districts in the South-West and those in close proximity to the metropolitan area.

Mr. Perkins: It is difficult to distinguish between those areas.

Mr. McLARTY: I am going to quote a few figures relative to the districts from which cattle, that are slaughtered in the metropolitan area, come. Let me examine the amount of £4,000 that the Minister expects to collect as the result of a tax of $\frac{3}{4}$ d. in the £. In 1943 some 50,133 cattle were slaughtered in the metropolitan area. Let us average them at £12 per head.

The Minister for Agriculture: I think that is a bit low. I think £14 would be nearer.

Mr. McLARTY: The Minister may be right, but I am taking into consideration that baby beef, that brings a high price, is sold in the metropolitan area and, at the same time old cows and other stock that do not bring very high prices are also sold. I think that £12 per head would be a fair average to strike. That would give a total of £601,596, and the levy at $\frac{3}{4}$ d. would provide a fund of £1,880. In 1944, 50,588 cattle were slaughtered in the metropolitan area, which on the same average would provide a total of £607,056, and a levy of $\frac{3}{4}$ d. would give £1,897. Coming to a later period, the Servicemen had gone and the Americans had left. In 1945, 43,260 cattle were slaughtered and, if we strike the same average, for a grand total of £519,120, the fund would amount to £1,622. In 1946, 45,861 cattle were slaughtered which, at £12 per head, would give £550,332, or a levy of £1,730, so the Minister is still a long way short of his £4,000. However, I know what he has in mind, and will deal with that. During the same period the numbers of cattle sold in the metropolitan area were as follows:—1943, 36,450; 1944, 39,459; 1945, 31,788, and 1946, 36,383.

Members will see that on an average anything from 10,000 to 14,000 cattle were bought outside the metropolitan area each

year, and slaughtered in it. Of those cattle the great majority would come from the South-West. Very few cattle are bought outside the South-West and railed to Perth. I understand that about 250 cattle are condemned each year and, if we keep to my average, £3,000 would be required for compensation. I have made investigations as to where the cattle come from and I believe the Minister will find my figures very nearly correct. Normally from 10,000 to 12,000 cattle are shipped from Derby in a season. In a normal season we could strike an average of nearer 12,000 cattle being shipped from Derby. About 5,000 would come from the Midlands. In a normal season about 8,000 would come from the pastoral areas, and the South-West would provide from 10,000 upwards.

Mr. Perkins: To what do you refer as the pastoral areas?

Mr. McLARTY: Districts such as those represented by the member for Pilbara, and the Mt. Magnet and Murchison areas; the northern areas generally. From the Great Southern and Eastern districts very few cattle come to the metropolitan area.

Mr. Perkins: The number has increased in recent times.

Mr. McLARTY: From the investigations I have made I know that few cattle come from those areas. The main cattle sales held in the Great Southern district are held at Mt. Barker, and I think that district would provide the largest number of cattle at a sale. The Leader of the Opposition would know more about that than I would.

Mr. Watts: It would be a substantial number, at any rate.

Mr. McLARTY: Those are the areas from which the cattle come. It is admitted that practically all the condemnations are due to tuberculosis and actinomycosis. Such diseases are practically non-existent in the pastoral areas and Midland districts. I doubt very much whether there would be .5 per cent. of condemnations from those areas. The cattle from the Kimberleys, of course, are infected with pleuro, but from my investigations I believe that the condemnations from that district are about .5 per cent. The condemnations from the Kimberleys would be caused by gangrene, owing to bruising. The cattle are shipped and are trucked when they get to Fremantle. Badly bruised cattle

develop gangrene and are condemned, but there is no provision for compensation in that case, as it is not a disease.

A few cattle may be condemned because of tick fever, but there again there is safeguard to the buyer because, if there is a danger of tick fever, the cattle are slaughtered as quickly as possible and the butchers are given four days in which to slaughter them. During that time the owner takes the risk. The losses from that cause would therefore be very small. At all events tick fever is not at present provided for under this Bill. The Kimberley cattle are not allowed out and are slaughtered as soon as they arrive. The Department of Agriculture insists that they be slaughtered, because of the diseases with which they are infected. I do not think there should be any need—and I do not think the Minister intends—to strike the levy in regard to those cattle. The report of the Honorary Royal Commission recommended that those areas should be exempt.

The Minister for Agriculture: That is only as regards sales in those areas, not sales outside those areas of cattle coming from them.

Mr. McLARTY: Then cattle from the North slaughtered in the metropolitan area will pay the levy?

The Minister for Agriculture: Yes.

Mr. McLARTY: That does make a difference, but I do not think the growers will there will benefit to any great extent unless the Minister is prepared to take into consideration other diseases with which the cattle are infected. I can see some difficulty there as, for instance, in the case of cattle infected with tick fever. We may have cattle that are tick-infested coming through clean country, and suffering exceedingly heavy losses. I have known a bull leave Derby and be out for only a few hours when 60 bullocks had to be thrown overboard. Evidently it is proposed to tax the owners of such cattle, and I think consideration might be given to including such diseases as tick fever and pleuro. With regard to the tick-fever, the losses from that disease are not so great as formerly. Atebrin has been discovered and cattle are inoculated with that drug, with the result that many bullocks have been saved from destruction. Nevertheless it is a matter to which the Minister might give consideration

certainly did not realise that these cattle would be brought under the provisions of the Bill.

As regards cattle outside the pastoral and Midland areas, I do not know of any diseases from which they are suffering; in fact, I do not think they are affected by any disease. As I indicated previously, the greatest losses with regard to them are caused by bruising sustained during travelling, with the result that gangrene develops. I do not think there is any likelihood of an outbreak of disease in the districts I refer to. The areas there are large, and the country has not a heavy carrying capacity. The cattle have plenty of space to roam over and are not herded together. In general, it is not a country where disease is likely to be spread. The officials of the Agricultural Department take every precaution to safeguard cattle from disease. I am aware that cattle are overlanded from the Broome country to the Midland areas, but every precaution is taken against pleuro. The Turner test is applied and dipping is also resorted to. In the circumstances, I am not at all afraid of any outbreak of disease in those parts. When we come to the more closely settled parts of the State, I admit there is such a chance.

When I was in Victoria, I saw a mob of 16,000 bullocks, the finest I had ever seen in my life. They were nearly all Herefords, but they had been condemned. To look at them, one would think there was nothing the matter with them at all. They were in fine condition but were said to be affected by beef measles. An order had been issued that they should all be boiled down. The mob belonged to the Victorian Government and were running on the Werribee State Farm. The Minister would be doing us a service if he would indicate exactly what areas he intends to exempt. Reverting to the Kimberley area, some of the pastoralists from that part of the State have been talking to me about the Bill and they considered they would not be brought under its provisions. They pointed out that it cost them £6 5s. today to market a bullock, and there did not appear to be much chance of costs being reduced. Furthermore, they told me that if bullocks were shifted and they died, the pastoralists still had to pay the £6 5s. per head, which represented to them a direct loss.

Mr. Perkins: Stamp duty applies to all store cattle as well.

Mr. McLARTY: Yes, I am glad the hon. member referred to that. In fact, the Minister expects to make up the £4,000 from stamp duty. When sales are held in country districts and cattle are sold, the impost of $\frac{3}{4}$ d. will be levied. An animal may be sold several times before being slaughtered, and the stamp duty will be imposed in respect of each sale.

Mr. Perkins: Many of the sales have no connection with the fat market at all.

Mr. McLARTY: That is so.

Mr. Perkins: They may apply to milking cows.

Mr. McLARTY: Yes. When the Bill reaches the Committee stage, I propose to follow closely the recommendations of the Honorary Royal Commission. The Bill provides that compensation shall be payable to the owner of any cattle that are destroyed with the consent of the Chief Inspector of Stock because they are suffering, or are suspected to be suffering, from a disease. I want the Minister to add words setting out that this provision will apply to cattle that had been in contact with animals suffering from such disease and were being destroyed to prevent any further spread. That is a reasonable request.

The Minister for Agriculture: I think it is implied in the Bill, because they would be "suspected."

Mr. McLARTY: Yes, there is that provision, but if the recommendation of the Royal Commission were accepted, it would make the position perfectly clear. Then again, the maximum amount of compensation allowed on account of any animal destroyed is £20. The Royal Commission suggested that the amount should be £25, and I am going to ask the Minister to accept that figure. Only recently I have known cattle to be sold in the metropolitan market for £23.

The Minister for Agriculture: You are very illogical.

Mr. McLARTY: Why?

The Minister for Agriculture: When I said the average price was £14, you said it was nearer £12.

Mr. McLARTY: But I was taking into account every class of cattle and the aver-

age is reduced by the cattle brought from districts in close proximity to Perth. The better types of beef cattle from the outer areas are still bringing the same figure.

The Minister for Agriculture: You want to reduce the contribution to the fund and then make the fund pay all the money.

Mr. McLARTY: The proposal I advance will not mean that the fund will have to pay out much more money because it is not often that cattle reach that figure. Then again, I want to provide that cattle shall be valued before being destroyed. I think that is essential. If the Chief Inspector of Stock decides that certain cattle shall be slaughtered, someone should be required to make a valuation before the killing takes place rather than have an argument about it afterwards, which is very unsatisfactory. I shall submit several other minor amendments. For instance, I intend to suggest that it is not necessary for owners to be notified by registered letter with regard to sales. It should be remembered that discount is allowed to the purchaser of cattle if he pays cash within three days. If a registered letter were sent and the owner of the cattle lived at some considerable distance from Perth, it would take him some time to get his registered letter, and in the meantime he would lose his discount. The other amendment I shall move will be to strike out the maximum amount of 2d. and to insert 1d. In this respect, we shall be following on the lines of legislation in Victoria and South Australia. I support the second reading and hope the Minister will accept the amendments I have outlined.

MR. WATTS (Katanning) [8.1]: I must say that in general I agree with the observations made by the member for Murray-Wellington, and especially do I agree with him in his desire to adhere very closely to the recommendations that were made by the Honorary Royal Commission, of which both he and I were members. I think other members of that body will agree with me when I say that we were in some considerable doubt as to the creation of a fund such as this and as to the effect that its creation would have and, in particular, as to the money that could be raised but, as the report stated, we were very substantially guided by the evidence given by officers of the Department of Agriculture, particularly

the Chief Inspector of Stock. As his evidence was taken in the first instance very early in the course of the inquiry, we made or less detailed one of the members of the commission to inquire of every witness—among there were well over 100 of this type who appeared before us and were interested in the livestock business—to express an opinion on the desirability of a fund such as was contemplated by the Chief Inspector of Stock and by one or two other officers of the department to whom some questions on the subject were put.

We found that the great majority of witnesses were favourable to a fund, which might call an insurance fund, when the situation was put to them as it had been put to us by the Chief Inspector of Stock. The gentleman pointed out that a considerable proportion of the cattle in the State were likely to be affected with tuberculosis, and he indicated that the policy had been decided upon, not only in Western Australia, but also practically throughout the world, that the best way to eradicate diseases in cattle even when those diseases were capable of being dealt with by vaccination or treatment by sera, was to destroy the cattle, because the inoculation system almost invariably maintained the disease in a modified form in all the livestock affected and, indeed, with those they came into contact with, and presented, by virtue of that fact, very much greater difficulties in the long run than the destruction of the cattle, which action, I claimed—and I think with some justification—would result in the majority of cases in eradicating the disease.

