

# Legislative Council.

Thursday, 10th December, 1942.

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The PRESIDENT took the Chair at 11 a.m., and read prayers.

## ASSENT TO BILLS.

Messages from the Lieut.-Governor received and read notifying assent to the following Bills:—

- 1, Legislative Council (Postponement of Election).
- 2, Legislative Assembly Duration and General Election Postponement.
- 3, Goldfields Water Supply Act Amendment.
- 4, Congregational Church (Lands) Amendment.
- 5, Bush Fires Act Amendment.
- 6, Administration Act Amendment.
- 7, Road Closure.
- 8, Reserves.
- 9, West Australian Meat Export Works.
- 10, Death Duties (Taxing) Act Amendment.

## BILL—MOTOR SPIRIT AND SUBSTITUTE LIQUID FUELS.

### Report.

Report of Committee adopted.

### Third Reading.

THE CHIEF SECRETARY [11.8]: I move—

That the Bill be now read a third time.

HON. J. A. DIMMITT (Metropolitan-Suburban): I do not want to delay this legislation but I feel that, as chairman of the Select Committee, I should make a few brief comments. We found that there was quite a lack of knowledge regarding this proposed legislation. The Minister in charge of the Bill has not seen—nor has

anybody in Western Australia so far as we could ascertain—the agreement that has been entered into between the Commonwealth and the Colonial Sugar Refining Company. The nature of that agreement is unknown either to the Government or to the Minister. In fact, it is apparently known only to the two parties that signed the agreement. It is stated, however, that there is a definite period mentioned in the agreement, but the length of the period was not revealed in any of the correspondence or any of the files nor is it known to the Minister.

However, we can see no reason for suggesting that the legislation should be delayed. Apparently it is necessary in order that the project may be gone on with; but there does seem to be a good deal of confusion, as is mentioned in the report, in regard to the method of distribution. While the Federal Minister in charge of this activity indicated that the blenders and distributors would be the major petrol companies, the Minister in charge of the Bill in this State had a somewhat different view. His viewpoint is that the service station proprietors should, in effect, serve the two different spirits in the proportions decided upon to the customers at the time of the purchase. When this point was discussed with witnesses, it was revealed that support was given in every instance to the contention of the Federal authorities, except by the Minister in charge of the Bill. The Federal contention is that the petrol companies should be the only ones to handle the substitute fuel and blend it with the genuine spirit we have been accustomed to use.

The Select Committee therefore recommended in its report that the major petrol distributors should be the only people to handle and blend. They have the facilities and machinery necessary, and it would be more economical for those large concerns to handle large quantities and do all the mixing and distributing, thereby saving double handling and so on, which would make the work more economical. It was agreed by the Colonial Sugar Refining Co., the manager of Petrol Pools, Ltd., and by the president and secretary of the Service Station Proprietors Association—as well as by the Federal Minister concerned—that that should be done. With these few comments, I wish to assure members that the Select Committee saw no reason why the House should not pass the Bill.

**HON. SIR HAL COLEBATCH** (Metropolitan): I support the remarks of Mr. Dimmitt, and would like to add a couple of points. For reasons of economy and because the evidence tendered did not suggest the necessity for any amendment to the Bill, the evidence has not been printed, but it will be available for members to read, and I trust that all those who are interested in the matter, particularly as users of petrol, will peruse the report because it will make clear to them certain directions in which in the past the cost of petrol to the consumer has been quite unnecessarily increased. The other point I shall mention is the continuance of this arrangement under which consumers are to be compelled to use a certain percentage of petrol manufactured from wheat. The percentage is likely to be small—I should say not more than 10 per cent. of the total—and for that reason the increase in cost that will be involved will be comparatively small. At the same time, the Select Committee was unanimously of opinion that while it might be a legitimate argument for the proposal that it had been established for war purposes—as to the advisability of the establishment of this manufacture for war purposes or not, that had nothing to do with the committee; it has been done, and we offer no opinion in that regard—it is reasonable to suppose it should be tapered off and not closed down immediately the war ceases.

The committee was of opinion, having regard to the price of wheat and the cost of converting it into petrol, that the industry should not be indefinitely prolonged unless it was on a reasonably economic basis. The buying of cheap wheat and turning it into dear petrol would not seem to be justifiable on any ground other than war purposes. The final paragraph in the committee's recommendations to the Government is that it should use its best endeavours to see that all materials required for the construction of the plant, if they can be profitably manufactured within the State, should be manufactured here; that is, if it can be done in competition with the other States. If that can be done, not only will it be of advantage to the industries of this State, but it will do away with a lot of transport that would otherwise be necessary.

**THE CHIEF SECRETARY** (in reply): Members will realise that the Bill has been brought forward only because of the decision

of the Commonwealth Government to proceed with the proposal to erect distilleries in certain States of the Commonwealth. All will agree that we would be very foolish indeed to put anything in the way of the establishment of a distillery in Western Australia. That is one reason why, I should say, the Select Committee came to the conclusion that no good purpose would be served by delaying the passage of the Bill. One point was raised during the debate to which I could not reply at the time because I had not the necessary information at my disposal. The point raised was as to what part the Colonial Sugar Refining Co. Ltd. is to play in this project. The Minister for Industrial Development has received a letter from the acting general manager of the company, and it was made available to me this morning. It sets out briefly what is the actual position. The letter is as follows:—

It is apparent from extracts from "Hansard" that some confusion exists in certain quarters in Western Australia as to the relations between this company and the Commonwealth Government in connection with the distilleries which are being erected in four States for the production of power alcohol from wheat.

We are therefore placing the following facts before you as the Minister in charge of the Substitute Liquid Fuels Bill, so that the general position can be clarified.

In July, 1941, when it became known that the Commonwealth Government intended to supplement the liquid fuel available in Australia by building further distilleries to make power alcohol from wheat, the Colonial Sugar Refining Co., Ltd. offered to erect and operate these new distilleries for the Government.

In February, 1942, an agreement was signed between this company and the Commonwealth Government whereby this offer was ratified. The basis of this agreement is that the Commonwealth Government entirely finances the erection and operation of these distilleries, the company acting as contracting agent for the Commonwealth in both phases with the operating period fixed for a specified time dating from the signing of the agreement.

To ensure the successful marketing of the power alcohol and the blending of this with petrol, the Commonwealth agreed to use its best endeavours to procure the passage of such legislation as may be necessary in each State.

**Hon. Sir Hal Colebatch:** Do you know whether the agreement is on the cost-plus system?

**The CHIEF SECRETARY:** I cannot say. The agreement is between the company and the Commonwealth Government, and I have no knowledge of its terms. I remind members that the Department of Industrial

Development is quite a live concern, and if it is possible to secure for this State the manufacture of any equipment that may be necessary for the distilleries, they may be sure that the department will go as far as possible with a view to our being successful in that direction.

Question put and passed.

Bill read a third time, and returned to the Assembly with amendments.

### **BILL—VERMIN ACT AMENDMENT.**

*Report, etc.*

Report of Committee adopted.

Bill read a third time and returned to the Assembly with amendments.

### **BILL—LOAN, £310,000.**

*Second Reading.*

**THE CHIEF SECRETARY** [11.22] in moving the second reading said: Whenever a Loan Bill reaches this Chamber, we may look for an early termination of the session. It has been my custom when introducing a Loan Bill to give whatever information I can for the benefit of members, and I propose to act similarly on this occasion. By this Bill Parliament is asked to authorise the raising of a sum of £310,000 for the construction of certain public works and other services. As our loan expenditure for the year 1941-42 was just over 50 per cent. of the amount voted on the Estimates, there is sufficient authority remaining on most items to permit the carrying out of our programme for the current year; therefore this Bill is to authorise the raising of additional money for those works on which the existing authority is inadequate to meet the proposed expenditure, and to provide for certain new projects, details of which will be submitted.

The amount for which authority is sought by this Bill is, I am informed, the lowest since responsible government was first established in Western Australia. There have, of course, been rare occasions when there was no Loan Bill. I think this happened in 1914 and 1917. Last year, when introducing the Loan Bill, I drew the attention of members to the fact that the amount for which authority was then sought was the smallest since 1919. I told the House that curtailment of spending other than for war purposes was reflected in the smaller amount

then asked for. The amount now sought, I submit, is further evidence of the severe curtailment deemed necessary because of the need for devoting as much as possible of the available loan money to war purposes. Ordinary developmental expenditure for this year is therefore on a comparatively small scale. Only a few years ago State Governments were endeavouring to finance works in order to provide employment. Today there is the greatest difficulty in obtaining labour and supplies of material to carry out what are essential works—even works which are essential to the prosecution of the war effort.

(On the outbreak of war the then Prime Minister appealed to the State Premiers to assist the Commonwealth Government by restricting their loan requirements to works which had a defence value or which were immediately necessary for the development of their States. All the States, I think, have shown a commendable desire to co-operate in this respect. Certain activities had to be maintained, such as railways, water supplies, roads, sewerage works, etc. The Commonwealth to a great extent is dependent upon these activities. They can be said to be vital to the war effort. With the rapid extension of the needs of the Commonwealth for camps, the erection of new munition factories and the expansion of existing factories, a heavy burden has been placed upon the States to provide the various services which the requirements demand.

This State, as is well known, has not participated in the expenditure of Commonwealth moneys for defence works to the same degree as have some of the other States; nevertheless we have had to carry out works for the Commonwealth Government which at times have imposed a severe strain on our resources. In those difficult circumstances the Government has endeavoured to carry on as best it can. We have, however, undertaken to restrict our loan requirements to a minimum; and in this connection it is worthy of note that during the last financial year no public loan was floated for State purposes. Last year proceeds from loan amounted to £757,655. Of this amount, £130,382 comprised the balance of the State's share of a loan raised by the Commonwealth in April, 1941. From the investment of trust and other funds, £34,240 was realised, and the remainder was part of loans totalling £600,000 from the Commonwealth Savings Bank, that being the amount available to the

State under the Savings Bank Transfer Agreement, under the provisions of which the State may take as a loan up to 70 per cent. of the increase in depositors' balances each quarter. Interest is payable on this at the rate of 3 per cent., this being in conformity with the agreement by which the State pays 1 per cent. above the rate paid by the bank on deposits. Expenditure amounting to £6,967 was incurred against a conversion loan in November, 1941; and this, deducted from £600,000, leaves an amount of £593,033 to the credit of the General Loan Fund. Since the transfer of the State Savings Bank in 1931, we have up to the present time obtained loans under the agreement referred to amounting to no less than £3,065,000.

During the financial year 1941-42 there were three public flotations by the Commonwealth. The first was the November, 1941, cash and conversion loan of £100,000,000, which was fully subscribed. In this operation £30,000,000 cash was required for war purposes, and any subscriptions over that amount were to be applied to the redemption of unconverted holdings. The other two flotations in February and June of 1942, each of £35,000,000, were for war purposes, and in both cases were fully subscribed. Interest rates on all these loans were the same, namely,  $3\frac{1}{4}$  per cent. for 16 or 17 years, with Government option of redemption after eight or nine years, respectively, and  $2\frac{1}{2}$  per cent. for shorter terms of four or five years. The success of these loans would seem to indicate that interest has become stabilised at those rates. Regarding our cash requirements for the current year, it is probable that the amount available from the Savings Bank and from other local sources will again be sufficient; but if not, arrangements have been made whereby the Commonwealth Bank will finance this and other States by means of Treasury bills.

Turning now to the Loan Estimates, the loan expenditure for last year was estimated at £1,482,000. The actual expenditure was £850,085, leaving a balance of £631,915. In order to reconcile these figures with those which appear in the Estimates, it is necessary to take in expenditure from Loan Suspense which deals with expenditure met in cash in one year, but not authorised until the following year. The expenditure for 1941-42 was £791,951, from which has to be subtracted an amount of £78,928 representing authority for

expenditure from Loan Suspense in the preceding year. This leaves an amount of £713,023, and to this is added expenditure from Loan Suspense in 1941-42 representing expenditure incurred in that year but not authorised in the Estimates. When that sum is added to the net figure already mentioned, the cash expenditure for the year is £850,085.

The utilities which contributed in the main to the decrease in the estimated expenditure were—

	Decrease. £
Railways—Additions and improvements to opened railways	49,884
Railways—Rollingstock	30,497
Tramways	75,344
Electricity Supply	123,865

Much of this saving was due to the non-arrival of certain machinery ordered for the Midland Junction Workshops. The reduction in expenditure on rollingstock was due to a concentration of effort on munitions work, to the exclusion of some of the programme for the provision of additional rollingstock. It is hoped, however, that much of the arrears will be overtaken this financial year. Regarding the tramways, trolley buses which were covered by last year's Estimates had been ordered from Canton, but did not arrive within the financial year. The chassis have since been delivered and the expenditure is included in this year's Estimates. The decrease of £123,865 on account of Electricity Supply is also explained by the non-arrival of material for the ring main feeder for Perth and certain equipment for the Cottesloe transmission station. Decreases in estimated expenditure on water supply in agricultural areas amounting to £178,297, on Goldfields Water Supply £39,642, Metropolitan Water Supply £34,686, and sewerage and drainage works £38,159, were occasioned by the curtailment of the works concerned through the necessity to concentrate all available manpower on defence works.

The Commonwealth Manpower Regulations have been applied to the goldmining industry, with the result that only £16,848 was expended out of an amount of £35,000 which was set aside for assistance to various goldfields bodies and to prospectors. The decrease in this connection was £18,152. Those were the main items on which decreases were achieved in respect of the estimated loan expenditure. There were several increases: For instance, an amount of £8,387 was incurred on account of the Lake Campion

alunite deposits, and £24,611 on air-raid precautions. The Estimates did not provide for A.R.P. expenditure as it was understood that loan programmes would be increased, if necessary, to meet the needs of the State. We had sufficient funds in hand at the end of the year for this purpose, so there was no need to make representations to the Commonwealth for further money. An amount of £74,064 for the W.A. Meat Export Works was another item for which no provision was made on the Estimates. Members are fully aware of the negotiations leading up to the purchase of these works by the State.

Regarding our Loan Estimates for 1942-43, the amount required is estimated at £952,000—an increase of £101,915 over the amount expended for the financial year ended the 30th June, 1942. In many cases the added expenditure this year is due to the arrival of material which was included in the Estimates last year, but which did not arrive in time to be included in the year's figures. Because of existing circumstances it is not proposed to embark on new works of any magnitude. The estimate is slightly in excess of our approved programme. I have already explained, however, that we have in hand cash in excess of our programme. It is, therefore, thought desirable to obtain the approval of Parliament to the appropriation of the money, even though all of it may not be spent this financial year.

In dealing with items of estimated expenditure, I shall endeavour to give members a brief survey of the proposals concerned. If any further details are desired I shall be only too pleased to supply them. Departmental expenditure, which covers administration costs and is a charge against the various loan works, is estimated to amount to £40,000, compared with an expenditure last year of £62,008. When the Budget was being introduced in another place, it was pointed out that in some cases departmental salaries showed an increase, due to the fact that salaries which in the past had been rebated from loan works would now have to be charged direct to revenue. This accounts for the decrease in the charge against the Loan Estimates this year.

Regarding Railways, Tramways and Electricity Supply, the estimated expenditure for this year is £361,000. Last year the expenditure was £80,410—an increase for this year of £280,590. This year's estimate includes an amount of £30,491 for the com-

pletion of machinery and building additions at the Midland Junction Workshops. A sum of £10,000 has also been set aside for new machinery. A new coaling plant and turntable at Northam, an extension to the loco. workshops and the provision of new works, are items included in the railway requirements.

Work which was being carried out on "S" class locomotives will of necessity have to be continued this year, and an amount of £43,796 is included in the Estimates for this purpose. It is expected that the Tramways will expend £63,173 to finalise the payment on the 18 trolley buses secured from Canton. The Inglewood tram extensions and the munitions factory tram extension are other items under Tramways expenditure which has been provided for this year, whilst Electricity Supply will involve an expenditure of £59,417 for the completion of the ring main feeder cable to supply the city of Perth, in addition to which £20,862 will be required for the Cottesloe transmission line. Last year the actual expenditure on Harbours and Jetties was £91,334. The estimate for this year is £82,500—a decrease of £8,834. Most of this year's expenditure will be in connection with the slipway at Fremantle. This work has been completed but there are still a few outstanding accounts to be paid. Under this heading provision has been made for an amount of £15,000 for the continuance of reconstruction work on the North Quay.

Dealing with Water Supplies, I find that the estimate for this year is £157,500, whereas the actual expenditure incurred last year was £304,330, this representing a decrease of £146,830. The biggest items of expenditure relate to the Goldfields Water Supply, for which £67,500 is provided as against £73,000 expended in the preceding year, and water supplies in agricultural areas, for which £34,000 is estimated this year compared with £122,000 expended last year. Last year's expenditure was mostly incurred at the Stirling dam to the extent of £80,000, and for the Harvey irrigation channels which cost £22,000. It is proposed to continue the work of the renovation of the main conduit, this being estimated to cost £15,000. This is considered necessary from a defence point of view. The provision of £26,381 for a water supply to the Lake Campion alunite works is an item under this heading. The main work to be

undertaken in agricultural areas relates to the provision of a water supply at Boyup Brook for the flax industry. An amount of £24,000 has been set aside for this purpose.

Members are no doubt aware of the great expansion which has taken place in flax growing in this State, a work which has been carried out at the request of the Commonwealth Government. It is proposed to erect at Boyup Brook a retting mill which will require large quantities of water. An application has been made to the Commonwealth Government to meet part of the cost, and the Government is hopeful that the application will meet with success. If our request is granted it will mean that the residents of Boyup Brook will also be able to enjoy an adequate water supply, though they will be required to pay the maximum rate—3s. in the £—for the water. The mill will also be able to obtain water at a price which will enable the flax to be treated at a profit. Though the flax industry has been commenced purely as a war effort, we have hopes that, as a result of many climatic advantages we possess, we may be able to see the growing of flax established as a lucrative rotation crop in the Boyup Brook district and in other parts of the South-West.

The expenditure for last year on the alunite deposits at Lake Campion was £8,387. The estimate for this financial year is £89,000—an increase of £80,613. It is hoped that the works will be in operation early in 1943. The items comprising the Votes for agriculture, assistance to settlers and forest regeneration are estimated to require £49,500 as against £95,302 spent in the previous year—a reduction of £45,802. The estimates include an amount of £3,500 required to complete the concreting of the sale-yards at Midland Junction.

An estimate of £2,000 covers the experimental work at the Ord River in the Kimberley district. This is for work which is being carried out there in the growing of various grasses. The Government is carrying out this experimental work now, in order that it may satisfy itself as to the possibilities for closer settlement in the Kimberleys. We hope that if the experiments are successful we may be able to induce the Commonwealth Government to render assistance to inaugurate a scheme of land settlement in the far north as part of the reconstruction work to be undertaken after the war.

Provision for an amount of £20,000 has been made for assistance to settlers and industries. At this stage it is not known what amount will be required, but we have made provision to meet eventualities, and, consistent with Government policy, there will be no hesitation in providing money for assistance to establish remunerative industries. For pine planting and forest regeneration, £20,000 is set down. This represents a substantial reduction on the amount spent last year, namely, £46,557. This year's estimate for public buildings is £40,000. The expenditure last year was £27,859. Money in this connection is required for certain works which have not yet been completed.

An amount of £8,123 has been set aside for the egg drying plant building at West Perth. This building has been erected with the assistance of the Commonwealth, which is finding half the cost and has provided the machinery. On the completion of the war the Commonwealth will have the right to remove the machinery or to sell it to the State. If the building is no longer required as an egg drying plant, it will form a very useful addition to the accommodation at the Perth Markets. The egg drying plant is now in operation, and it is hoped that it will prove a profitable venture for the Government. An amount of £5,800 is included in the Estimates for the completion of the Fremantle Technical High School, whilst several smaller amounts have been set aside for sewerage work at the Old Men's Home, for improvements to the Perth Police Barracks, and for internal shelters for Government buildings, etc.

The Estimates include an amount of £76,000 for the Perth Hospital. Unfortunately, due to defence requirements, it was necessary to stop the work on the building for a while, but at the time of the completion of the building operations several contracts had been entered into and these will have to be carried out. In addition, there are several outstanding accounts which will have to be met this year. Though the amount appears to be rather substantial, there will be no waste, because machinery or equipment required for the building, which may have to be paid for this year, will be kept in safe custody until the work is continued. A fairly large proportion of the estimated expenditure this year on the Perth Hospital is for the provision of lifts. A contract was let and could not be cancelled, unless

by the payment of fairly heavy penalties to the contractor. Arrangements have been made whereby some of the lower floors of the new building can be used in the event of an air raid.

Under the remaining miscellaneous items the estimated expenditure is £44,000, as compared with last year's expenditure of £133,250. Of this year's Estimates £12,000 is for additional equipment and machinery for the State Engineering Works at North Fremantle, where very large defence orders are being carried out. Work is also proceeding on the provision of certain amenities in order to bring the comfort of the men employed there up to standard somewhat comparable to that which obtains at the Midland Junction Workshops. An amount of £25,000 has been set aside for air raid precautions, whilst £4,000 has been provided for the W.A. Meat Export Works, this amount being necessary for the installation of additional machinery.

That completes my remarks on the main items covered by the Loan Estimates. Though the whole of the funds available for the year have been allocated, it does not mean that all the money available will be expended. If it is possible to effect savings, it will be done. On the other hand, if the need arises for assistance to be rendered in order to prosecute the war effort, the Government will not hesitate to provide the necessary funds. Also, if it appears that some worth-while industry requires financial assistance which cannot be obtained from other sources, the Government will be pleased to give whatever assistance is within its financial power.