The Chief Inspector of Stock also referred to the fact that we must not regard ourselves as immune, although we have had the most complete immunity up to date, from some of the diseases that are rampant in countries outside Australia, and that the descent of one of those diseases upon the cattle of this State might result at any time in thousands of head of all types being destroyed in an attempt to eradicate the disease. If there were no means whatever of compensating those who suffered loss in such circumstances, the position would be a very serious one. The Chief Inspector of Stock instanced the fact that modern means of transport and the rapidity with which people and things can be moved from place to place, and the ill effects of the war on the organisation—quarantine systems and other

wise—of countries to the north of us, might at any time result in some of the diseases prevalent there reaching our shores. I think I may say that he went even further, because he said that, without warning, the disease which is known as rinderpest descended on our cattle some years ago at a time when there was no fund for paying compensation and when, in order successfully to stamp out the disease, wholesale slaughtering had to be resorted to. In answer to questions at page 227 of the evidence, he instanced the possibility of foot-and-mouth disease reaching this country. The questions and answers were—

What did you mean by your reference to new and infectious diseases?—We mean diseases not in the State, such as swine fever, rinderpest, foot-and-mouth disease, and those diseases we know exist in the world and might be introduced here at any time.

Would foot-and-mouth disease survive here?—Definitely, and would spread like one thing.

We have never had an outbreak here?—No, but when the rinderpest broke out, it spread very quickly.

Is there any inoculation for foot-and-mouth disease?—Yes.

As I have already stated, he had previously indicated that inoculation modified the disease only and maintained the disease, one might say, almost in perpetuity in a modified form, and so was undesirable. In broad outline, the observations of the Chief Inspector on this subject were communicated as well as possible to a majority of the witnesses interested in the subject and, in consequence of the answers that were given, the commission, on page 25 of the report, paragraph 81, stated—

Strong representations were made to us and most interesting evidence given by officers of the Veterinary Branch of the Department of Agriculture that legislation should be brought into being to provide a fund to compensate the owners of livestock, which were compulsorily slaughtered as a result of disease, and including those whose livestock were slaughtered to prevent the spread of disease. By arrangement one of the members of the Commission went to some trouble to examine nearly every witness who appeared before us (who was in any way connected with the stockraising industry) on this subject. The majority of such witnesses appeared favourably inclined towards the creation of such a fund. Some of those who were not opposed to it argued that the fund should not be in existence unless and until an outbreak of some new disease—which might necessitate wholesale slaughtering—took place. They considered that it would be unwise to raise such a tax unless there was some actual need

for the payment of compensation on a large scale. In short, they desired the circumstances under which the pig industry trust fund was created to be repeated, namely, that the fund was created after the outbreak of swine fever.

During the course of our inquiries we came to the conclusion that the creation of a fund in respect of sheep would be extremely difficult nor did there appear to be the same risk of disease of the class that was under discussion in these particular livestock.

As a result of those inquiries and of the hearing of that evidence, the commission came to the conclusion—after perusing somewhat similar legislation in South Australia and I think Victoria too—that the principle involved was one which might be accepted by the Legislature of this State. I say the principle might be accepted because there is bound to be some controversy as to the details, and we were not in a position at the time to obtain the necessary statistics to enable us to judge how much money could be raised by striking a given tax or insurance rate, or what the likely expenditure might be in any given 12 months. We sought in various quarters to obtain that information, without result. Indeed, the Chief Stock Inspector, although apparently he had had it at one time in his possession from an answer he gave to a question, indicated that it had been given to him in a confidential way and had been destroyed after he had made certain calculations, which calculations, or the result of them, rather, he communicated to the commission to the extent of stating that he thought a tax of 2d. in the money pound would be desirable and that it would raise in respect of cattle in Western Australia the sum of £15,000 per annum.

We found that the legislation in South Australia provided for a tax—I think a maximum tax—of 1d. in the money pound; and the answers to questions put to most of the witnesses indicated that they were averse to any contribution which exceeded 1d. in the money pound of the value of the animal concerned. So the commission made a very definite recommendation on that subject. It asked itself two questions: (1) By what means should the fund be credited and by whom should it be administered? and (2) what compensation should be paid and to whom? Dealing with the first question, the commission in its report, at page 25, said—

We were unable to obtain data and statistics which would enable us fairly to estimate the amount that might be required to permit such a fund to operate successfully or to cal-

culate the number of stock for which compensation might be required in the three cases previously referred to.

We can only recommend therefore that an investigation should be carefully conducted by the Department of Agriculture to determine whether a fund collected by the means hereinafter mentioned will be sufficient to pay in respect of all claims likely to arise, compensation calculated on the basis we later mention. We are not prepared to impose a tax greater than 1d. in the £1. This is the figure collected in Victoria and South Australia. If such a tax will provide sufficient we favour its imposition for the payment of compensation in the cases and on the scale we discuss in this part of this Report. Otherwise the project should not be proceeded with.

That was the considered opinion of the commission—that the tax should not exceed 1d. in the pound, and if it were found that it would have to do so the fund should not be proceeded with. I am going to adhere to that recommendation and therefore I disagree with the proposal in the Bill that there should be a maximum rate of 2d. The Minister has told us that his expectation is that the imposition of a charge of $\frac{3}{4}$ d. in the pound would be sufficient for the time being. So far as I am concerned—and I speak for myself—I would prefer to see the rate struck, if it is to be struck at all, at 1d. in the pound now, that rate to be made the maximum, and if there is an excess as a result of the collection of the extra $\frac{1}{4}$ d., it could be put aside as a trust fund for some future contingency.

The Act could provide, and should provide, that if a certain amount is reached in that trust fund then, so long as it is there, the tax should be suspended. Then everybody would know where he stood. There would then be no necessity for continual variations or even occasional variations in the rate that is imposed. On the estimates apparently at present before the Minister, there would be a surplus in that fund. That surplus would enable some reserve to be built up, and if a figure were fixed by the Act as the limit to which that reserve fund might go if it were not called upon, then the tax, as I said, should cease to be imposed until the trust fund was reduced below that figure. I do not think anyone who was engaged in the inquiry, either as a witness, a looker-on or a member of the commission, was prepared in any circumstances, at any time, to recommend that a tax greater than 1d. in the

pound be assessed. That is why I propose to adhere strongly to the maximum of 1d. in the pound.

The future prospects of the measure in my mind would depend very substantially on whether that recommendation were adhered to or no, because I think it was generally recognised that the tax would be fairly widely collected; it would not be confined to the metropolitan area, nor would it be confined—so far as we could understand from the evidence—to dairy cattle, milking cows and the like. It would apply as I think the member for York interjected just now, to store cattle as well; and while it would probably have immense value as an insurance fund and might at any time if the fears of the Chief Stock Inspector were realised, be required to compensate people who otherwise would suffer ver heavy loss through circumstances over which they would have no control, it does not seem to me that we are justified in imposing a tax greater than 1d. in the pound when all those circumstances are taken into account. The commission also recommended that there were three cases in their opinion in which cattle might be destroyed for the benefit of the health of the general good of the community. These are—

(a) Where a carcass is condemned as unfit for human consumption at an abattoir or slaughterhouse.

Provision is made for that in the Bill.

(b) Where cattle are destroyed by order of an inspector because they are suffering from some declared disease which is infectious or contagious to other stock.

That, I think is also provided for in the measure.

(c) When cattle are destroyed because they have been in contact with other cattle infected with such a disease in order to prevent the spread of such disease outside the property of the holder.

I do not think that that type of destruction is contemplated by this Bill. If it is, it is not very clear; and I am of the opinion that the Bill, as the member for Murray-Wellington has indicated, should be amended in order that such provision should be clearly made; because, as I understood the evidence of the Chief Stock Inspector—and I thought I understood it fairly clearly—one of the main reasons for his wanting to build up this insurance fund was that in the event of there being on

or two cattle found on the property of A with a disease which was of so infectious or contagious a nature that it might spread immediately with disastrous results to the property of other people elsewhere, in such an event the inspector would say, "You have two cattle out of 50 suffering and the rest may be infected by tomorrow, so we will destroy the lot." That, I think, was virtually the position that arose in connection with the rinderpest outbreak some years ago. It certainly seems to me to be the position that arose with regard to swine fever in pigs which, although it is not dealt with in this Bill, is a comparable case. I think it arises in other diseases of pigs too, because I fancy I recollect recent attempts to stamp out some strange malady on a farm in the southern districts when a great number of pigs were slaughtered in the hope of preventing its spread to adjoining properties.

The Bill hardly makes it clear that cases of that kind which have arisen in limited parts of the State in the past, and may easily arise again if the Chief Stock Inspector's evidence is to be believed, must be taken into account. I believe the Chief Stock Inspector's evidence is to be relied on in a matter of this kind. After all, we are going to place ourselves in a strange position if we say that a man who not only holds the office he does, but is well known for his probity and ability, is not to be taken any notice of. So, as a member of the commission, I accepted his evidence that the circumstances he indicated might easily take place, and I assessed what I believed to be the limit of the ability of the industry to pay and recommended accordingly, strengthened in the recommendation by the fact that the same line of thought has been adopted in legislation which exists in at least two of the other States where the maximum is 1d. in the pound of money.

Another thing the commission recommended and for which no provision is made in this Bill is in regard to the market value in respect of which compensation shall be paid. The commission recommended that in no case should the market value of any one head of cattle be deemed to be more than £25 unless for good cause the Minister directs that a greater maximum be fixed either generally or for specific types of cattle. The Bill provides for a maximum of £20.

The Minister for Agriculture: That is not more than £25.

Mr. WATTS: I know it is not.

The Minister for Agriculture: That is in conformity with the commission's recommendation.

Mr. WATTS: Quite, but wait a minute! The Minister has not provided for a greater sum with the Minister's approval in respect of specific types of cattle or perhaps generally. Disease, as far as I know, is no respecter of persons and, I anticipate, of cattle either. One might just as easily have rinderpest in cattle costing 50 guineas as in cattle costing 10 guineas, and it is a pretty poor sort of compensation for a man who has contributed pro rata to the insurance fund because of the value of the cattle which he markets, to be told that his £50 cow is to fetch a maximum of £20 under the Bill. Therefore it seemed to the commission, and certainly seems to me, that it is reasonable there should be a higher figure allowed in the Minister's discretion when, presumably acting upon the advice of his departmental officers,—who might be expected to know more about it than either of us—he considers the value is greater than £20 in a specific case. I hope the hon. gentleman will be prepared to agree that is a reasonable outlook on the subject; because, if this fund is to be an insurance fund—and that is how I view it—it certainly seems to me that it ought to insure reasonably not only those who own the average type of cattle and who may lose them because of some strange disease, but also those who own cattle far above the average. I propose to support the second reading of the measure and also the amendments foreshadowed by the member for Murray-Wellington. Then we will think about the rest of the procedure.

MR. PERKINS (York) [8.27]: Unfortunately I was not in the House when the Minister introduced this Bill so I did not hear his speech; and as "Hansard" is not available, I have not had an opportunity to read what he had to say when he introduced it. There is some doubt in my mind, after hearing what the member for Murray-Wellington and the Leader of the Opposition said, as to just where this legislation is going

to apply. I do not know whether the Minister made that clear.