I feel sure that all members will agree with me that, quite apart from the dangerous days in which we are living, due to the war, the present stage is one of great importance in our economic life. Therefore, if the occasion arises by which an opportunity exists for the establishment of some industry which could possibly be useful in the reconstruction period, then every effort should be made in the direction of such development. In the main those remarks cover the items included in the Loan Bill on this occasion. I move—

That the Bill be now read a second time.

**HON. A. THOMSON** (South-East): It is usual for the Loan Bill to go through without much discussion, but I want to mention one or two matters which this debate offers me the opportunity. We have heard a most in-

teresting statement by the Chief Secretary. As usual, the money has been spent or allocated to works in regard to which members really have little say, although we are asked to pass this Bill. At the risk of being accused of repeating myself, I still maintain that both Houses of Parliament should form a joint public works committee so that members would have an opportunity to investigate some of the work done. However, that is probably a pious wish on my part. I have discussed it on many occasions but have not met with success. If ever I am or my party is in a position to carry out my desire, I sincerely hope it will be done, and that a little more information will be made available so that members will be able to do something practical in the administration of the country.

I understood the Chief Secretary to say that £63,000 would have to be found to pay for the trolley-bus chassis which we secured after the fall of Hong Kong. I am told those trolley-buses are performing a useful function. I draw the attention of the Government to the unfortunate position in which many mothers find themselves owing to the crowded transport. Tram after tram passes, and it is quite a common thing for women with young children to have to walk a considerable distance because trams are not in a position to take prams or go-carts. The suggestion that the trams should put on an additional bar, in the same way as the trolley-buses and omnibuses, to carry one or two more prams, might well be considered.

Personal friends of mine have had distressing experiences in this regard. On occasions they have had to stand on the street corner while anything from nine to ten trams have gone by without picking them up because they were already carrying two prams. Metropolitan members will perhaps forgive me for mentioning something which, after all, is of vital interest to them, but the particular case to which I am referring involves people from the country. The motormen have their instructions and can only carry two prams in the front of the tram. Sometimes they become a little more generous. Womenfolk living in rooms in the suburbs have no other means by which to get into the city to make their purchases. To carry out the suggestion I have made would not entail a great expenditure, but it might mean a considerable amelioration of the present conditions.

The Chief Secretary: Do you know of any other country where it is allowed?

Hon. A. THOMSON: The point is this: Rails are provided on the backs of the trolley-buses and omnibuses. There does not seem to be any insurmountable difficulty in fitting such rails to the trams. While it may not be done in other countries, it could be done here, in view of the present war conditions under which we are living. In many instances the only hope that a woman has to get into town is to catch a tram and ride to the terminus, and join the queue for the return journey.

Hon. J. Cornell: If they took four, it would be only a drop in the ocean.

Hon. A. THOMSON: It would be of some assistance. I was late this morning and just missed one tram and had to stand on the corner for some time. Each tram that passed was packed. I do not blame the tramways. We want to encourage the increase of our population, and for that reason I hope the Minister will make a note of what I have said and submit my suggestion as something requiring immediate attention. A lot has been said about the rollingstock of our railways. I would like to know whether payment, or credit, is being given for the value of the rollingstock which has been transferred to the Commonwealth Government.

Hon. J. Cornell: That was mentioned in "The West Australian" the other day.

Hon. A. THOMSON: I did not see it.

Hon. J. Cornell: About £25,000 of loan money was taken into revenue.

Hon. A. THOMSON: I realise the difficulties of the Railway Department, but I would like to have that information. I did not see it in the Press. I am pleased to know that the Government is making provision for the overhauling of its engines. There was a disastrous happening in the Swan View tunnel recently owing to the lack of ventilation, and a similar accident might occur again. To remedy this might be regarded as an urgent work for which funds could be provided. I am of opinion that several ventilating shafts could be constructed to carry off the fumes from the tunnel. I have often wondered why something of the kind has not been done, and I suggest that this would be an economical way of overcoming the difficulty. It was fortunate that the engine was not drawing a passenger train.

Hon. J. Cornell: We are fortunate that such a long time elapsed before it happened.

Hon. A. THOMSON: Yes, but unfortunately it has happened.

Hon. J. Cornell: A winze or two should be put in.

Hon. G. W. Miles: Two or three bore holes.

Hon. A. THOMSON: I have not been able to find that additional provision has been made in the Loan Estimates for workers' homes.

The Honorary Minister: We cannot build them.

Hon. A. THOMSON: Under the National Security Regulations, I presume that the Workers' Homes Board is not permitted to build houses.

The Honorary Minister: And we cannot get the labour.

Hon. A. THOMSON: Material also is frozen. Let me point out an anomalous position that has arisen under the National Security Regulations. A definite hardship is being imposed upon the thrifty person and the worker who, owing to the shortage of homes for renting, is endeavouring to buy. A house that would have cost about £800 before the war is available for one who has the cash to pay for it, provided the owner, who may have been called up for service or been transferred to some other part, has permission to sell. A worker has perhaps £200, but under the regulations that is not sufficient, because no mortgage of an amount over £500 is permitted. If a man has £150 or £200 cash and desires to buy a home costing £800, because a mortgage of about £600 would be involved, the transaction is not sanctioned. Many people in that unfortunate position have been debarred from purchasing homes. I hope that the Chief Secretary will inquire into the matter and that the Government will represent to the Commonwealth the definite hardships being imposed upon people who have only a small amount to offer as a deposit on a home.

The present regulations, instead of protecting the small man, seem to be unintentionally protecting the person with sufficient money to buy a home outright. I understand that the regulations were introduced to prevent investors from purchasing property instead of putting their money into war loans. If a purchaser can pay cash and the owner has permission to sell, the



purchaser may buy homes and let them, while the small man is debarred from securing a home on terms. I know the Chief Secretary would not be sympathetic toward this state of affairs, but that is the unfortunate position created by the National Security Regulations. The Workers' Homes Board cannot build because of the shortage of labour, because material is frozen in the interests of the war effort and because of the restrictions under National Security Regulations. We do not want to grease the fat pig while the poor man goes without.

Apparently the Government is continuing the practice of taking into Consolidated Revenue the whole of the profit of the Fremantle Harbour Trust and then borrowing money for the carrying out of harbour improvements. This is not a businesslike method, but it has been the practice for many years.

**HON. E. H. H. HALL (Central):** We are indebted to the Chief Secretary for the additional details he has given covering this expenditure of £310,000 of loan money, because there is not much information in the Bill itself. If I mistake not, the Minister referred to the spending of a sum of money on the Fremantle slip, but the Bill refers to Fremantle harbour works. We are in need of money to repair the Geraldton slip. For some months I was in touch with the Under Secretary for Public Works with a view to getting that slip put in order, and he told me that the engineers were kept very busy at Fremantle on naval work. In consequence of the delay in effecting repairs to the Geraldton slip, fishing boats, a number of which make Geraldton their headquarters, have to come to Fremantle every few months to be cleaned and repaired. These boats fish as far north as Shark Bay and therefore this matter should be of interest to the members representing the North Province.

From every point of view it is necessary that we have a slip at Geraldton capable of dealing with the boats of the fishing fleet. These are not ordinary fishing smacks; they are luggers of some hundreds of tons, and a slip capable of dealing with boats of the heavier tonnage is badly needed. I have no objection to work being done on the slip at Fremantle and do not ask for anything to the exclusion of Fremantle, but it would be very helpful if we had a slip at Geraldton capable of accommodating the larger fish-

ing boats. I hope this matter will not be overlooked.

A suggestion has often been made in this Chamber by Mr. Thomson that a public works committee should be appointed. Nothing but good could result from the appointment of such a committee. I cannot understand why members here do not form a deputation to wait upon the Minister and stress the importance of this matter. But it has been left to Mr. Thomson principally to urge the need for such a committee. Why should not the Government favour its appointment? I commend Mr. Thomson for his suggestion regarding the carrying of prams by trolley buses and trams. We are continually urging the need for large families to populate this country, but when mothers are considerably inconvenienced in the transport of their children, one begins to wonder whether we are really serious in our advocacy of larger families.

Members will agree that Mr. Thomson is also to be commended for his reference to the effect of National Security Regulations on the building and buying of homes. I hope the Government will see that the section of the community so badly in need of homes and unable to put up a substantial deposit will receive consideration. An easement of existing conditions can be granted only if the State Government makes representations to the Commonwealth Government. If this disability is pointed out, I feel sure that the Commonwealth will accede to the request of the State and afford the desired relief.

**HON. G. B. WOOD (East):** I would not have risen to speak on the Bill had it not been for the reference made by the Chief Secretary to the egg-drying plant. I congratulate the Minister for Agriculture on establishing that plant. It seems to me a terrible thing that the industry should have got into such a parlous condition before steps were taken to erect a plant. At the time, about 3,000 cases of eggs in this State were not wanted by anyone. Merchants would not buy them. I do not know what happened in regard to those eggs, but they were responsible for bringing the authorities up to the mark, and eventually the egg-drying plant was erected.

Unless some drastic alterations are made in the egg industry at once, there will be no eggs for the plant to treat, owing to the

extraordinary attitude adopted by the Commonwealth authorities, particularly the Price Fixing Commissioner. The industry today is indeed in a sorry plight. It is now two months since I was instrumental in forming a deputation to the Assistant Minister for Commerce, when we pointed out the anomalies. Some action has been taken this week, but not nearly enough to put the industry on a proper basis.

Hon. J. Cornell: Is the hen falling down on her job?

Hon. G. B. WOOD: The people who own the hen are likely to go out of the industry. I was at a meeting at Armadale yesterday and was impressed by the attitude adopted by the egg-producers. Motions were passed asking Mr. Curtin whether he wanted the industry to be continued and, if not, whether he thought those engaged in it should go into the Army. That is the attitude being adopted by the producers. I shall have a little more to say about it in a moment.

Hon. A. Thomson: There is a fair margin for the people selling the eggs—3d. per dozen.

Hon. G. B. WOOD: That is so. I am sorry that I am not in another place, so that I could put the matter directly before the Minister for Agriculture, but I hope the Minister in charge of this Chamber will do so. I hope control of the industry will be taken from the Commonwealth authorities. We in this State are too far behind the producers of eggs in the Eastern States. If there is a rise in the price of eggs in the Eastern States, we are always two months behind in securing the benefit of it. I can assure members that the industry has suffered in that respect to the extent of £2,000 or £3,000 during that period. While on this question, I shall read members a letter which I received a few days ago dealing with this and other matters—mostly with the Price Fixing Commissioner, but I shall not refer to that portion. Every week, and sometimes twice a week, during the past two months efforts have been made to induce the Price Fixing Commissioner to bring this State into line with the Eastern States. The letter is from Mr. Hoops, who is the president of the poultry section of the Primary Producers' Association, and a member of the Voluntary Egg Stabilisation Committee. He says—

Western Australian egg prices are the lowest of any State in the Commonwealth and the feeding costs are the highest in any State ex-

cept Queensland. On December 1st the Commonwealth price of egg-powder was to be increased from 10½d. per pound to 1s. per pound. A proviso was attached to this statement by Mr. Scully. This was that the increased price would only operate and be paid if it was not higher than the local price fixed by the Prices Commissioner in the State. Owing to the refusal of price increase here, differential treatment will not only be given to all other States over W.A. producers on local sales, but also on all eggs purchased by the Commonwealth for drying here. The whole position is a scandal which requires drastic action. Through the stubborn ignorance of the Prices Commissioner in Canberra, the egg-producers are losing thousands of pounds. The State will suffer severely, as now there will be a very serious shortage of eggs which will entail drastic rationing and if the present situation is not quickly altered there will be very few eggs for the drying plant next year.