Mr. McLarty: No.

Mr. PERKINS: Certainly before he asks us to support the second reading, I think he should give the House a pretty clear indication as to within just what areas this tax is going to be levied.

Mr. Doney: I think he intends doing so.

Mr. Watts: I do not think he knows himself!

Mr. PERKINS: If he does not know himself, he is going to place some members in this House in a very difficult position in voting on the Bill. The member for Murray-Wellington dealt fairly fully with the different sources of supply of cattle for the metropolitan fat stock market. Although the member for Murray-Wellington may have given us figures as to where these cattle came from in the past, I point out that the economy of this State is changing from time to time and in many districts it is changing quite rapidly; and although the cattle for the metropolitan fat stock market may have been largely drawn up to the present from certain areas, there is no certainty at all that in future the area of supply may not be considerably widened.

I believe that with the development of our wheat and mixed farming areas to the east of Perth and to the north-east and south-east as well, many more cattle will come to the fat stock market from those areas than have been coming in the past, and the people producing those cattle will then be much more interested in the condemnations at the abattoirs than has been the case. I think there would probably be more justification for bringing them within the scope of the Bill than there is at present. I anticipate, from the figures quoted by the member for Murray-Wellington, that the measure contemplates that the areas outside of the South-West and the immediate vicinity of the metropolitan fat stock market will be exempted from the operations of the Bill. If that is so, then those of us who represent electorates outside those areas will have little to say about the matter.

The Minister for Agriculture: That is not so.

Mr. PERKINS: I am glad the Minister has given us that indication because it will raise many other questions. If he contem-

plates levying this tax on sales of cattle spread over a large area, including the wheatbelt where many cattle change hands but whence few at present are sent to the metropolitan fat stock market, there is little justification for including the producers of cattle in those districts within the scope of the Bill. Very few cattle from those areas are condemned because of any of the diseases mentioned there. Obviously, those people will gain very little from the operations of the Bill, and there is, as a result, no justification for asking them to pay this tax. It is also doubtful whether it is proper to levy this tax on stock other than that being slaughtered for meat.

Mr. McLarty: That would be the fairest way.

The Minister for Agriculture: That would be nonsense.

Mr. PERKINS: I hope the Minister will make the position clear. In the areas I represent there is little possibility of stock being condemned because of any of the diseases referred to, unless the beasts are sent to the metropolitan fat-stock markets.

The Minister for Agriculture: What about pleuro introduced from the North-West?

Mr. PERKINS: We have had no cases anywhere outside the metropolitan area.

The Minister for Agriculture: You might have been lucky.

Mr. PERKINS: Possibly, but I think it is a much better policy for the Agriculture Department to maintain a close watch to see that such diseases are not introduced.

Mr. McLarty: A close watch is kept.

Mr. PERKINS: It will be an impossible job to set up funds to cope with all diseases likely to be brought into the State.

The Minister for Agriculture: Only three diseases are mentioned.

Mr. PERKINS: This deals only with the cattle industry, but if we are going to adopt this principle, we will have to cater for all industries. If we have not been troubled in this way in the past, and the department has been able to cope with these diseases by its system of inspections, why try to deal with a position that may never arise?

The Minister for Agriculture: Do you believe in the Pig Industry Compensation Fund?

Mr. PERKINS: We have had actual experience of a disease being introduced in that industry, and it was right to deal with the matter.

The Minister for Agriculture: This is the same principle.

Mr. SPEAKER: Order! The hon. member cannot deal with pigs on this measure.

Mr. PERKINS: Up to date we have had no trouble with cattle. Unless the Minister can bring evidence to show that cattle are likely to be affected by the introduction of these diseases, I do not think we are justified in levying this tax on all cattle changing hands. That is the point I want to cover. If the Bill is passed, it will mean that whatever cattle change hands, the owner—even if it is a farmer selling a cow to his neighbour—will have to give a receipt with the cattle stamps attached to it.

The Minister for Agriculture: That is so.

Mr. PERKINS: It seems to be a clumsy way to set up a fund.

The Minister for Agriculture: It is done like that in South Australia and Victoria.

Mr. PERKINS: That may be so, but conditions in those States might not be the same as here. As I did not hear the Minister introduce the Bill I may not be as conversant as other members with what is actually intended, and I hope that when he replies he will make perfectly clear which points he desires to cover and what areas he proposes to deal with. I have no objection to the principle contained in the measure provided that the Act is intended to apply only to those people who have need of a compensation fund. It is very doubtful whether people who are not likely to be affected by it should be brought within its scope. It will be difficult to define areas. Had the Minister said that he was going to exempt certain areas, we could have discussed the question of where the line should be drawn. It would be difficult to draw such a line, because it would mean, in some districts, that a farmer on one side of a fence would be paying the tax and one on the other side would not. The result would be that heartburnings would arise. Although there might be difficulties in that regard, it would be better to risk such dissatisfaction in order to make the measure operate as fairly as possible. From a perusal of the Bill it appears to me to concern mainly fat stock and, therefore, should

apply only to cattle sold to be slaughtered for meat. If the Minister considers it should cover a greater variety of cattle, I hope he will make the point clear when he replies.

MR. LESLIE (Mt. Marshall) [8.38]:

Like the member for York, I was not privileged to hear the Minister explain the Bill in detail, but I presume he intends to reply and he will possibly be able to answer some of the questions agitating my mind. In endeavouring to visualise how this measure, if it becomes an Act, will operate in my area, I can see a number of difficulties facing the department, and they can only be overcome if a considerable amount of expense is to be incurred by it. I do not think that the following point is peculiar to my area—other parts of the State will be the same—and that is that many butchers raise and slaughter their own cattle. What is going to happen in their case?

The Minister for Agriculture: If they do not sell them, nothing happens.

Mr. LESLIE: If that is so, they will be exempt from the provisions of the Act. If they sell any cattle, although they are not suffering from any of the diseases specified here, they will not get any compensation. But in the event of cattle in any of these districts contracting these diseases, or any of them, who is going to carry out the inspections and condemn the cattle? I take it that the purposes of the Bill are, first of all, to see that good meat reaches the consumer and, secondly, that the grower or the producer is not going to be the one to suffer because his meat has been condemned. The most unsatisfactory feature of the Bill is that it perpetuates a policy that seems to be singularly applied to the primary producer; the policy that he must carry the whole of the burden of any help that is given him. We tell the primary producer that we are out to protect the rest of the people and that we want to help him. but that he must pay for all the help he gets.

The Minister for Agriculture: We are out to protect him, under this measure.

Mr. LESLIE: Yes, but he is being made to pay for it.

The Minister for Agriculture: What is wrong with that?

Mr. LESLIE: Nothing, if it applies to the whole community, but it seems to be

applied particularly to the primary producer. In my own area a marginal scheme was introduced and assistance given to farmers to rehabilitate themselves, but restrictions and limitations were imposed and they were compelled to pay a price for whatever assistance was given to them. This Bill is a perpetuation of that policy. Other sections of the community and of industry are assisted without being called upon directly to pay for the assistance. Of course they all pay indirectly, through taxation, but why not let us have the same policy applied to everyone concerned? In most country districts the cattle change hands a number of times, as the member for York pointed out. Owing to the seasonal variations applying at different times of the year, the farmer, either during or in between seasons, may have to dispose of his cattle and then buy more. He may get rid of them early in the season and, before the season is over, those cattle may have passed through the hands of three or four different farmers.

If the cattle are to be taxed each time they change hands it will not be long before it will be worthwhile for somebody to have them condemned, in order to get their price, because the compensation fund will be holding as much money as the cattle were originally worth, stamp duty being paid each time they change hands. A line of demarcation will have to be drawn. The duty payable will have to apply only to cattle that are put on the market for consumption in certain areas, such as the metropolitan area; cattle that are for killing purposes and not those sold or exchanged between farmers. Those cattle will have to be exempt. Certain areas of the State will also have to be exempt. The Bill says that the provisions will apply in those portions of the State that are comprised within districts defined by the Governor-in-Council.

A district may be defined at any time as one in which the measure shall operate. I do not disagree with that, because circumstances may arise under which it is necessary for certain districts to be so defined, as in the case of noxious weeds, and brought under the operation of the measure. However, I foresee difficulties in applying the provisions of the Bill. It is not clear where they are to apply or how they are to be applied to the different sales of stock occurring from time to time. I have risen to assist in inducing the Minister to make clear

to the House certain points that are occasionally much doubt in our minds.

THE MINISTER FOR AGRICULTURE

(Hon. J. T. Tonkin—North-East Fremantle—in reply) [8.45]: The point to be remembered in considering this measure is that it is an insurance. It is not a proposal to impose a tax on anybody, but to establish an insurance fund so that if through disease a serious loss should be incurred by any individual, he will not be obliged to carry the whole of the loss himself. The burden will be spread over the whole of the producers, therefore saving some unfortunate persons from certain ruin. That is the principle of the Bill. It does not confer a benefit on anybody else, but purports to confer a distinct benefit on the producers.

Mr. Leslie: And a burden.

The MINISTER FOR AGRICULTURE: No. The producers are making a contribution to an insurance fund, in exactly the same way as is any man who takes out life assurance.

Mr. Perkins: But only some producers will benefit from it. Those that do not send cattle to the fat-stock market will not benefit.

The MINISTER FOR AGRICULTURE: They will. It may be that a farmer will have his stock in a paddock adjacent to a main road, and that infected cattle passing that property will rub noses with the cattle inside the fence and infect them with pleuro. That has occurred here. The unfortunate man, whose cattle were previously free from disease, found that he was called upon to have the whole of his herd slaughtered, and in the case of a herd of 50 or more that is a very serious loss, which might mean ruin. In November, 1942, pleuro was introduced into the metropolitan area, we believe by North-West cattle. The matter was kept very quiet at the time because we did not desire any harm to come to the producers in the North-West through people not wanting to buy their cattle, thinking they would be diseased.

When the outbreak occurred in the metropolitan area a herd of 35 dairy cows, 26 of which were in full production, had to be destroyed because one of the animals developed pleuro. The only return that the owner received was that from the abattoirs. He was permitted to take his cattle to the abattoirs and have them slaughtered. He

was given the option of doing that or having them quarantined for three months. If during that period one of the beasts developed pleuro the quarantine period would have to run for a further three months, which meant the possibility of an indefinite period of quarantine. As the man concerned was dependent upon the cattle for his livelihood that meant a very serious loss to him, and he elected to have his cattle slaughtered. Ten days afterwards another herd in that district developed pleuro from contact with some of the animals of the herd that had been slaughtered. It was then necessary to order the slaughter of that herd, which fortunately involved only seven head. The point is that those producers had to carry the whole of the loss themselves, because of the necessity to take stringent measures to prevent the spread of the disease. Then there was an outbreak of pleuro in Midland Junction in 1936. Prompt action was taken and the outbreak was stamped out. The man on whose property it occurred had to bear the full loss.

Mr. Perkins: Where did the contact come from?

The MINISTER FOR AGRICULTURE: It is assumed that the contact came from cattle from the North-West, but that was not definitely established.

Mr. McLarty: But North-West cattle are not allowed out before slaughter!

The MINISTER FOR AGRICULTURE: As the result of that outbreak, a resolution was passed at the meeting of the South-West Conference to the effect that the Government should take drastic steps to prevent pleuro from occurring in the metropolitan area. Then there was another outbreak in 1937. That occurred in the Midland areas and over 300 cattle were involved. In fact, 335 cattle were slaughtered, seven of them as actually suffering from the disease and the remainder as contacts. Fortunately, as the animals were slaughtered promptly the owners of the stock did not suffer total losses because they were able to recover the carcass value of the cattle in the form of beef. Naturally that applied only to the animals that were free from disease. The point there is that there was no compensation fund from which payments could be drawn by the owners.

Following that outbreak the South-West Conference, at a meeting in October, 1937,

passed another resolution urging the necessity for the protection of the southern portions of the State from an outbreak of pleuro in cattle. In November, 1942, the presence of pleuro was suspected in cattle at Bridge-town. After tests had been carried out and a thorough investigation made, no evidence of the disease was found. There was no further outbreak until the two I have referred to in 1942. The point in all this is that it is desirable for something to be done to prevent unfortunate owners from having to shoulder the whole of the burden should an outbreak of disease occur.

Mr. Leslie: You will still have to take action to prevent any such outbreak.

The MINISTER FOR AGRICULTURE: Of course, that goes without saying. In order to have an insurance fund that will be of value when needed, stability is necessary, and therefore contributions to the fund must be sufficient to meet not only current annual demands but to make it possible for the fund to build up speedily against the possibility of an outbreak or epidemic. Several members suggested that the stamp duty should be so reduced as to make it merely cover current demands; but if that were done we would never have a fund built up at all, certainly not one that would withstand any serious demand upon it. Should an epidemic occur the fund would be quickly exhausted. What is the use of an insurance fund of that type? That is why I propose in the Bill that the maximum contribution shall be 2d., not that it is intended to impose anything like 2d. straightaway.

Believing that an impost of $\frac{3}{4}$ d. in the £ will probably be adequate, we have nevertheless retained power immediately to call for a levy of 2d. should a serious outbreak occur, thereby helping to maintain the solvency of the fund. There is no desire to impose a heavy tax upon the producers, but what is proposed represents prudent finance in their own interests. The member for Murray-Wellington pointed out that there was no provision for a Treasury contribution to the fund whereas the Treasury had contributed to other funds. That is quite true with regard to the Dairy Cattle Compensation Fund and even to the fund provided for in the Milk Bill, but is not true with regard to the fund associated with the pig industry.

Mr. Rodoreda: Or the Members of Parliament Fund Act!

The MINISTER FOR AGRICULTURE: With regard to the Dairy Cattle Compensation Fund, in that instance there was an attempt on the part of the Government to ensure that a product should be clean and wholesome for the people generally.

Mr. McLarty: Does that not apply here, seeing that this deals with disease?

The MINISTER FOR AGRICULTURE: Yes, but in the interests of the producers and the fund will carry a big burden if their stock is slaughtered. In connection with the Dairy Cattle Compensation Fund, the object was to test the cattle and eradicate tuberculosis in the interests of a clean and wholesome milk supply, which would benefit others.

Mr. McLarty: In this instance, is it not the desire to have a clean and wholesome beef supply?

The MINISTER FOR AGRICULTURE: Of course it is. But that is guaranteed now seeing that the carcasses are inspected when the animals are slaughtered. Under those conditions diseased meat cannot reach the community. In this instance the compensation fund is to reimburse people who may be owners of animals that are condemned or destroyed. There is that distinction.

Mr. Perkins: But this covers others than those condemned.

The MINISTER FOR AGRICULTURE: Yes. The Bill provides that if any cattle within a prescribed area are suspected—they do not have to be proved to be diseased and may merely be suspected of suffering from disease—of being affected, they can be slaughtered and the owner compensated accordingly.

Mr. Perkins: It covers much more than the figures referred to by the member for Murray-Wellington.

The MINISTER FOR AGRICULTURE: Of course. The member for Murray-Wellington was very much astray in his figures and was most illogical. He worked on an average basis of £12 per head and I was prepared to accept an average of £14. He then argued against £20 being fixed as the maximum amount of compensation and contended the amount should be £25. If the hon. member contemplates that there will be many cattle for which £25 a head will have to be paid—

Mr. McLarty: I do not.

The MINISTER FOR AGRICULTURE: Then what is the hon. member worrying about? His average would be much higher.

Mr. Perkins: What about stud stock?

The MINISTER FOR AGRICULTURE: The contribution to the fund is to be 2d stamp duty, up to a maximum of 2s. 6d. That means to say, an owner will not contribute on the basis of a beast worth £5 or £100. I remind members that this method does not differ at all from that adopted in connection with the Milk Bill under which we fixed the maximum compensation for dairy cattle at £20. I should say one could expect to find more valuable animals among dairy cattle than among beef cattle.

Mr. McLarty: But you would pay more money for a beef bull.

The MINISTER FOR AGRICULTURE: Is that so?

Mr. McLarty: Of course it is.

The MINISTER FOR AGRICULTURE: I am not so sure that that is correct. Would the hon. member pay more than that for "Koojan Ace?"

Mr. McLarty: You would have to pay heavily for a beef bull.

The MINISTER FOR AGRICULTURE: At any rate, I do not want to start an argument on that point, for there is room for a great difference of opinion.

Mr. McLarty: No, there is not. You ask your advisers.

The MINISTER FOR AGRICULTURE: The hon. member remarked that he did not believe there would be very many beasts for which compensation amounting to £25 a head would have to be paid. If they are so few, why worry about making special provision for them? I consider that the amount of £20 in most cases would provide reasonable compensation. The hon. member suggested that we should arrive at the price of the animal before slaughter takes place. Ordinarily that will be done, but it would be wrong to insist upon it, because if we had cattle affected with pleuro and the inspector and owner could not agree upon the price, the cattle would have to remain there with the disease until the price to be paid had been agreed upon.

Mr. McLarty: But you could send some one to value it.

THE MINISTER FOR AGRICULTURE: The Bill provides that the inspector ordering the destruction and the owner shall agree upon a price, and in nine cases out of ten they would agree. The inspector would probably suggest one price and the owner another and doubtless they would end up by splitting the difference to get a reasonable price. That is what happens.

Mr. McLarty: Not always.

THE MINISTER FOR AGRICULTURE: Where it does not happen, there is provision for the appointment of a third person as arbitrator, who himself shall fix the price. But what is going to happen while the third person is being obtained? We would not anticipate disagreement in the first place, but a disagreement might occur, and the diseased animal would have to be left there while arrangements were made for an arbitrator to come in and fix the price. In such circumstances the right thing to do would be to slaughter the animal and fix the price afterwards. Normally it would be done in the way the hon. member suggested, but to lay down a hard-and-fast rule would be bad business. There should be some elasticity to meet cases in which the immediate destruction of diseased animals is essential. That is why the provision as it stands has been included in the Bill.

Mr. McLarty: The Government might appoint a valuer in each district.

THE MINISTER FOR AGRICULTURE: I think the method provided in the Bill will be satisfactory. We have had no difficulty with the method previously, and I cannot understand why it should present any difficulty in future. The member for Mt. Marshall said his objection was that this was something the producers would have to pay for, and that this was the principle all the time, namely, that anything the producers got, they had to pay for. Of course that is a lot of nonsense, as I shall show. The dairying industry in this State during 1945-46 was subsidised to the extent of £239,000; the wheat industry to the extent of £375,000 in Western Australia, £400,000 in South Australia and £610,000 in New South Wales. Stock feeders in Western Australia received assistance in 1945-46 to the extent of £300,000, and the superphosphate subsidy for this State was £828,750.

Mr. Perkins: Are you quoting Commonwealth subsidies?

THE MINISTER FOR AGRICULTURE: These are subsidies paid to primary industries.

Mr. Perkins: What about all the money the Commonwealth is taking out of primary industries?

THE MINISTER FOR AGRICULTURE: The statement made by the member for Mr. Marshall was that the primary producers had to pay for everything and got nothing in return.

Mr. Perkins: If you quote Commonwealth subsidies, we are down about £10,000,000.

Mr. SPEAKER: Order! The Minister must be allowed to make his statement.

THE MINISTER FOR AGRICULTURE: The hon. member is making a general statement, but I am quoting figures in support of my contention. There is no occasion to quote further figures, but I have details of millions of pounds of subsidies paid to primary producers in all branches.

Mr. Perkins: If you want figures, I am prepared to give you plenty.

THE MINISTER FOR AGRICULTURE: I shall give the hon. member a complete list later on, but not on this Bill.

Mr. Seward: I do not think we shall see it.

THE MINISTER FOR AGRICULTURE: I am sure the hon. member will see it. The only other point raised concerned the districts to which the measure should apply. Having regard to the fact that instances have occurred in the metropolitan area of pleuro being introduced from the north, and the introduction of that pleuro resulting in loss to people in the south—

Mr. Leslie: That was somebody's fault.

THE MINISTER FOR AGRICULTURE: Yes, but whose? It was also somebody's misfortune.

Mr. Leslie: Your department's.

THE MINISTER FOR AGRICULTURE: It would have been somebody's fault had the disease spread but, in consequence of the prompt action taken by the department, it did not spread, and the disease was confined to two properties.

The Premier: That is correct.

Mr. Leslie: How did it get down here?

THE MINISTER FOR AGRICULTURE: It was brought here by diseased cattle from the north.

Hon. W. D. Johnson: Perhaps it came from the Mt. Marshall district.

THE MINISTER FOR AGRICULTURE: The point to bear in mind is that the unfortunate producers in the southern portion of the State had to bear a loss for something that came from somewhere else. Would it be fair in such circumstances to say that the whole of the cost of the insurance fund should be borne by people occasioned loss through cattle being brought from districts that made no contribution at all? That would not be a fair proposition. So it is intended that every part of the State, except the South-West and metropolitan area, shall bear some of the burden. It is not intended to proclaim the whole of the State as an area so that sales taking place anywhere within the State shall be subject to this tax, but it is intended that for cattle brought from the north and sold in the metropolitan area, there shall be a contribution to the fund.

Mr. McLarty: Then we should say that tick fever shall be one of the diseases.

THE MINISTER FOR AGRICULTURE: The Bill provides for three specific diseases, the obvious intention being that, should the necessity arise to compensate other producers for loss occasioned by some other disease, provision can be made accordingly. But we shall never reach that position if we reduce the amount of contribution to the fund and severely limit the number of people who will contribute to the fund. Once we recognise the necessity for and desirability of establishing a compensation fund, the next thing is to ensure that such a fund shall have stability and will be available for use if required.

Surely it is better for the producers generally and individually to make a contribution to the fund without ever drawing upon it than to be subject at any time to serious loss because of the misfortune of getting some disease into their herds! The contribution they will make is not a heavy one. It is an insurance. I know what my view would be were I a producer. I would be quite happy to keep on paying that contribution in order that my cattle might be free of disease, but knowing that

if they did contract disease I would not have to carry the whole burden myself; it would be spread. If the contribution to the fund is such as to enable it to build up a credit because there has been no big drain upon it, then obviously what will be done will be to reduce the amount of the contribution. That course has been followed before. There is no intention whatever to impose a heavy levy upon the producers; the sole reason is to guarantee the stability of the fund in the interests of the producers themselves.