Hon. T. Moore: That is a fact.

Hon. G. B. WOOD: A sorry fact, too. Having established this plant, we shall find that Western Australia will not be producing enough eggs to keep it working.

Hon. A. Thomson: What is the remedy?

Hon. G. B. WOOD: I think it is this: Sir Hal Colebatch recently said there was no need for the establishment of a statutory board. He asked what reasons can be advanced for the establishment of a statutory board, particularly as the job is now being done satisfactorily on a voluntary basis? But the job is not being done satisfactorily on a voluntary basis. Mr. Hoops and other of my friends among the producers are definitely of opinion that a statutory board is the only remedy for the present parlous position. The large meeting at Armadale last night to which I referred was in favour of the establishment of a statutory board. Among the producers who attended the meeting were many who previously were against the setting up of such a board, but they have now changed their mind. A petition was circulated in regard to the matter and in three days 65 signatures were obtained from producers who favoured the establishment of a statutory board. Only 50 signatures were required, but the 65 were obtained at Armadale, Maddington and Mundijong. The hills district was not touched at all. I hope these matters will be placed before the Minister for Agriculture by the Minister in charge of this House. I support the second reading of the Bill.

HON. H. SEDDON (North-East): What strikes me about the Bill is the amount provided for, £310,000, as against former provisions of £1,000,000 or £1,500,000. The

principal item with which I wish to deal is the alunite industry. I am quite convinced the Minister was furnished with incorrect information when he replied to certain questions I asked in connection with this industry. Members will recall that I referred to the actual tonnage that would be put through the plant and to the return that such tonnage would yield. I am not satisfied with the figures which the Minister supplied. I feel convinced that the officers of his department did not fully appreciate the import of my questions, or that they gave an answer not in accordance with figures that had been placed before us. If members will refer to the memorandum that was supplied with the Bill, they will find it distinctly states that the plant is designed to treat 130 tons of alunite clay per day, and that that quantity would yield 13 tons of potash a day. I quoted the opinion of a geologist, and it is backed up by expert officers, that the potash content of the ore from Lake Campion is 7 per cent. In view of the analysis of the ore, the fact remains that something over 20 per cent. of silica alone and 26 per cent. of trioxide (SO<sub>3</sub>) must be deducted before one can arrive at the result mentioned in the memorandum. In his reply, the Minister said—

The alunite at Lake Campion is what is called alunite clay, and it is estimated that 130 tons of that alunite clay will produce 13 tons of potash. So it is not a question of mining the larger quantity that is referred to.

Seven per cent. of 130 is 9.1 tons, and that is not 13 tons. I have just said that there is 20 per cent. of silica. There is also a considerable quantity of alumina. If the figures are analysed, members will see that if 130 tons of this material is treated, it will only produce, on the Minister's figures, nine tons of potash, not 13. I go further. As a result of the investigation which was made, it was found that after the product had been roasted, only 80 per cent. recovery of the total potash was made; that would bring the yield still lower. I desire to explain my position. I am whole-heartedly behind the Government in its decision to open up this deposit and encourage the industry.

Hon. T. Moore: Hear, hear!

Hon. H. SEDDON: I am quite convinced that this is an industry that should be developed in Australia. I am convinced, too, that the by-products will be valuable. I have already pointed out that alumina can-

not be treated in this State because of the cost; but it can be marketed and treated where cheap electric current is available—obviously in Tasmania. I understand that this problem is now receiving attention. The officers of the department should have been more careful in supplying information to the Minister on the questions I asked, because obviously there is something wrong about the figures. The Bill makes provision for the sum of £120,000 for the establishment of this industry. I wish again to stress that this sum will by no means be the end of the expenditure. I repeat that I am whole-heartedly behind the Government in this venture; but we should, when we are considering such a proposition, have placed before us correct figures, so that we and the public will not be misled.

**HON. C. F. BAXTER (East):** Mr. Wood has brought up a burning question among a section of the producers of this State. I point out that a glaring anomaly exists in the treatment meted out to egg producers in the Eastern States and to producers in this State. Why our producers should be penalised I do not know. Yesterday I asked the Chief Secretary the following question:—

In view of the fact that the egg producer of this State are not allowed the same price for eggs on the local market as producers in other States, for example, New South Wales, what steps has the responsible Minister taken to place this State's egg producers on a same value basis?

The reply I received I do not consider to be satisfactory. The Chief Secretary said—

A policy of requesting the same price for agricultural produce as in the Eastern State may be a dangerous one.

Why should it be dangerous? The reply continues—

The Deputy Price Fixing Commissioner has received the advice of an organisation representing the poultry industry. Steps have been taken by the Department of Agriculture to submit a case to the Price Fixing Commission and also to ensure that poultrymen receive the maximum net returns from the sale of their produce.

I learn that between the time of my asking the question and the answer being given, telegrams were sent by the Department of Agriculture to the Eastern States with regard to the position. I want to know what our Agricultural Department and our Minister are doing? Apparently, nothing whatever. It is the duty of the Minister and his

department to take cognisance of the fact that there is a difference in value between local eggs and eggs in the Eastern States, and to find out the reason. The Minister and his department should see that our eggs are placed on the same basis of value. Why should our producers be penalised to the extent of 2d. per dozen compared with the price ruling in the Eastern States? It may be said that the consumer will pay more for the eggs. He probably will for the time being. What is happening is this: The price of eggs in this State has been so low that egg producers are quitting the industry in order to obtain more lucrative employment. We cannot blame them for doing so. We would all do the same ourselves.

Hon. J. Cornell: That is happening generally in primary production.

Hon. C. F. BAXTER: If the same price were maintained in Western Australia as prevailed in the Eastern States, not only would our egg producers stick to the business, but others would engage in the same occupation because it would be profitable; but when prices are brought down to a low level producers tend to leave the industry, with the result that later on the price of eggs will become prohibitive on account of the shortage. I thought that I would obtain some information from the people concerned in this matter and find out whether I was right or wrong. I have here a letter from Mr. Scanlan, of Scanlan & Simper, Ltd., who is on the Egg Stabilisation Committee and knows what he is writing about. He says—

On reliable information received today I was informed that eggs in New South Wales have been increased as from the 5th December to 1s. 8d. per dozen.

As a member of the Voluntary Egg Stabilisation Committee I am in a position to state that last week an application was made for eggs to be increased to 1s. 7d. per dozen in this State as from the 7th December. In view of the increase in price in New South Wales, this increased price asked for is not unreasonable. As one of my producer clients stated, the differentiation in the prices of primary produce in the different States, with Western Australia always at the bottom of the list, is a crying scandal.

I trust that you will have these matters ventilated in Parliament, as there is no doubt the producer in Western Australia is not receiving due consideration from the Prices Commissioner's Department.

The Price Fixing Commissioner depends on the Agricultural Department for information which it has not got. The Agricultural

Department has sat down on the job. In Western Australia many egg producers are going out of business because they can obtain more profitable employment elsewhere, with the result that the number of eggs available to the consumers is very much less than last year. During the peak period the number of eggs available was 25,000 dozen per week less than for the same period last year. Last season 45,917 cases of eggs were packed for export in this State. This year 35,000 were to be processed at the drying plant, but at present only 29,000 cases are available.

Hon. T. Moore: The troops are consuming a lot.

Hon. C. F. BAXTER: Yes, but the falling off in the supply is the trouble. It is doubtful whether the 30,000 mark will be exceeded. A lot of eggs are exported from this State, but the quantity has diminished. I was engaged in this business for some time and paid dearly for the experience.

Hon. W. J. Mann: What is the reason for the decline?

Hon. C. F. BAXTER: The price is too low. In the Eastern States it is 2d. a dozen more, which makes a difference to the producers. Why the price is not the same here as in the Eastern States is what I want to know, and I also want to know what the Agricultural Department has done. It has done nothing to protect the producers, but it is there for that purpose. The effect will be that there will be insufficient eggs during the summer and autumn to meet civilian demands. To minimise this declining production it has been the desire of egg-producers to increase the price, so as to make poultry-farming and egg-producing more attractive. In order to do this an attempt was made to have the price increased to 1s. 6d. a dozen, which price had then been prevailing in New South Wales for some time and which had been approved by the Price Fixing Commissioner in that State but not in this State. For some reason or other the Price Fixing Commissioner in Western Australia refused to grant an increase in the price of eggs comparable with that prevailing in New South Wales. We want to know what the Minister for Agriculture is doing to see that the position is equalised.

At first sight an increase in the price might appear to be against the interests of the consumers, but that is not really the case because if the producers go out of busi-

ness and eggs become scarce, the price must rise to a much greater extent than it would if the industry was profitable enough to induce the producers to continue. We have a Voluntary Egg Stabilisation Committee here. As the representative of many egg producers, I approached the committee—with some timidity, I confess, because I did not know whether it would respond. However, the committee did respond and indeed I consider it is the duty of the committee to supply me with facts relating to the industry from its standpoint. This is the committee's reply—

In reply to your request for information regarding the activities of this committee, I am sending you a copy of the report of the committee since its formation. This report provides concrete evidence that the committee has always aimed to secure the maximum price for the producers' eggs compatible with the consumptive demands on the market. Whilst this has been in the interests of the producers it has not been without advantage to the consumer for the stabilisation of prices has minimised speculation, and further if it could maintain a reasonable price to the producer it would ensure maximum production which results in plentiful available supplies at rates governed by the demands and at reasonable levels. I can assure you that the drop in the gross price of eggs from 14d. to 12d. for one week, and to 13d. for the next four weeks during the past 1941 export season (vide page 4 of report) was not due to the operations of this committee, nor was the failure the present season to obtain the same gross prices on the local market as have obtained in New South Wales.

This is the report referred to—

The committee was fully alive to the serious consequences to the producer, and realising that its own finances were totally inadequate to attempt any form of bonusing, it approached the State Government with a request that, as the circumstances had been created by war conditions, the Commonwealth Government should be asked to guarantee the normal export price.

A very reasonable request.

After many meetings and conferences, the State Government agreed to guarantee exporters against loss up to 5d. a dozen, provided the net advance to the producer was neither more nor less than 10d. per dozen. The result was that the gross price of standard eggs on the local market for the week beginning the 3rd November, 1942, immediately dropped from 1s. 2d. to 1s. per dozen.