Question put and passed.

Bill read a second time.

In Committee.

Mr. Rodoreda in the Chair; the Minister for Agriculture in charge of the Bill.

Clauses 1 and 2—agreed to.

Clause 3—Interpretation:

Mr. McLARTY: Although I have no amendment on the notice paper in regard to this clause, because I did not realise that one would be necessary until I had heard the Minister, I move an amendment—

That in line 2 of the definition of "disease" after the word "actinomyces" the words "tick fever" be inserted."

I know the Kimberley growers are not aware that they would be required to pay this proposed tax. On the second reading I told the Minister that an average of about 12,000 cattle per year came from the Kimberleys. The diseases specified in this definition, other than pleuro-pneumonia, are practically non-existent in the Kimberleys. Only one bullock in many thousands might be condemned for tuberculosis; if it suffered from that disease it would never be sent to the metropolitan area. Consequently, it is extremely unlikely that the Kimberley growers will ever be compensated in respect of that disease. The two diseases from which Kimberley cattle suffer are pleuro-pneumonia and tick fever. If the thousands of cattle there are to be taxed, surely both those diseases should be provided for. If tick fever breaks out in a mob of cattle they have to be slaughtered very quickly. The butchers are given four days in which to sell them at the owners' risk. I ask the Minister to give further consideration to this matter. It is but fair to the Kimberley growers that they should

have some chance of considering this point before the Bill is passed.

The MINISTER FOR AGRICULTURE: The member for Murray-Wellington overlooks the fact that the Kimberley owners are asked to make a contribution to assist people who might suffer loss as a result of disease introduced from the North. To include tick fever among the diseases for which compensation is to be paid would seriously threaten the stability of the fund on the basis on which it is proposed to be established. There would be no fund and no compensation for anybody. The better plan is to allow the fund to be established on the basis of the three diseases mentioned in the definition. Power is reserved to include other diseases and, if experience shows that the fund could be extended to cover them, consideration could be given to the matter. I cannot accept the amendment; it would destroy the fund.

Mr. McLARTY: The cattle to which I referred are already taxed in order to prevent disease. There is a dipping fee of, I think, 6d. per head for tick fever. The Minister should take that into consideration. As I told the Minister, it costs £6 5s. per head for every bullock sent to the metropolitan area before it is sold and it is now proposed to impose a further tax from which the producers will not derive any benefit.

Mr. Triat: They could derive some benefit.

Mr. McLARTY: I should be glad if the hon. member would explain what benefit they could receive.

Mr. Triat: Cattle in the North suffer from T.B.

Mr. McLARTY: T.B. in cattle exists everywhere, but in the North, including the hon. member's district, cases of T.B. are exceedingly few and far between.

Mr. Perkins: What losses are there from pleuro-pneumonia?

Mr. McLARTY: The loss down here is .5 per cent. There is no need to rush the Bill through tonight and I hope the Minister will give those interested time for consideration.

Mr. PERKINS: I, too, hope that the Minister will delay the further consideration

of the matter for a while. Unfortunately I was not in the Chamber when the Bill was introduced, but it has been proceeded with very quickly. If the Minister will leave the matter until the next sitting of the House, we will have more opportunity to give consideration to it. The Minister has apparently given us quite a lot more information now than he gave in his second reading speech.

The Premier: That is not so.

The Minister for Lands: You were not in the House; and you have not read "Hansard."

Mr. PERKINS: I am judging by the reaction of other members. If I am wrong, let the Minister correct me. I say that apparently the Minister has given fresh information, particularly about the diseases he is trying to guard against and the outbreaks that have occurred. It seems that on the second reading, he gave no specific information of previous outbreaks but he has given that information at a later stage. For many of us that has altered the whole complexion of the Bill. Everything depends on just what the danger is to the cattle of the State and where the danger exists. The member for Murray-Wellington has also raised the question of another disease which is not provided for. If the Minister includes tick fever in the list of diseases, it looks as though that may require the highest levy possible under the Bill in order to keep the fund solvent. That would mean that stock owners in the southern part of the State would be subsidising the fund for the benefit of northern cattle; whereas now the northern cattle are subsidising the fund to some degree, as the Bill stands, for the benefit of the southern cattle. That is a matter to which I think we should give further consideration. Apparently a point has been raised which the Minister has not had the opportunity to discuss fully with his technical officers. I hope he will give us an opportunity to discuss it a little further with the producers we represent.

Amendment put and negatived.

Clause put and passed.

Clause 4—agreed to.

Progress reported.

ANNUAL ESTIMATES, 1946-47.

In Committee of Supply.

Debate resumed from the previous day on the Treasurer's Financial Statement and on the Annual Estimates, Mr. Rodoreda in the Chair.

Vote—Legislative Council, £2,760.

MR. TRIAT (Mt. Magnet) [9.25]: The second Budget introduced by the present Treasurer appeals to me, as did the first one. I presume that, like every other Treasurer, he has had to budget according to the amount of money available. The proposed expenditure of £14,000,000 in Western Australia during the coming period is not a great amount of money, but it is all that can be obtained. I have listened carefully to the Treasurer, and since then to speakers from the Opposition, dealing with the question of uniform taxation. I have heard quite a lot of expressions of optimism regarding what may occur in the future in relation to that subject. For myself, I am pessimistic about it. I contend that once any Government, no matter what its political complexion, is given power to levy taxation, it will not relinquish such power unless forced to do so. The decision of the highest tribunal of Australia has given the Commonwealth Government the sole right to tax us; so it is obvious that the States will be subordinated to the Commonwealth's financial plan and will have to depend on the Commonwealth for what they receive to carry on. I consider that we are now right out of the field of taxation.

As a matter of fact, I believe that most people in the Commonwealth have no desire to revert to the old method of two systems of taxation. They feel that one taxing authority and one filling in of forms should be sufficient, and I believe that is what will occur. In future, the money we have to spend will be whatever we can receive through the channels through which we are at present obtaining finance. I also heard quite a lot from the Leader of the Opposition and the Leader of the Liberal Party about migration. I heard my friend over there say that we would need an increase of 70,000 people per year in order to assure the continued existence of this country in 20 years; and that unless we had that population, the Japanese would probably attempt to attack

Australia again. I am glad members have awakened to the existence of the Japanese menace to Australia. I remember that prior to the Japanese coming into the war, I, as a new member, made a statement as to the danger of Japanese invasion, and I was ridiculed.

Mr. McLarty: I remember that quite well.

Mr. TRIAT: I realised there was a great danger from countries north of Australia, and I realise that the danger of attack in less than 20 years' time still exists.

Mr. Seward: They will not forget this war.

Mr. TRIAT: They will not forget any war. Any country that has been defeated will be prepared to seek revenge. Not only are the Japanese a menace, but there are other people much closer—40,000,000 of them at our very doorstep. I do not think they are too friendly to the white race of any country, whether it be Australia, Great Britain, America or any other nation. I agree that we need to have more population either by natural increase or by a policy of migration. But I cannot for the life of me see how we can expect to attract people under existing conditions. Where are we going to house them? Our own people are short of accommodation. We have married folk with families living in hovels and barns and anywhere else they can get. That occurs in Western Australia and elsewhere in the Commonwealth. There are squatters in Queensland taking up military positions and they are going to be ejected.

Until we can satisfy the wishes of our own people and give them decent accommodation, we cannot expect others to come to this country to live. I am of the opinion that all that men or women living in any part of the world desire is to get to some place where food is plentiful and work and shelter are obtainable, and where there is security for them in their old age. Those are the requirements of ordinary men and women everywhere, I do not care from what country they come. People complain about the standard of living in Australia. If we consider Europe, we will find that the standard in many parts of that continent is much better than exists in Australia—or at any rate, it has been. Not a great number of Danes desire to come to this country, because their standard of living is superior to ours. The only way to get good migration is

to satisfy the wants of the people in the way of housing, permanent employment and security in old age.

Mr. McDonald: We should make the country attractive.

Mr. TRIAT: Yes. By doing that not only will we draw the best in the world, but those of every class. People will willingly come here to rear their families because they will have security for all time. There is some peculiarity about politics and law-making. I can remember reading that an inventor, years ago, invented a machine driven by some sort of power, presumably steam, and the authorities in the country where it was invented became frightened and insisted upon someone running in front of the machine, waving a red flag. The speed of the vehicle was, of course, fixed at the pace of the man preceding it. In the course of time, progress overcame that idea and the chappy with the red flag was dispensed with, but the principle is still retained in institutions such as Parliament. Some people say that is tradition and that tradition is a good thing, and so it is in some cases, but not all. When I first came into Parliament—and even at the last opening of Parliament—I was struck by our old traditions.

Mr. Abbott: Do you think there is a red flag here?

Mr. TRIAT: Yes. On the last occasion we had a Deputy for the Lieut.-Governor who opened Parliament by saying in deep and solemn tones, "Hon. members of the Legislative Council and members of the Legislative Assembly." That is tradition. There is no difference between the two, but the members of one House are termed "Honourable" but not those of the other.

The Premier: I hope there is a lot of difference.

Mr. TRIAT: Because one place has red floor-coverings the members are termed "Honourable," but not those in the other place. That is tradition. It is astonishing how tradition tends to act as a deterrent. The chappy with the red flag is evidently right in the middle of our Parliament. A Select Committee was mentioned in the discussions on the last Bill dealt with here to-night. Members from both sides of the House were appointed to that committee and they travelled almost over the length and

breadth of the State to obtain evidence from practical men interested in the pursuits under investigation. Each man on the committee became an expert, by practice, at obtaining and sifting the necessary evidence. The committee formulated a report after much thought and consideration. It was handed over to the Minister—and again the chappy with the red flag steps in—who passed the report on to another official who had had no personal contact with the various witnesses but formed, by skipping through the pages of the evidence, the opinion that something was not quite right. As a result the report has not been dealt with and two years have gone by. The matter now is almost as dead as the dodo. We should have carried on with it while it was still alive. That is how the chappy with the red flag holds up progress in civilised Parliaments.

If the Premier at any time desires to short circuit procedure he cuts out the chappy with the red flag by moving the suspension of Standing Orders. But the old traditions require us not to do that but to proceed in an orthodox manner. If we are to get new homes quickly we should not follow the old traditions, but should go after them. I am glad the Government has appointed a commissioner to inquire into the question and I hope that when his report is tabled we will deal with it immediately. The people who are prepared to go into the country to work are entitled to consideration. We should build homes for them and not for the people who want to stay in the city. I would not build a home for anyone in the city. I would say that there is no work for people in the city. Two-thirds of the people in this State are congregated in the metropolitan area, and that is totally wrong. Let us build homes on the Goldfields and in the timber and farming areas for people who are prepared to go there. And we should not build houses at £1,250 a time.

Let us erect homes that working men can afford to buy. In my opinion £500 is the maximum price that any working man who is married should be asked to pay. Today, however, they are required to buy homes at £1,250. A married man with two children to keep will never be able to complete his purchase; he will be paying it out of his old age pension. All sorts of things hold up progress, and it is hard to blame anybody in particular. It is tradition to hold on to things for a while. A matter of interest be-

comes a nine days wonder, and then it is anybody's business and everyone forgets about it. When it is again brought forward it is decaying, and it smells. We should get on with such things while they are fresh. The Premier made certain statements about expenditure, including that of the railways. In the Press this morning I noticed that the railways show their biggest deficit yet—over £960,000 for 12 months. That is a shocking thing, but we cannot blame the department altogether.

In the past I have said much against the railways, but I sympathise with them on this occasion because they are overburdened with interest payments. As a result it is impossible for them to have any incentive to make ends meet. It is time the Government took some of that impost away. It should be a debt on the people of the State. We should, as other States have done, transfer it to the debts of the State. With the increased cost of coal, which is terrific—the coal barons are getting a great rake-off; no-one interferes with their profits, except the taxation people—the increase in wages and the greater amount of holidays, I do not see how the railways can attempt to pay unless they do something in the matter of freights and fares. I should be the last to suggest that freights and fares should be increased because I represent an electorate many hundreds of miles from the city and this matter affects my people. But I would not be worth my salt if I did not say that freights are too low and that, because of the increases in wages and costs of production freights and fares must be proportionately increased. For many years we have carried freights at a loss—good old tradition again—for certain people. I refer to the farmers on this occasion.

Mr. Cross: Superphosphate, for instance.

Mr. TRIAT: Yes. We have done that for years. We know that many farmers who die today leave estates to the value of £12,000 and £14,000, yet the taxpayer is called upon to pay his freight charges because he has to meet the loss of £960,000. Let us awaken to the fact that we must do something, and that the farmer is able to stand on his own feet today; that the railways must receive more revenue. When that is done we can ask the Railway Department to do more for the people of the country than it has done in the past. Unfortunately, for some time

past I have had to appeal to the Railway Department not to pull up one piece of line in my electorate.

Mr. North: What about subsidies?

Mr. TRIAT: The taxpayer has to meet a deficit of £960,000, and pay a subsidy also. Let the people who can, stand on their own feet. If they fail the Government can then give consideration to again decreasing the fares or freights for such individuals. In one part of my electorate a train service is required once per fortnight only, and it is regrettable that I have had to approach the Railway Department and ask it to let that line carry on for the time being. It is the only means of transport there. The department was good enough to agree to allow that line to operate for a little longer, but I suppose the time will come when it will have to go out of operation, if the population does not increase.

I think an overhaul of our Railway Department is long overdue. When the present Commissioner was re-appointed to his position I was not keen on that re-appointment. I can remember the then Premier, the member for Geraldton, making the statement in the House that he was prepared to consider the appointment of a board of management to control the railways. Nothing more was heard of that. Had that suggestion been carried out I believe our railways would have been in a much better position than they are today. In saying that, I have in mind the report of the Royal Commission appointed to inquire into the Australian Standard Garratt Locomotive. If ever I read a report strongly in condemnation of people in authority—though couched in very nice language—it is this. I will refer to two pages of the report. Had a board of management been in control of our railways I am confident there would have been no occasion for a report such as this. On page 10 of the report the Commissioner says—

By November, 1944, the several States mentioned had had more experience of their performance. The Queensland attitude towards the locomotives was definitely hostile. Tasmania was unwilling to take any more until modifications had been made to the structures. The various complaints in general were voiced at a special meeting of the Commonwealth Land Transport Board held in Canberra on the 7th November, 1944. The meeting was dealing primarily with the completion of the programme of construction of the locomotives. It also discussed what modification should be made in the design of locomotives already in

service and in those yet to be completed. The Chief Transport Officers of the various Australian systems were represented. A number of the locomotives had not been commenced, but it was thought that it would be cheaper to have them built than to pay compensation moneys to contractors. I have reason to believe that the Commonwealth then had the locomotives in the market for sale and efforts were made to sell them abroad as well as within the Commonwealth. There were apparently no buyers abroad and the States were pressed to purchase. Up to this time the locomotives had been leased by the State systems from the Commonwealth. But, as already pointed out, they came too late to serve their purpose.

Against the hostile attitude of Queensland and the lukewarm attitude of Tasmania, a Western Australian representative at this conference declared that the locomotives had given satisfaction in Western Australia and that no difficulties had been experienced there. There is ample evidence that difficulties and objections had been raised in Western Australia and I cannot understand how such a statement could have been made.

There is a case where a board of management definitely would have said that objections had been lodged to that class of locomotive in Western Australia, but, with a Commissioner controlling the Railway Department, with technical men under him, that statement was made. I am given to understand that one of the technical men was responsible for the design of this locomotive. It was his baby, and he would not condemn it. The report continues—

At this time the Commissioner of Railways of Western Australia had recommended to the Government the purchase of 10 A.S.G. locomotives which were then in service under lease from the Commonwealth, and shortly afterwards he made a recommendation that 15 additional locomotives should be bought. It is clear that the Chief Mechanical Engineer (Mr. Mills, the designer of the locomotive) and the Chief Traffic Manager of the Western Australian Government Railways (Mr. Evans), had no hesitation in supporting the recommendation. The Commonwealth at that time was asking approximately £18,000 for each locomotive and these two officials thought that by comparison with the S class locomotive, one of the newest and most powerful engines on the State system—which cost £16,000—the A.S.G. locomotive was good buying. Subsequently, it seems, by the use of various arguments, the purchase of the locomotives was arranged at £12,000 each. The Chief Traffic Manager stated in evidence that he was so satisfied with the locomotive that on the 27th July, 1945, in a joint report with the Chief Mechanical Engineer he recommended the purchase of an additional five.

That was a disaster, and it was not warranted when the locomotives were not satisfactory. However, we had to take them and today we see a report by a Royal Commissioner adverse to the whole of that business. I will refer next to page 52 of the report where, in my opinion, there is a scathing paragraph dealing with the administration of the Railway Department. I absolve nobody in the railway administration from this. Everybody there in authoritative positions, the Chief Traffic Manager, the Chief Mechanical Engineer and the Commissioner of Railways are equally to blame. Had a board of management been appointed, it would, in similar circumstances, have been equally to blame. At page 52 of the report the Commissioner says—

With the wisdom or otherwise of the plan to build them, Your Excellency's Royal Commission is not concerned. It is concerned, however, with the purchase by the State of 25 of the locomotives. The only question is—were they such good buying as the administration maintains? The answer is, definitely, —no! Such a large number of locomotives of an experimental design should not have been bought. By July, 1944, many defects of major import had become manifest, as is shown by a series of resolutions passed at a meeting of the Mechanical Engineers sub-committee of the Commonwealth Land Transport Board held in that month. These defects were accentuated as time went on and should have been apparent to the railway administration before November, 1944, when it was decided to buy the locomotives. In my opinion that decision to purchase was an error of judgment. I think the enthusiastic confidence displayed by the Chief Mechanical Engineer and the Chief Traffic Manager in recommending the purchase, in the face of their history and all the experience which had been gained, was entirely misplaced.

That is strong language. The report continues—

In addition to the initial cost of £18,000 for each locomotive, the Government has to face the prospective cost of making the locomotives roadworthy and there will be a large amount of expenditure, difficult to estimate, which will have to be incurred in adjusting details. There is also the general loss which will be caused by dislocation due to taking the locomotives into shops—a loss which it is impossible to estimate.

That is a terrible statement to have to make about responsible officers, holding such positions, who are entitled to expend taxpayers' money at the rate of £960,000 per annum. I sincerely trust the Government will give consideration to the promise made by the then Premier, the member for Geraldton, and

alter the constitution of the railway administration by appointing a board of management.

Mr. North: Do you mean three commissioners?

Mr. TRIAT: I envisage a board of management representative of the business community, the workers and the Government. It has been proved conclusively that the railway administration has for years past not been satisfactory.

Mr. Perkins: You did not support the Opposition when it moved in that direction.

Mr. TRIAT: I was not here, or I would have supported it. I would always support any move to do away with the Commissioner of Railways. The Royal Commissioner goes a little further, and has this to say:—

One cannot afford to ignore the position of the State railway system in regard to locomotive stock. The situation is serious and the question to be considered is—what is to be done to prevent, as far possible, wholesale disorganisations of traffic and loss to the State? It is unthinkable that locomotives which cost about a million and a half pounds of public money (and all of the locomotives built by the Commonwealth are affected by this Report) should be thrown on the scrap-heap if they can be made roadworthy.

The Premier: That is a very important sentence.

Mr. TRIAT: It certainly is a very important sentence. The engines have to be made roadworthy and the Commissioner does not know what the cost of that will be.

Mr. North: But that is not our expenditure, is it—the £1,500,000 you mentioned?

Mr. TRIAT: No, that is throughout the Commonwealth. One has only to read what appears in the Press in the Eastern States to know what is happening there. We know that in shed after shed these locomotives are laid by in Queensland where the men will not handle them. I am afraid we have not watched our own affairs closely enough. We have been content to leave this matter in the hands of the officials, and during the whole of the wartime period the Commissioner has been mostly in the Eastern States carrying out duties on behalf of the Commonwealth.

The Minister for Lands: And building these engines.

Mr. TRIAT: Yes, building engines after the design arranged in England. We have

made a grave mistake and we should not permit that to happen again. While I sympathise with the administration of the Railway Department, I certainly cannot sympathise with it in the definite mess the officials have made in this respect. If our railway system is to be made effective, an enormous amount of money must be spent in order that it may be placed in the position of being able to meet the competition experienced from modern means of transport. We now have two trips a day between Perth and Kalgoorlie by air and we have air transport to all parts of the Goldfields, to Albany and to Esperance. The effect of this is that the high-class passenger traffic and high-grade goods traffic are lost to the railways. Formerly people were content to pay 15s. for a sleeper and £1 odd for the first-class fare to Kalgoorlie, but now they will not pay that and prefer to travel by air. Very soon all the railways will carry will be the heavy materials, superphosphate and so on, none of which provides any great revenue to the State. Most decidedly we shall have to spend very much more on the railways than the Treasurer can possibly afford. If we spent the whole of the estimated expenditure for the year, some £14,000,000, on the railways alone, we would not even then have an effective system. The future for the railways is blue, and we want some new blood in their administration.

The Premier: We are spending some £5,000,000 during the next few years.

Mr. TRIAT: That is quite so, and the Premier will find that it will be used so rapidly and there will be so little return to be seen for it that he will be astonished at his inability to see where the money has gone. There is so much to be done that it seems hopeless. I travel a lot in the back country by rail. I do not travel by motor-car, for two reasons—I have not the tyres nor the money with which to buy petrol, which is very expensive in the backblocks. In the circumstances, I patronise the railways, and I know what goes on. If one travels through to Wongan Hills, for instance, almost invariably the train is held up because of a hot-box. That applies particularly during the summer months. When that happens, generally one of the train crew goes along and puts a bit of oiled cloth on the hot-box and pours some oil over it and waits to see what happens when

it cools down. If one were to ask the railwayman why ball-bearings were not used, he would probably get the reply, "That is not done in the railways. That is not in accordance with tradition." That seems to be the general idea. There must be no improvements in the railway system.

The Minister for Lands: You want two red flags there!