Members can see the result of interference.

However, the committee persisted in its negotiations and the agents were finally successful in prevailing on the Government to consent to the net advance on export eggs being raised to 11d. per dozen, which permitted the gross local price to increase to 1s. 1d. per

dozen. This price continued for a period of two weeks to the 6th December. In the meantime a large quantity of eggs which had accumulated in cool store had been shifted, and from the 8th December, by the committee's efforts, the full export parity price of 1s. 2d. per dozen was restored to the local market.

That is a nice state of affairs! The letter from the committee continues—

For some six weeks this committee has been endeavouring to have the local price increased to 1s. 6d. per dozen—

At that period the committee was not aware that the New South Wales price had been increased to 1s. 8d. as from the 5th of this month.

—the gross price which the producers in New South Wales are receiving for their eggs. The committee was anxious to increase the local price to the maximum extent possible compatible with the funds at its disposal and also compatible with the absorptive demand. One of the objects governing this desire was to improve the financial outlook of producers so as to lessen, if possible, the decline in egg production caused by poultry farmers leaving the industry in order to enter more remunerative avenues of employment. Compared with last year there has been a considerable decline in the number of eggs dealt with by the committee this year. This is shown by a comparison of the numbers received by the agents in about the peak period of production early in October and about the middle of November. The receipts in dozens for these dates were—the 4th October, 1941, 166,505; the 3rd October, 1942, 141,619.

The decline was 24,886, a tremendous decline for that short period. The letter states that the receipts on the 15th November, 1941 were 129,568, and on the 14th November, 1942, they were 111,578. So there is another decline of 17,990. This is a serious position because later on we shall have no eggs for local consumption except at a price absolutely prohibitive to the great mass of the people; and eggs are a most important part of diet, especially children's diet. The letter continues—

Until today the committee, despite its representations, has not been permitted to raise the price from 1s. 4½d. It asks that the price shall be raised to 1s. 7d. in sympathy with the increase of 1½d. lb. in the price of eggs for drying, and approval has been obtained to raise it to 1s. 6d.

Approval has been granted to raise the price in this State to 1s. 6d. now that the price in New South Wales has risen to 1s. 8d.!

News has just been received that the New South Wales Stabilisation Board has received approval to raise the gross local price for standard quality from 1s. 6d. to 1s. 8d. per dozen. As the equivalent increase per dozen

of an increase of  $1\frac{1}{2}$ d. per lb. egg powder is  $2\frac{1}{4}$ d., the increase of 2d. per dozen has been granted in approximate sympathy with the increase of  $1\frac{1}{2}$ d. per lb. in the price of eggs for drying. It will thus be seen that in granting to W.A. producers an increase of  $1\frac{1}{2}$ d. per dozen from 1s.  $4\frac{1}{2}$ d. to 1s. 6d., they have not been granted the parity increase of  $2\frac{1}{4}$ d. to which they are entitled. It is difficult to understand why there should have been this discriminating treatment. It certainly has not been in the interests of the producers despite the efforts of the committee to protect them. We have a committee doing its utmost to equalise prices here with those in the Eastern States, not only for the benefit of the producers but for the benefit of the consumers and to get a supply of eggs on the market. We have the agents represented by Messrs. Ryan and Newby and others doing their utmost to try to get the whole thing balanced as between the States so that there may be some uniform price to producers throughout Australia. Why the favouritism for New South Wales? The Minister for Agriculture in this State and his department have been asleep on the job. So far as I can learn they made not one effort, until my questions were asked, to protect the producers and consumers interested in this particular industry.

The Chief Secretary: The Minister for Agriculture would be interested to know that.

Hon. C. F. BAXTER: Yes. The Minister was telegraphing frantically to the Eastern States after the questions I put to him showing that the Government had not bothered about it at all. This is a serious matter. We should keep our egg-producers in business. What we want in Western Australia are these small holdings carrying producers of various commodities. We want the producer to do his job, and we want the Minister for Agriculture in particular to do his job. From that standpoint it is essential in the interests of the State and of future supplies to consumers. I have no hesitation in saying that the Minister for Agriculture and his department have fallen down on the job.

The Chief Secretary: I would like to hear the Minister's explanation.

Hon. C. F. BAXTER: The Minister for Agriculture is one of the cleverest persons in the State at dodging the question. Here we find our egg-producers receiving 2d. a dozen less than their competitors in the Eastern States, and the Minister has done

nothing to avoid that position being created. Price-fixation is under the control of the Government, so why has it not acted? What justification can be advanced for allowing our producers to receive 2d. a dozen less for their eggs than is paid to egg-producers in the Eastern States. What justification can be advanced for that—with all the Chief Secretary's championing of the Minister for Agriculture. The existing state of affairs is discouraging to the producers, many of whom are walking off their holdings and seeking more lucrative employment elsewhere. Surely the Government should encourage them to remain on their holdings, and the Agricultural Department should use every effort to secure for local egg-producers consideration equivalent to that given to the producers in New South Wales.

HON. SIR HAL COLEBATCH (Metropolitan): I wish to reply to some remarks by Mr. Wood regarding the statutory board to control the marketing of eggs. The difference between Mr. Wood and myself is not so much as to whether or not there should be a statutory board, but that Mr. Wood seems to believe in a statutory board that will be largely dominated by the department, whereas I believe the board, statutory or otherwise, should be controlled by the industry in very much the same way as the Egg Stabilisation Committee has worked for the last two or three years. The remarks that have fallen from Mr. Baxter make it clear that it is not the fault of the stabilisation committee that the egg-producers of this State have been so unfairly treated. If there is any fault in that direction it lies with the Commonwealth department and also with the State department for not having made the representations the latter should have made.

So it boils itself down to this: Mr. Wood favours a statutory board under an authority that has fallen down on the job, while I favour a board similar to that which has done so much good work for the producers during the last two or three years. If that board were given statutory powers, I would raise no objection to it whatever. Mr. Wood told us that there had been a great change of opinion on this subject. Is that really so? The fact that the producers realise they have been unfairly treated makes them prepared to accept any alternative if they think it will remedy their position. I have frequently said that price-fixing should be exercised with

the greatest possible discretion because there is always the danger, particularly in an industry such as that of egg-production, that the price fixed will lead to decreased production. If we cut down production and there is a scarcity of eggs, all the price fixing in the world will not help one bit. My objection is not to a statutory board for the marketing of eggs, but to a board controlled by the Agricultural Department instead of one controlled by the industry itself.

Question put and passed.

Bill read a second time.

*In Committee, etc.*

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

Bill read a third time and passed.

#### **BILL—STAMP ACT AMENDMENT.**

Received from the Assembly and read a first time.

#### **BILL—MEDICAL ACT AMENDMENT.**

*Assembly's Message.*

Message from the Assembly received and read notifying that it had agreed to amendments Nos. 2, 4, 5, 6, 7 and 8 made by the Council, but had disagreed to Nos. 1 and 3.

*Sitting suspended from 12.55 to 2.15 p.m.*

#### **BILL—PIG INDUSTRY COMPENSATION.**

*Second Reading.*

**THE HONORARY MINISTER** [2.17] in moving the second reading said: I regret having to state that a Bill such as this, if passed in 1935, would have prevented the very serious losses experienced recently by pig growers. This measure is necessary now, especially in view of the fact that men who have worked very hard and for many years in their industry have lost everything. The Bill provides for the establishment of a fund for the payment of compensation to owners of pigs and carcases of pigs destroyed on account of disease.

An effort was made in November, 1939, to place before producers a scheme for the creation of a fund from which owners of pigs could be compensated in the event of a serious outbreak of disease. This was shortly after the outbreak of war, when it was realised by the Department of Agriculture that under war conditions there was a

possibility of disease spreading to Australia. That scheme was turned down by those associated with the industry. It is common experience that war results in the dissemination of disease, and the history of the department so far in this war makes very interesting reading as to the diseases transmissible to man, stock and crops, which diseases have been prevented from entry, or which have gained entry into Western Australia and have been eradicated.

The Bill now submitted represents an attempt by the Government to provide compensation to the owners who are suffering from the recent outbreak of swine fever amongst the pigs, primarily in the metropolitan area, and in isolated places in the country. Whilst it is impossible to say definitely that this disease is under control, the Chief Veterinary Surgeon believes that the prompt quarantine measures taken in the metropolitan area, the tracing of affected pigs to country districts, the subsequent inspection of herds in these districts, and the prevention of the feeding of swill either from camps or from town residences to pigs, has resulted in the disease being brought under control, and that widespread outbreaks in the country will be prevented.

It is known that some farmers, when a serious disease breaks out on their properties, endeavour to realise on their stock as much as possible before the disease is notified to the department. This, unfortunately, has been the experience in the present outbreak, and undoubtedly resulted in the rapid and widespread incidence of the disease in the metropolitan area. Approximately 8,000 pigs have been slaughtered owing to the present outbreak of swine fever, which is known as hog cholera in the United States of America; 3,000 of these pigs were of trade grade and have passed the meat inspectors and the carcases are at present being held in cool storage at the Government Works, Robb's Jetty, in the hope of ultimately finding a market. The department and the Chief Veterinary Surgeon and his staff have been active day and night for seven days a week since this disease occurred, in an endeavour to control further outbreaks. It is pleasing to record that since the disease was discovered growers have loyally assisted the department in the control measures, and are carrying out the directions for disinfection which are necessary under the regulations.

Members will note that the Bill provides for a compensation fund to be created by means of a compulsory levy not exceeding 3d. in the pound upon all sales of pigs. It is estimated that the revenue which would be collected for the fund, based upon figures available for slaughterings and sales during the last three years, would approximate £7,000 to £8,000 per annum. It is obvious that the fund would be unable to compensate growers on any reasonable basis without some advance from the Government, and a provision has been included in the Bill authorising the Treasury to make advances where serious epidemics might render this necessary. A special provision is also inserted to provide that any pigs condemned for or dying from swine fever as a result of the present outbreak after the 27th October last will come under the compensation provisions of the Bill.

The diseases which are specifically mentioned in the Bill, and which will come under payments for compensation, are swine fever, tuberculosis, swine erysipelas, and paratyphoid; but provision is made whereby this list of diseases may be increased or reduced by proclamation. Of the diseases mentioned in the Bill, swine fever is the only one likely to occur in epidemic form and to cause wholesale slaughtering of pigs. The condemnations of carcasses for tuberculosis are not high—considerably under 1 per cent. The majority of cases where tuberculosis occurs, affect the glands of the neck and head, in which cases the head only is removed from the carcass and condemned. In such instances there is no compensation allowed by the measure.