Mr. TRIAT: There are many red flags associated with the railways. It would be unheard of to use a modern type of bearing in our railway carriages. When there is a broken axle, they put back the ordinary type of bearing, which runs hot consistently. There is no intention on the part of the department to put in any modern bearings. I believe that some of the modern types of carriages can be rolled along by one man, so easily do they run. With one of our trucks, a man needs a heavy crowbar to edge the vehicle along the rails. However, I do not think I need say any more about the railways; everyone is of the same opinion.

Mr. Cross: Except the officials of the Railway Department.

Mr. TRIAT: That may be so. I wish to support the remarks of the Leader of the Opposition with regard to the goldmining industry. I was rather surprised to note that he was so well informed. I have in mind particularly his statement that the class of ore being treated had to be increased in value. When some member asked why that was so, the Leader of the Opposition replied that it was on account of costs. That is quite true. The grade of ore treated on the Golden Mile has been increased in value because in these days the mines cannot afford to treat the lower-grade ore as before. The main reason for that is the rising costs for everything associated with the operations, including materials, replacements, chemicals and firewood.

Mr. Leahy: What about the increase in the price of gold?

The Minister for Lands: The average for last year throughout the State was 5.8 dwt. of ore treated.

Mr. TRIAT: No.

The Minister for Lands: That was the lowest average for Western Australia.

Mr. TRIAT: This year's figures will be much higher. The increase in costs is ob-

vious. It is only necessary to move amongst mining people to find out that that is the position. All costs have increased.

The Minister for Lands: I do not say they have not increased.

Mr. TRIAT: The mines have been forced to use a higher grade of ore in order to counter the increased costs. Today I think the price of gold is £10 15s. 3d. per fine ounce, which means an increase of 3s. On the other hand, some of the requirements for mining operations have increased in cost by 200 per cent. If anyone desired to buy a machine to work a mine, he would have to pay twice as much for it as he did before the war. That applies to steel and chemicals as well. The price of cyanide has gone up enormously. The position is the same regarding mining timber, firewood and fuel oils; in fact, the price of fuel oil has doubled. All this tends to increase the cost of production of gold to an enormous extent.

The only means by which the position can be met is to have greater production with reduced overhead charges. Prospectors will tell anybody inquiring about the subject that unless the show being worked has values, there is no possibility of success. They ask what the Government is going to do with regard to the provision of better facilities for dealing with their ore. I travelled with the Minister for Mines shortly after he joined the Government, and we proceeded through his electorate and part of mine. During the tour, the Minister made various statements that were pleasant to hear. He promised that better treatment methods would be installed and that a more refractory type of ore would be dealt with. He said that every assistance would be rendered to prospectors and I understand that they are now receiving 30s. as against, I think, 25s. formerly.

Mr. Kelly: Only half what the work is worth.

Mr. TRIAT: That was 12 months ago, yet nothing has been done. The unfortunate part of it is that we do not know whether anything is to be done at all. That is what hurts. If one asks departmental officials when this or that is to be done, the answer generally is, "We do not know. There are so many things combining to make the position very difficult for the department and preventing it from determining just what

can be done." In the meantime, the methods adopted for the treatment of ore today on behalf of the prospectors are just the same as they were 40 years ago. No improvement whatever has taken place. The ore is crushed by gravity stamps and put through a 900-mesh screen, from which it passes over the plates and the tailings go into the sands, and in respect of that they are allowed 1.18 grains. That is ridiculous in the light of modern mining practice. I have been talking about free milling ore—not refractory ore.

In the treatment of refractory ore the position is equally unsatisfactory, with the percentage going into the residues. We cannot afford to go on extracting under the old antiquated system. Improved methods are most decidedly necessary. We must cut away from the old-fashioned ideas. Some members may think that 1 dwt. 18 grains does not sound a lot but under the State battery system only 75 per cent. of the ore is paid for. That is to say, if a parcel of 100 tons is put through only 75 per cent. is returned as tailings. The other 25 per cent. goes in moisture or slimes or something else. There is never a test to ascertain the quantity of moisture in the ore. It is all a matter of guesswork. But the batteries charge for everything. They do not chop off 25 per cent. of the crushing charges to allow for moisture, but charge the lot. The same old crushing methods are still in use. That is the position, and I say we must do something in the production of gold to give the prospectors cheaper methods. The mining companies can look after themselves. They have reasonable sums of money and extremely capable men to attend to their interests, but the prospector has to depend upon the Government. True, the Government also has extremely competent men, but they have antiquated State batteries to treat the prospectors' ore. When the Minister's new ideas are put into operation—I say "when"—we shall probably get an improvement, but what I want to know is when will that happen?

For years past there has been a saying, "As safe as the Bank of England." In fact, I might say that that has been a popular remark for centuries. It is something of which we were very proud. But as a result of the war, that old tradition seems to have gone by the board. The Bank of England is not of great consequence in international credit affairs today. The almighty dollar seems to

have usurped the position the English bank note once held, and despite the great prosperity enjoyed by Great Britain in days gone by, she is now a debtor nation and has to seek credit from America. We in Australia cannot ignore the fact that there is one thing America will take in any quantity from us, and that is gold. Gold represents the only means we have of meeting the dollar exchange. America does not want our beef, our wheat or our butter.

Hon. N. Keenan: But she is taking some of our wool.

Mr. TRIAT: Yes, but America will take our wool at a different parity, whereas she will take our gold at world parity of 35 dollars an ounce. Western Australia has loans from America exceeding £2,000,000 and carrying 5 per cent. interest, and with our gold we can meet our commitments to America. Instead of having to pay the 27 per cent. exchange, we could pay with dollar parity in gold, and there are millions of ounces of gold in this State awaiting exploitation. But we shall never be able to exploit it if we continue with the antiquated methods being employed today. We have to wake up. The gold is there. Why not get it out? It is valuable today, and probably will be even more valuable in the near future. We must get it out, and the only way is to get busy and provide better facilities for the people in the back country. Let us give them boring plants. Let us tell them that we will supply boring plants. Let us say that on the 20th December, 1946, or some other day, so many boring plants will be available to them. Select a date when these needs can be provided and keep to the date.

According to the Estimates the Government is going to spend £58,000 this year on State Batteries. But how? There is not a new battery or even a new method to be installed. I grant that the amount is shown on the Estimates, but where is it going to be spent? If I ask the department, the officials do not know, and the financial year is moving on its way. Let us make a decision that on a certain day certain things will be done. People hate receiving promises continually unless some of them are fulfilled. I admit that the Government is paying the prospectors a little more money than before, but that is not enough.

I met a man who is keenly interested in the minerals of Australia; he is an English buyer of minerals. He is anxious to buy some of the minerals we have in plenty and do so little with. One of them is lead. He is prepared to enter into a 12-months' contract. But no work is being done to produce lead. The Government is offering no inducement to men to get lead. This man is anxious to buy other minerals and is prepared to pay a fairly big price for them, but they are not being worked. There is quite a lot of lead in Western Australia, especially in the Northampton district, and also in the North-West. These deposits could be exploited, but very little has been done.

I do not wish to delay the Committee unduly. My remarks may seem to have been critical. Let me say that I appreciate everything the Government has done with the limited amount of money at its disposal, but I do dislike not knowing when things are going to be done. The Leader of the Opposition said there seemed to be some knowledge that something would be done at some time, but asked when would it be done. Unfortunately, up to the present, he has not been able to find out. The Mines Department is one of the most efficient in the State. Surely the officials of that department could contact those of the State Engineering Works, order the requisite machinery, and arrange to have it built by a certain date! Could not we get this done?

The Minister for Mines: Try it and see!

Mr. TRIAT: If the State Engineering Works cannot do it, go outside Government instrumentalities and get these wants supplied by private firms!

The Minister for Mines: We could not get wheels or skips for Collie coal.

Mr. TRIAT: I am sorry to hear that. It shows the position we are in. We are absolutely fletchered, which is quite a decent and expressive term. We seem to have reached a dead end, and I am afraid I cannot see much hope of getting out of it. We must do something if we are going to make progress. If we are going to get population for this State, we must open up places for the newcomers.

I sympathise with the Treasurer. He has not much money to spend but he is doing a good job, and members sitting be-

hind him are assisting him. Probably the departmental officers are busy helping him. However, when a man gets into a good job carrying a good salary and feels secure in his position, he can always throw a letter into the correspondence basket and let it wait till tomorrow or the next day. If that man is in a Government job, he is not likely to get the sack because, if he did, there would be a row. If the same man were working for a private firm and did not get the job done, he would get the sack and there would be no redress for him. Out he would go! Let us hasten to get on with these jobs. I wish the Treasurer all the luck for the coming year, and can only hope that when I speak on the Estimates next year, I shall be able to say that some things at any rate have been done, that the State batteries have been renovated and are more efficient, and that we are putting increased quantities of gold on the market to meet the Yankee dollar.

MR. CROSS (Canning) [10.8]: This Budget, while not spectacular, is interesting. I think it is one of the best Budgets that has been introduced since I have been a member of the Chamber. To my mind, it shows that balanced consideration has been given to the various industries of the State. We all know just how circumscribed the Treasurer is in the matter of providing funds owing to the present system of taxation. The States have to find the money for all the non-paying social services and the Commonwealth has acquired practically every avenue of taxation. The general debate on the Estimates has been interesting. The member for West Perth struck a very pessimistic note when reviewing the position in the Pacific. The hon. member seemed to be afraid of what was likely to happen in 20 years' time. I venture to say that neither the member for West Perth nor any other member can foretell what may or may not happen in the next 20 years, because the usual thing will happen—the unexpected, which always happens.

The only cure which the member for West Perth could suggest was mass immigration. What for? Possibly he had been thinking and realised that during the war period, with Labour Governments in control, the workers had maintained their wages and conditions, as all the industrial awards had been honoured by the various Governments.

The member for West Perth wants mass immigration so that we can flood the labour market with workers. I remember some remarks I made three years ago. I said then that no country which had developed its industrial capacity so quickly as Australia had could slow down to normal peacetime capacity without a certain amount of dislocation. That is so. That is why we have shortages of goods. It took three years to gear for war and it will take three years to gear for peace. I then emphasised the need for early planning in order to meet the situation which was likely to arise owing to an early drift to the city. As a matter of fact it is that drift which is making the housing problem so acute in the city. Men who worked in the timber mills, on the mines in Kalgoorlie and on farms are today looking for jobs in the city.

In the last few months I have interviewed at least 50 ex-Service men wanting jobs. One desired to be a tallyman in the State Sawmills, which employ only three tallymen. Another was, before the war, a saw filer at the big mill at Manjimup; he does not want to return there, he wants a job in the city. Yet that is one of the best paid jobs in the country. I think there are not more than four saw filers in Perth. I do not think the member for West Perth has provided a solution of the problem, at least no solution that will make Western Australia more secure, although I agree with him that Australia must increase its population. If that is not done, sooner or later the teeming millions in the Pacific will put their heads together as they become more civilised, and they will not make the mistake the Japanese made.