In this Bill, where pigs or carcasses are condemned, provision is made in the case of healthy pigs for full compensation to be paid to the grower. In the case of diseased pigs the compensation is set out at 75 per cent. of the market value of the pig or carcass. I believe it could be fairly argued that the grower must carry some responsibility for outbreaks or occurrences of disease in his herds, and on this ground the payment of full compensation where diseases occur cannot be justified. In all States where Pig Compensation Acts are in force, full compensation is paid only where pigs are found to be healthy after having been condemned as suffering from a specified disease. Where diseases occur and condemna-

tions are made as a result of these diseases, the grower is indemnified to a percentage, usually a generous percentage, of the market value. The same principle is followed in the Dairy Cattle Compensation Act, where the owners of cattle in a limited prescribed area around the metropolitan district are recompensed up to 90 per cent. of the value of the cow which has been condemned for tuberculosis.

It should be borne in mind that in these instances condemnations are not on a wholesale basis as might be the case with a disease such as swine fever. The scheme also is limited to a certain prescribed area and all owners of dairy cattle, whether sales are effected or not, must contribute to the compensation fund annually. Special provision is made in the Bill to cover those cases where a virulent disease has broken out, and pigs may be dead before an approved person has an opportunity of clinical examination and diagnosis and of ordering the destruction of the pigs. This provision is unique as far as similar compensation Acts are concerned in Australia, but it is believed to be equitable and the Government does not desire to be ungenerous in its attitude towards growers who have suffered very heavily in the present outbreak.

The Bill further provides that where only portion of a carcass is condemned, then compensation may be paid to the grower upon a scale which is laid down in the schedule for the portion of any carcass which may have been condemned by a meat inspector. As in the Dairy Cattle Compensation Act, a provision is included in the Bill which enables a grower who may be dissatisfied with the valuation which has been placed upon his pig or carcass, to appeal against such valuation, in which case the Minister may appoint a competent person to adjudicate upon the matter, the decision of such adjudicator to be final. This system has worked with very little friction under the Dairy Cattle Compensation Act, and as valuations would be upon a generous scale it is not anticipated that growers would be dissatisfied with the decisions.

The system of collecting funds for the compensation trust account is exceedingly simple and economical, and consists in the affixing of certain compensation stamps to invoices and receipts by all vendors or agents when effecting sales of pigs. Owners are required to ensure that such receipts are pro-



perly stamped, as in cases where compensation is claimed growers will be required to produce receipts for sales of pigs made by them, proving that legitimate contributions to the compensation fund have been paid. As the marketing of pigs is conducted under peculiar conditions in Western Australia, special provision has been made so that stamp duty may be paid either upon the value of individual pigs or upon the total value of "lots" of pigs sold by agents where such pigs have been graded according to quality.

The passing of this Bill will result in the cessation of the pseudo-condemnation scheme which is at present in operation respecting all pigs sold at the Midland Junction sale-yards. Under this scheme agents deduct from the account sales of growers an amount equal to  $\frac{1}{2}$  per cent. on all pigs over 40s. This amount is also deducted from the accounts rendered to purchasers of pigs, and is intended to insure buyers of pigs against losses which might be incurred as a result of such stock being affected with the disease. In this Bill the grower or owner of a pig will be compensated. There is therefore no necessity to continue such a scheme, and provision is made to render it or any similar one illegal.

That explains the main proposals in this measure, and if necessary I shall be only too pleased to supply further information during the Committee stage. It is regrettable that this Bill could not have been brought down before, but it is both urgent and necessary that we should pass it. I personally know of severe losses suffered by a body of hard-working men. This Bill will provide means of compensating many growers respecting pigs which have been lost, although it will not compensate some others who have lost everything they had through the recent outbreak. I move—

That the Bill be now read a second time.

**HON. W. J. MANN** (South-West): I join with the Honorary Minister in expressing regret that numbers of pig-owners in the metropolitan area have recently suffered serious losses.

**Hon. G. B. Wood**: Not only in the metropolitan area!

**Hon. W. J. MANN**: Whilst we regret the losses pig-owners have sustained, I also regret that the Bill has been brought down

so late in the session. It is a fairly long measure and State-wide in its application. We might therefore have had a little more time in which to study it. I am not opposed to the idea of a compensation fund for use when epidemics occur, but it has seemed to me in the past that these epidemics are mostly confined to districts such as the metropolitan area or the goldfields. In the part of the State that I represent we are singularly fortunate in having had very little disease. That may be due to the climate, or it may be because the farmers are extremely careful and realise that unless they apply the same care to their pigs as they do to their cattle, they are likely to have trouble.

**Hon. J. Cornell**: It may be a dispensation of Providence.

**Hon. W. J. MANN**: That may be all to the good for the State. It is just as well that we should have some areas that are less prone to disease than others. I have not had time to look into the question of how far this levy will affect outback farmers. I realise that it is not a big impost, but would point out that on a truckload of pigs, even on a levy of 3d. in the pound, quite an appreciable sum would be involved.

**The Honorary Minister**: That would be the maximum.

**Hon. W. J. MANN**: On a consignment of 100 pigs, which might be worth £4 apiece, an appreciable amount would be involved. I offer no objection to the Bill, nor to that part which lays down the amount of the levy. So far as I can see, however, this levy may go on indefinitely, and in course of time a large amount will have been built up. When the fund reaches a sum that it is felt will be ample for all purposes provision should, I contend, be made for the suspension of the levy until further funds are required. There are other avenues in which levies are imposed. In some instances the levies cease when the fund reaches a given amount; it may be £10,000 or £1,000 according to the needs of the situation. There should be some provision in the Bill for the cessation of the levy at a given time. I do not oppose the Bill, but would have liked more time in which to examine it. I hope the Honorary Minister will take notice of my suggestion that the levy should be continued only as long as is necessary to build up a sum that would be considered ample for ordinary compensation purposes.

**HON. G. B. WOOD** (East): Like Mr. Mann, I feel that we have not sufficient time to discuss the details of this measure. We all subscribe to the principle contained in the Bill, but there are some aspects with which I am not altogether in favour, at any rate without some explanation. I was wondering if the Committee stage could be postponed until the 15th January without imposing any hardship on the people who have already suffered. I do not make that a specific request, but would like to know from the Honorary Minister if it is possible. The Bill is retrospective in its effect. This House has a reputation for not agreeing to retrospective legislation, but on this occasion we must do so in the interests of the people who have been affected. Either the Commonwealth or the State Government, or both, should have come to the rescue of these producers because there has been some apparent slackness in the quarantine regulations insofar as the infection has come to this State. I cannot see how swine fever could have broken out here unless it came from somewhere else. The Federal authorities are to a large extent responsible, and they should pay a considerable amount of the compensation instead of putting the whole burden on to the producers for having been confronted with a situation over which they had no control.

I do not agree with all the clauses in the Bill, and would have liked to have more time to debate them in Committee. A levy of 3d. in the pound is rather high. I know it is supposed to be the maximum, but I am quite sure that it is the amount that will be imposed. It may not sound much, with a maximum of 2s. 6d. per head, but it is only one of the several taxes that have to be paid by the man who sends pigs to market. He has to meet railway freight, losses on the train, yard fees and commission, and perhaps one or two other charges. The old compensation charges are, I believe, completely wiped out.

The Honorary Minister: They are.

**Hon. G. B. WOOD:** I am glad to have that assurance. There would be no need for them, because the 3d. in the pound will be imposed in the future. I am glad the Bill is to be made applicable to every district. Swine fever has broken out at Geraldton, and there has been a suggestion that this Bill should only apply to the metropolitan area, or wherever the epidemic occurs. But

other people and districts are benefiting by the restrictions and levies imposed on the people of the metropolitan area, and therefore should be brought in. They should all have to pay.

The Honorary Minister: It is for the general protection of the industry.

**Hon. G. B. WOOD:** I am sorry we shall not have longer time to discuss the matter in Committee. While I do not suggest that we must hold the measure over until January, I would like the Minister to say whether it would be possible to do so. In the meantime, I support the second reading.

**HON. J. CORNELL** (South): This Bill attacks a principle, and the principle of the measure is fundamentally unsound. The victims of these visitations of unknown origin are entitled to compensation. The source of many epidemics very often cannot be traced. The Bill proposes to ask the pig-raisers themselves to establish a compensation fund. That is unsound. In such cases as this, where the trouble is not attributable to the producers, the compensation should be a charge on the community. The Honorary Minister smiles, but the community or the people who eat pork, will pay. If I were a pig-raiser and received so much per pound on the hoof for my pigs, and my herd was visited with a disease such as swine fever, this levy of 3d. would make an appreciable difference to my returns. The pig-producers generally are asked to contribute to a compensation fund. Where are they to get that money?

**Hon. W. J. Mann:** The fruitgrowers pay a levy.

**Hon. J. CORNELL:** They will have to get the money from the pig-meat consumers.

**Hon. G. B. Wood:** I believe that, too, but I did not dare suggest it.

**Hon. J. CORNELL:** The pig-producers would otherwise be asked to raise an article which would become less profitable than prior to the outbreak of swine fever. These things should be a general charge on the community.

**Hon. G. W. Miles:** We have not yet had any pigs in my district.

**Hon. J. CORNELL:** If a monument is ever raised on the Ord River, it will be symbolic of Mr. Miles fondling a little pig. Mr. Mann has said that the fruitgrowers are asked to contribute. One of the reasons why they are asked to make a compulsory contribution is that they have something which, like the poor, is always with them—for in-

stance, fruit-fly. The fruitgrower contributes to a fund in an endeavour to eradicate and keep down a known pest, but the pig-grower is not asked to do that. The Agricultural Department is doing it. The pig-grower is asked to provide his own compensation fund when his pigs are slaughtered because of a visitation of a disease such as swine fever. He should not have to do that; the community should pay it.

**HON. V. HAMERSLEY (East):** I am accepting the measure in the way I have accepted many others. It is a charge to be put upon the industry of pig-raising. Many of these men have been hit pretty hard by the control under which they now operate. They were suddenly told that no pigs weighing over 90 lbs., or some such weight, would be accepted. An enormous number of such pigs had previously been purchased for shipment overseas. The pig-raisers had to suffer the losses caused by disposing of these pigs at terribly low prices. They had to accept 15s. to 25s. a head for pigs for which they had been receiving £4 or £5. The result was that many producers went out of the industry. Immediately afterwards those who were responsible for this decision, seeing they had made a blunder, allowed this pig-meat to come on the market again at fixed prices. Those people who were in the know were able to make very large purchases of these cheap pigs, and the carcasses were shipped to the Eastern States. In that way a good many people made handsome returns.

From Press reports regarding the recent outbreak I gather that the disease was spread through the action of one individual who, discovering disease amongst his pigs, marketed them at Midland as quickly as possible in order to get rid of them. From there the pigs were distributed practically all over the State. I do not know whether this is a fact. If it is, I should like to know whether the Government followed up the matter and prosecuted the man responsible for spreading the disease through the industry. As the disease has been spread far and wide, it is necessary for the whole of those interested in the industry to submit to this charge. I assume that those who do not have disease amongst their pigs will have to pay for those whose pigs become affected. It has been suggested that there was a lack of control on the part of the department.

**The Chief Secretary:** Who suggested that?

**Hon. G. B. Wood:** I did, but it was not the fault of your department.

**Hon. V. HAMERSLEY:** It is hard to believe that this disease would spring up in a moment over such a wide area in this healthy State unless it had been imported from another country, and I take it for granted there was some laxity. We have had the disease here previously, and heavy losses have occurred, but a measure of this sort has never been introduced to compensate owners for their losses. In the past the disease has been eliminated and now we have another outbreak. Perhaps it is something like the epidemics that affect human beings; nobody seems to know just how they occur. I am not opposed to the Bill. It is one more of those curses that come to people who attempt to do anything on the land. We already have many such burdens and I suppose that one more or less will not break us. The Commonwealth has just about smashed all the benefits arising from the industries in which I am engaged, but I am merely an individual, and if I drop out, it will not matter much. I support the second reading of the Bill.

**HON. L. CRAIG (South-West):** This is a good Bill and I commend it to the favourable consideration of the House. It covers an unfortunate occurrence and makes provision against a similar outbreak in future. I have two objections to raise to the Bill, though neither is serious. Provision is made for compensation as high as £10 for one pig. I think it is a mistake to make the amount so high.

**Hon. W. J. Mann:** That is not as high as it is in the Eastern States.

**Hon. L. CRAIG:** I am aware of that. In the Bill as originally introduced, the amount specified was £7, which was quite enough. I regret that it has been raised to £10. We ought to eliminate as far as we can any possibility of abuse creeping in. If a pig is a pedigreed animal, it might be good or it might not.

**Hon. J. Cornell:** It is of benefit to the industry.

**Hon. L. CRAIG:** It seems as if a man who has stud pigs is sure of getting an excellent sale. The other query in my mind arises from the Government's proposal to advance sufficient money to compensate the

people who have suffered by the present outbreak. Let us assume that the amount involved will be £18,000 or £20,000. This money will be advanced by the Treasury, and I understand that the anticipated recoup is about £6,000 per annum. Thus it will take three years to refund to the Treasury the amount advanced by the Government.

Hon. J. Cornell: Provided there is no further outbreak.

Hon. L. CRAIG: That is so. Does the Government propose to charge interest on the money advanced? There is no mention of an interest charge in the Bill. There might not be another outbreak for many years, in which event a huge fund will be built up at the Treasury. Is that money to be loaned to the Government free of interest or is it to bear interest? There may be as much as £20,000 lying idle for years.

Hon. W. J. Mann: The levy should be suspended when a given amount is reached.

Hon. L. CRAIG: I take it that the Government would have power to reduce the rate of levy.

The Chief Secretary: Threepence in the pound is the maximum.

Hon. L. CRAIG: Yes, and the Government could reduce the levy. Funds might be lying in the Treasury for years, and the question is whether that money should not carry a small rate of interest.

Hon. G. B. Wood: It should be placed in the hands of trustees.

Hon. L. CRAIG: Trustees come and go and die; the money will be safe in the Treasury. If the money is lent by the Government free of interest to meet present compensation needs, I take it that any accumulation of funds at the Treasury would not carry interest.

Hon. G. B. Wood: It will take only three years to pay the Government advance, after which funds might be accumulating for 20 years. Do not you think the Government should carry some of the burden?

Hon. L. CRAIG: The Minister can inform us whether any money accumulated in the Treasury is to be free of interest or to carry a small rate. It is only right that the matter should be cleared up now. Interest on a sum of £20,000 at 3 per cent. would soon represent a lot of money.

Hon. W. J. Mann: In that case the producer would be entitled to some relief by lowering the levy.

Hon. L. CRAIG: Everything done by the Government in this connection should be put on a proper business basis. If money is advanced to pay compensation for the present outbreak, it should carry interest; if a fund is built up afterwards, it should also carry interest. Otherwise I have no objection to the Bill. It is a much better scheme than the old one under which an allowance was made to the butchers buying in the market.

HON. G. W. MILES (North): This Bill seems to provide an excellent scheme for the pig-raiser in the shape of a sort of insurance.

Hon. W. J. Mann: At a fairly high premium.

Hon. G. W. MILES: The maximum rate is 3d. in the £1. Therefore a producer would get £4 before he would have to pay 1s. If that is not a reasonable rate, I do not know what is.

Hon. W. J. Mann: The maximum is 2s. 6d. for any pig.

Hon. G. W. MILES: Yes, it appeals to me as being ridiculously low and constitutes a good form of insurance. If one man is fortunate in escaping loss from disease, his contribution will help to compensate the man who is unfortunate. Growers should welcome the Bill, which has my support.

**THE HONORARY MINISTER** (in reply): I cannot agree with the comparison made by Mr. Cornell. If the Government paid compensation out of the Treasury, some of those people engaged in the industry might neglect their responsibilities and not take the precautions about which they would be careful if they had to pay portion of the money required to create the fund. Mr. Hamersley referred to one grower as being responsible for the spread of the disease. I think more than one grower was involved. Pig-raisers are not the only people in the community who, through ignorance or selfishness, have marketed diseased stock, not caring what happened to those who purchased it. More than one grower is involved in this instance, but any charge of laxity cannot be laid against the department because every pig concerned has been traced and every precaution has been taken. If pig-raisers had taken more notice of the instructions issued by the experts of the Department of Agriculture, I doubt whether the outbreak would have occurred.

Hon. J. Cornell: Why did not the department prosecute the offenders?

The HONORARY MINISTER: These cases are difficult to prove. The department has a very good idea how the outbreak originated. Unfortunately some growers have been careless. Many people regard the pig as a dirty animal but, if properly cared for, it is one of the cleanest of animals.

Hon. G. B. Wood: Do not you think the disease arose from importations of pork for the troops?

The HONORARY MINISTER: It is known that the disease may be carried in meat in cold storage.

Hon. G. B. Wood: That is where I say the lack of control occurred.

The HONORARY MINISTER: If pig-raisers had been careful to boil the offal fed to their pigs, I do not think the outbreak would have occurred.

Hon. G. B. Wood: Do you say they were advised to that effect?

The HONORARY MINISTER: They were advised from the start that all refuse fed to pigs should be boiled. I think this experience has brought producers up with a round turn and that they will be more careful in future. The scheme of compensation is sound and generous. If the maximum is fixed at 2d. in the pound it will take some years to repay the Treasury the amount of compensation to be paid for this outbreak. It would be bad to postpone consideration of this measure until January, as Mr. Wood suggested. Growers have suffered severe losses. Many careful men in the industry have suffered, and they are desirous that some scheme of compensation should be inaugurated as soon as possible. I know these men and am aware of the losses they have sustained. They want a scheme established and put into operation as quickly as possible. Members can disabuse their minds of the statement that a huge sum will be raised. That is not the intention; as the fund increases the surcharge will be lessened.

Hon. H. V. Piesse: The pig-raiser is finding the money.

The HONORARY MINISTER: Yes.

Hon. H. V. Piesse: The primary producer always does.

The HONORARY MINISTER: I think he should. This is for his own protection.

Hon. H. V. Piesse: What about the protection of the public?

The HONORARY MINISTER: In my opinion, the scheme is sound.

Question put and passed.

Bill read a second time.

*In Committee, etc.*

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

Bill read a third time and passed.

## BILL—RURAL RELIEF FUND ACT AMENDMENT.

*Second Reading.*

THE CHIEF SECRETARY [3.5] in moving the second reading said: By the Bill it is proposed to amend Section 11 of the Rural Relief Fund Act. This section deals with the form in which relief shall be granted to a farmer under that Act, the proposal in the Bill being to give further consideration to farmers who are placed in serious difficulties. Arising out of the 1934 conference on rural rehabilitation between representatives of the Commonwealth and States, the Commonwealth agreed to provide funds for the relief of farmers, and this was subsequently confirmed by the passing of the Commonwealth Loan (Farmers' Debts Adjustment) Act of 1935. Section 6, Subsection (3) of that Act provides—

No grant shall be made under this Act to a State unless or until there is in force in the State legislation constituting an authority empowered on application being made to it, and at its discretion, to take action having the effect of suspending, either wholly or in part, the rights of any secured or unsecured creditor of a farmer against that farmer.

To obtain the benefits of the money advanced by the Commonwealth to the States it became necessary for each of the States accepting that money to pass its own legislation, principally in order that trustees might be appointed to carry out the requirements laid down by the Commonwealth law. Accordingly, in 1935 the Government submitted, and Parliament passed, the Rural Relief Fund Act, which covers the appointment of trustees to administer the fund and gives them the necessary power to suspend debts where this may be deemed necessary. The trustees were given unfettered control of the fund, subject to the provision that no advances be made to—

(a) farmers not having a reasonable chance of success;

- (b) farmers who were undeserving of assistance;
- (c) those cases where the trustees considered it was not necessary to make advances to ensure that the farmer be enabled to carry on;
- (d, pay Crown debts;
- (e) pay statute-barred debts.

I think it can be said without qualification that farmers have benefited greatly by the provisions of the Act, because, for various reasons—poor seasons, low prices, etc.—many farmers have been unable to carry on successfully, notwithstanding the consideration extended to them by the trustees under the Act. In many cases debts have been written down, in some cases drastically, but because of bad seasons, poor prices, etc., we find the debt structure still continues. The Bill is a small one and speaks for itself. Members will no doubt agree that it provides for further assistance to farmers really deserving of it. Clause 2 is really the Bill. It provides—

Where the trustees are satisfied—

- (a) that a farmer has enlisted as a member of the Forces; or
- (b) that the property over which an advance under this Act has been secured by a mortgage or charge is situate within a marginal area; or
- (c) that a farmer's debts have been adjusted under the provisions of the Farmers' Debts Adjustment Act, 1930-1934, or this Act, and since such adjustment the principal secured creditor has voluntarily written down or adjusted his debt in favour of the farmer; or
- (d) that a farmer has abandoned his property and the mortgagee is obliged to sell the property for a sum less than the full amount of principal and interest then due under the mortgage; or
- (e) that the farmer is for any other good reason deserving of assistance

the trustees may, subject to the consent of the Minister for Lands and with the approval of the Governor, write off the whole or such portion of the aggregate indebtedness of the farmer as the trustees consider just and equitable in the circumstances.

Members will observe the qualification that the consent of the Minister for Lands must be obtained. This measure was initiated by him and he will, I am sure, be quite prepared to accept the recommendation of the trustees in these matters. I think the Bill will appeal to primary producers' representatives in this Chamber. I move—

That the Bill be now read a second time.

**HON. J. CORNELL** (South): As the Minister said, Clause 2 is the Bill. Everything seems to have been included in it nothing has been left out. It provides that a farmer who enlists may be given consideration beyond that which he had already received. As regards a property that is within a marginal area, I would like to know if that means that a property not within such a locality will not be subject to this Bill. If not, there is no need for the paragraph. I would like a reply from the Minister on that point.