Our very existence depends upon an increase in our population. But we want something more than a bald scheme to bring thousands of immigrants here and let them loose with no preparation whatever. Something else must be done. In my opinion, the correct method is to attract immigrants, and to do that we must rapidly expand our industries. No-one can say that we have not got resources. We have. First, there should be full inquiries into our primary industries in order to ascertain which are the most payable and what opportunities exist in outside markets. I recollect seven years ago making a speech, I think, on the Estimates. I pointed out then that Great Britain was importing nearly 200,000 tons of pigmeats,

lard and bacon from Denmark alone each year. We were offered a price by Great Britain and I suggested that we should establish a pig-breeding industry. After making that speech, a Canadian hob merchant came to this State. He sat in this building and told me and other members how he had made a million out of pigs and how, when war broke out, he was able to dispatch immediately to Great Britain 30,000 tons of bacon. He started from scratch in Canada.

The point is that Great Britain cannot get one-tenth of her requirements in bacon, pigmeats and lard from Denmark and Holland. What is being done about it? We ought to find work here for at least a couple of thousand people producing pigmeats with a view to collaring the British market. That is only one thing we can do. Great Britain still gets butter from Denmark and the Argentine, but not sufficient for her requirements. We ought to make a special effort in that direction. True, our exports have increased, but the increase is not nearly great enough. We have thousands of acres available in the South-West. I know of areas available at Brunswick Junction that could be utilised. The district should carry two or three times the population it is carrying at present.

The Minister for Lands: I will take you to have a look at that land.

Mr. Withers: The South-West can carry ten times its present population.

Mr. CROSS: I agree. I believe the member for Bunbury is right. We should have a population of 1,000,000 in the South-West. Our poultry industry has extended to some extent. Before the war we exported quite a quantity of eggs in shell. During the war the British Government asked us to erect an egg-drying plant. We did so on the condition that we sold half the eggpowder which we produced to Great Britain. That was done. But we should make a bigger effort. We should be able to export ten times the quantity of eggs in shell and eggpowder that we export now. We ought to get a share in that market. Before the war Great Britain got thousands of tons of egg-pulp from China. Where is there a country in the world except Western Australia that can grow the variety of grapes we grow? We have ample scope to build up a huge wine-

making industry in order to capture some of the British market and take it away from the Spaniards.

I will say, in passing, that Western Australian wines are put on the market too soon. They are immature. We should devise some scheme whereby the makers of wine can mature their wines for a few years, instead of putting them on the market when only 12 months old. I do not believe that wines can be matured in 12 months by chemical means, as it is pretended they can be. Some fund could be established so that these people could store their wines for a sufficient period. There is a big market in Great Britain for wines and we should do something to capture it.

The Minister for Justice: We will have to build the ships to carry them.

Mr. CROSS: We will. We have vast mineral resources in this State. This is not the first time I have dealt with this subject. Indeed, it would probably do good if I repeated one or two of my previous speeches. It is only three or four years ago since I started talking about Koolan Island and the value of the iron there and the advantages we had in the possession of that ore. Now what do we find? We find that the B.H.P. is shipping iron-ore from Cockatoo Island around the north of Australia and smelting it in the Eastern States. The company is taking away our birthright and we are getting mighty few benefits. It proposes to spend millions of pounds to take our ore for the benefit of the Eastern States. In addition, the only decent manganese deposit is held by the B.H.P., and the only magnesite deposit is held by the same company which does not use that in this State but in the East.

At Yampi Sound we have the world's richest iron deposit. I moved for a Royal Commission on this matter two years ago. My motion was carried by a big majority, but nothing was done about it. I do not think it is too late now, because Great Britain is still importing all its iron-ore. I think that if arrangements had been made with that country—and they could still be made—to exploit our iron-ore, we could smelt some of the iron in this State and make steel here to supply to the southern hemisphere as well as the B.H.P. can in the Eastern States. If we do not do that, the B.H.P. will take it from Koolan

Island in Western Australia and smelt it in the Eastern States. Heavy industry is the very basis of prosperity in any country. I repeat what I have said before: That we have every basic mineral necessary to make the finest steels in the world. During the war and today, the B.H.P. with inferior iron to smelt has been able to send pig-iron to America and sell it for three dollars a ton cheaper than it can be produced in the U.S.A.

Our deposits are the richest in the world and if the work were carried out properly on a decent scale in this country, we could probably undersell the U.S.A. by five dollars a ton in America; and we should be able to employ from 20,000 to 30,000 men in heavy industry in this State. I remind members again that we have every mineral that is required—manganese, magnesite, yttrium, and beryllium—and we never exploit them at all. Nothing has been done.

Mr. Seward: It is time we put the Government out.

Mr. CROSS: Every Government has been the same. The only remarks I have heard from the Opposition, and particularly from members of the Country and Democratic League, have had to do with the requirements of farmers. Rarely are members opposite interested in anything else. When anybody is talking about something else, they are not in their seats.

Mr. Leslie: You have just been telling us how important primary production is to this State.

The Minister for Works: You have roped in the member for Mt. Marshall.

Mr. CROSS: We have any amount of mineral deposits hardly tapped. The important thing about the establishment of heavy industries is that the moment they are started a crop of secondary industries springs up. A few minutes ago the Minister for Railways said he could not even get wheels for trucks. We have the iron and everything that is needed to make them, but we do not manufacture them here. We rely on obtaining them from Great Britain, America or the East. Throughout the war, one could not buy a pot or pan or a knife and a man had a job getting a razor blade. We should make the lot here. Some day there will be a bold policy and we will produce such things here; and when we do, we

shall attract population. If we did that and established heavy industries that would create a bigger market for primary producers as well, because there would be a bigger population here to consume the goods.

If we had twice as many people in the State, the railways would not be run at such a loss. The member for Mt. Magnet mentioned that the train that went up his way did not pay. It does not pay because there are not enough people to travel on it. The point is that it would cost no more to take 100 people than to carry ten. Besides the minerals I have mentioned, we have many others. We have tantalite, that magic metal, which is one of the most remarkable in the world. It has a melting point of over 5,000 degrees Fahrenheit. It is inert to troublesome acids such as nitric acid and hydrochloric acid and it is ideal for chemical industries. In the Chittering Valley we have kyanite deposits that have never been exploited. We have dolorite clays with 90 per cent. quality around the Darling Ranges, and granitic clay of 90 per cent. quality; and in this State we should be making the best china in the world. During the war we could not buy a cup, and now we are importing crockery from Great Britain and paying from £10 to £12 for a small tea service.

One day we shall establish decent industries, and then we will have more people. At present if one wants to buy a tin of flat white paint, he is not in the race. There is hardly any paint to be had. Yet we have all the ingredients except linseed; and we could grow that if we tried. We have plenty of ilmenite to make white paint and we have all the pigments necessary to manufacture other paints. We have red oxide, red ochre, yellow ochre and sienna; yet we make very little paint. Nearly all of the ingredients are imported. We buy minerals from outside the State. If these things were mined here we would be able to employ more men. I will give an instance of how we neglect our minerals. For two years during the war it was most difficult to buy an abrasive in Perth; yet 12 miles from Perth there is plenty of diatomite from which Bon Ami is made. We have one of the biggest deposits in the world. That is easily calcined, and after the process it is snow-white and the best abrasive that can be found anywhere. We have enough to supply the British Em-

pire for years but nothing has ever been done.

The Minister for Works: Why not put some of your wealth into exploiting it?

Mr. CROSS: I will probably put all I can into it; and I hope I would not be so long, after doing that, in producing something as the Minister has been in making pig-iron at Wundowie.

The Minister for Works: You beaut!

Mr. CROSS: The way to get population here is to attract immigrants. There should be a bold policy adopted in the use of our natural resources. We should examine the position so as to get hold of the most payable things in the primary production line. We should do everything we can to secure a solid export market and so get more people into industry. We should explore all our mineral deposits and do everything possible in the way of utilising them with a view to building up our trade in those things and employing as many people as we can. If we worked our galena and bauxite deposits and made iron, steel and aluminium, we would have rolling mills established here. I am glad to see that the Government has decided, as I suggested three or four years ago, to build a power-house at South Fremantle. It would be a good idea to get busy and order the plant for a big power-house at Bunbury.

Mr. Withers: I am a bit with you.

Mr. CROSS: We should be smelting Koolan Island iron ore at either South Fremantle or Bunbury. Power-houses must be established where there is plenty of water, because they need millions of gallons a day. We have everything here, including coal, necessary to do the smelting successfully. I would like the Minister to tell us just what has happened in regard to the experiments to make gas and coke with Collie coal. I recollect that a week or so ago some Collie coal was coked in a little box here. We should be told if it can be done commercially, and if it can we should not import coal from the Eastern States to make coke. We have more coal in this State than comes from New South Wales.

Mr. McLarty: Yet we cannot meet the demand for it.

Mr. CROSS: Then we should open up other mines. If the companies cannot do that, the Government should. The only way

to get population is by a bold policy of opening up industries. When we have doubled our population, our Treasurer will be able to reduce his taxation.

The Minister for Lands: He has not got any.

Mr. CROSS: Most of our large debts are stationary, and if we had twice the population the total debt would be spread over double the number and so would be halved for the individual. If we doubled our population in ten years, we would not only be more secure but that would enable the Government to reduce taxation. The right way to attract immigrants is to open up industry. When people read in the Press that we want a couple of thousand men in an industry and that there is plenty of work and good wages, they will not remain in Great Britain and other European countries, but will come here, like others have done before them. I hope that my remarks will be taken notice of by some people who have, up to the present, ignored them.

Progress reported.

ADJOURNMENT—SPECIAL.

THE PREMIER (Hon. F. J. S. Wise—Gascoyne): I move—

That the House at its rising adjourn till Tuesday, the 1st October.

Question put and passed.

House adjourned at 10.36 p.m.

Legislative Council.

Tuesday, 1st October, 1946.

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

QUESTION.

ELECTRICITY SUPPLY.

As to Choice of Station Site at South Fremantle.

Hon. A. THOMSON asked the Chief Secretary:

1, Who was the responsible officer upon whose opinion the Willeoek Government decided to erect an electricity power station at South Fremantle, which necessitates the constant haulage of Collie coal to produce the current for all time?

2, In view of the Electricity Commission's decision to produce current at Collie and distribute it throughout the lower portion of the State at much greater distances than South Fremantle is from Collie, has the Government consulted the recently-appointed Electricity Commission as to the practicability of transferring the South Fremantle plant to Collie, thereby creating a central power station at the source of the fuel, and supplying country and metropolitan consumers on lines similar to those adopted in Victoria and other countries?

The **CHIEF SECRETARY** replied:

1, The Electricity Advisory Committee, comprising Messrs. W. H. Taylor, F. C. Edmondson and R. J. Dumas (Chairman), unanimously recommended South Fremantle.

2, The Government has consulted the Commission regarding this suggestion, but considers it to be impracticable. Power will be generated at Collie in connection with the South-West Power Scheme to the limit of the water available at Collie for use in the condensers.

LEAVE OF ABSENCE.

On motion by Hon. J. A. Dimmitt, leave of absence for six consecutive sittings granted to Hon. L. B. Bolton (Metropolitan) on the ground of ill-health.

BILL—BUSINESS NAMES ACT AMENDMENT.

Read a third time and *passed*.

BILL—NURSES REGISTRATION ACT AMENDMENT.

Second Reading.

THE HONORARY MINISTER (Hon. E. H. Gray—West) [4.38] in moving the second reading said: This Bill, if passed