**Hon. G. B. Wood**: Is that not dealt with by paragraph (c)?

**Hon. J. CORNELL**: No. That is subject to the principle of writing-down of secured debts.

**Hon. H. V. Piesse**: The farmer could still have a review.

**Hon. J. CORNELL**: Paragraph (e) provides for the farmer who is deserving of assistance for other good reasons. What category does he come under?

**Hon. G. B. Wood**: Why worry?

**Hon. J. CORNELL**: The Bill provides even for the estate of a farmer who has died.

**Hon. H. V. Piesse**: A farmer can apply to the board now and receive assistance.

**Hon. J. CORNELL**: Yes. I think there is need for further consideration of this matter by Parliament. The day has not gone by when the need for consideration to be given to the unsecured creditors no longer exists. I know scores of storekeepers in this country who have kept men on the land. Neither the Agricultural Bank nor the trading banks were called upon to make the sacrifice, but the storekeepers were and in many instances they received nothing, and they are not going to get anything now. Consideration should be given to the position of the unsecured storekeeper.

**HON. H. V. PIESSE** (South-East): Two wrongs do not make a right. I listened carefully to Mr. Cornell and no one realises more than I do the disabilities with which storekeepers have had to contend under this legislation. Many have become bankrupt but others are still carrying on, and I am sure they would not wish to see this Act done away with because it really has very great advantages.

**Hon. J. Cornell**: I did not advocate that.

**Hon. H. V. PIESSE**: I know the hon. member did not. I know just as well as he

what the cost has been to the storekeeper, with 1s. or 2s. in the pound as against the secured creditors—the machinery agents and the stock firms—all of whom have had an adjustment on a secured basis.

Hon. J. Cornell: It is not too late now for some consideration to be given to them.

Hon. H. V. PIESSE: If it were possible to give the country storekeeper some little more recompense for the work he has done in this country, I would be the first to support the effort. As one who has had a lot to do with this Act, I realise that advances have been made over the past three years. One man I know was sued by a road board some time ago. He received an adjustment under the Farmers' Debts Adjustment Act. He wrote to me and said he could not possibly pay because he had not sufficient income. The farmers' debts adjustment trustees, in their wisdom, paid the road board sufficient money to satisfy it, though not the full value of the rates owing, because this is one department that has the right to pay a reduced amount in full settlement. That is one very important business the trustees carry out. They deal with Government instrumentalities and can arrange compositions which are so important to the farmers. In this particular instance the road board accepted a lump sum for the three years' rates that were owing. I am satisfied the measure should be continued and I support the Bill. When it was originally introduced, I had just entered Parliament and was very keen to see this money distributed to the farmers as it should have been.

Hon. A. Thomson: As a gift and not as a loan.

Hon. H. V. PIESSE: Yes; we have fought that out in this House continually and there is no doubt that eventually quite a large amount of this money will have to be written off by the board. The Chief Secretary can correct me if I am wrong but I am of the opinion that if the farmer cannot pay this money, at some future date he may get release. He can secure a postponement of payment, and that is important.

Hon. J. Cornell: I know a few who settled that for themselves by joining the Army and leaving their holdings.

Hon. H. V. PIESSE: That is a condition provided for. If a farmer owes money to a grocer in his district, the minute he enlists he is released from that debt. That

is the provision made for the Army today. The farmer is not getting any more than any other man that enlists. The minute a man goes into khaki nobody can proceed against him. We are not giving anything special to primary producers.

The Chief Secretary: Yes, we are.

Hon. H. V. PIESSE: What?

The Chief Secretary: I will tell you.

Hon. H. V. PIESSE: I hope we are. It is a change for the primary producers to get something special! These clauses cover what is happening every day. Farmers are abandoning their properties. You, Mr. President, as the representative of many farmers, know that men are abandoning their properties and every day the position is getting worse. The Farmers' Debts Adjustment Act has been very valuable to Western Australia. It has kept men going on the land who would otherwise not be there today.

Hon. A. Thomson: And has preserved the assets of the State.

Hon. H. V. PIESSE: Yes. Also it has given opportunity of discussion where a man's debts have to be reviewed. It is possible for such a man to go before the board and state his case and receive relief that otherwise he could not have obtained. To a great extent the industry has been preserved through this Act. I support the Bill and I think all members of this House must adopt a similar attitude.

HON. G. B. WOOD (East): By interjection an hon. member said that this should satisfy me. It does, and I congratulate the Government on having brought down the measure. I am thinking particularly of the reference to the marginal areas. I do not think we can do too much to alleviate the debt position of those people. There seems to be a sort of general rule to cut down the debts of those farmers to £1,050. I maintain that some of the properties cannot stand any debt at all. I am quite serious in making that statement. The State will be fortunate if the debts of those farmers are wiped out and the men are able to remain on their properties.

Hon. J. Cornell: The debt is 90 per cent. due to the Agricultural Bank.

Hon. G. B. WOOD: That is so. I do not suggest they should be given the properties. There should be control so that a man cannot re-mortgage to somebody else. The

measure is highly desirable, especially from the point of view of the people I represent in the far eastern wheatbelt.

**THE CHIEF SECRETARY** (in reply): I thought the Bill was self-explanatory and I am somewhat surprised at the criticism expressed by Mr. Cornell. I would like to explain some of the items, especially the one referred to by Mr. Piesse. The Bill provides that where the trustees are satisfied that a farmer has enlisted as a member of the Armed Forces, he shall be considered eligible for consideration by them for a further reduction in the amount of his debt. The money advanced by the trustees is repayable over a period of 20 years. In the first three years nothing has to be repaid, and therefore for the 17 years that follow there would have to be one-seventeenth of the total paid each year if the farmer desired to liquidate the debt entirely. While a farmer is in the Forces, whether in Australia or overseas, that annual repayment is accumulating against him. It is perfectly true to say he would not be asked to make any repayment during that period, but if when he returns it is found the accumulation is such that it would not be possible for him to meet it and carry on successfully, the trustees have the power to write it off. I think that is something better than the privilege the ordinary soldier has in regard to debts.

Hon. H. V. Piesse: You are quite right.

**The CHIEF SECRETARY:** The Bill further provides that consideration may be given to a farmer's debts where the trustees are satisfied that the property over which an advance under the Act has been secured by a mortgage or charge, is situated within a marginal area. I think it must be well known to Mr. Cornell and every member that there is a restriction in operation in regard to marginal areas. Properties have been re-valued on a grazing basis and through the wheat stabilisation plan many of those farmers will eventually not be allowed to grow wheat and will have to rely on whatever income they can secure from the grazing value of the properties. If the amount which has been advanced is written off altogether, a farmer has no further worry in regard to that amount. Surely that is worth something.

Hon. J. Cornell: They only give him stock.

**The CHIEF SECRETARY:** I do not know what the hon. member wants, I am sure.

Hon. J. Cornell: Will they write that off?

**The CHIEF SECRETARY:** I am telling the hon. member that they give consideration to writing down the farmer's debts. They will deal with each case on its merits. The next item in the proposed new Subsection (3) of Section 11 provides that consideration to writing off debts may be given where the trustees are satisfied—

that a farmer's debts have been adjusted under the provisions of the Farmers' Debts Adjustment Act, 1930-1934, or this Act, and since such adjustment the principal secured creditor has voluntarily written down or adjusted his debt in favour of the farmer.

That indicates that the creditors of the farmer are satisfied it is necessary to write down his indebtedness in order to give him a chance successfully to carry on. By this Bill we are giving the trustees power to give further consideration in regard to other debts. In the case of a farmer who has abandoned his property on which there is a heavy mortgage, and the farmer has received assistance from the trustees, it may be that a purchaser will be quite prepared to pay the full mortgage on the property but not accept liability for the advances made by the trustees. The Bill gives the trustees power to write off that indebtedness and make possible a sale that might otherwise be held up. Properties of that description are going back every year and become more unattractive as time goes on. With regard to the provisions of this measure applying to the estate of a deceased farmer, there are one or two cases where the widow of a farmer is not able to carry on mainly because she has lost her husband, but, in addition, on account of the liability on the place. Surely we should be prepared in considering a matter of this kind to give the trustees the right to take that into consideration. Taking it all in all the Bill is very desirable. Notwithstanding that some of our farming friends are never satisfied—

Several members interjected.

**The CHIEF SECRETARY:**—I feel sure they will appreciate that this is a step in the right direction.

Question put and passed.

Bill read a second time.



*In Committee, etc.*

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

Bill read a third time and *passed*.

**BILL—BUSINESS NAMES.***Second Reading.*

Debate resumed from the previous day.

**HON. G. W. MILES** (North) [3.32]: I support the second reading of the Bill which I regard as absolutely necessary. In another place the Government agreed that the measure would not be proclaimed until the 1st January, 1944, so as to enable business people to comply with the requirements of the legislation. I suggest to the Chief Secretary that he postpone the further consideration of the Bill until we meet again early next year and that will enable business people to give consideration to the measure.

On motion by Hon. J. A. Dimmitt, debate adjourned.

**MOTION—GOLDMINING INDUSTRY.***As to Compensation and Basic Wage Variations.*

Debate resumed from the previous day on the following motion by Hon. J. Cornell—

That in the opinion of this House compensation payable under the Miner's Phthisis Act and the Mine Workers' Relief Act should be so adjusted as to ensure to beneficiaries that the rates of compensation payable to them under those Acts shall be subject to any rise and fall in the current basic wage.

**THE CHIEF SECRETARY** [3.34]: I have discussed this matter with the Minister for Mines who views the proposal sympathetically. It is necessary to understand that the Mine Workers' Relief Fund is contributed to by three parties—the workers, the employers and the Government. The fund is administered by a committee comprising two representatives of the workers, two representatives of the employers, and a chairman who is the Government nominee. The Minister for Mines advises me that he is quite prepared to forward to the committee for its consideration any resolution dealing with this subject that the House may see fit to pass. He is also prepared to give the suggestion every consideration himself.

**Hon. J. Cornell**: What did the Minister say regarding the men who are under the Miner's Phthisis Act, respecting whom he has exclusive power?

**The CHIEF SECRETARY**: I have already said that the Minister views the proposal sympathetically. He will give the matter consideration at the earliest possible opportunity. I am told that one of the difficulties is that the Miner's Phthisis Act and the Mine Workers' Relief Act provide for varying scales of payment and that will necessitate careful consideration before a satisfactory basis can be reached.

**HON. J. CORNELL** (South—in reply): I am very pleased to hear from the Chief Secretary the views expressed by the Minister for Mines, who is an old miner himself and knows that the old chaps who have fallen by the wayside are worthy of our best consideration.

**Hon. A. Thomson**: Everybody is sympathetic.

**Hon. J. CORNELL**: That is all I need say.

Question put and passed.

On motion by Hon. J. Cornell, resolution transmitted to the Legislative Assembly and its concurrence desired therein.

**BILL—STAMP ACT AMENDMENT.***Second Reading.*

**THE CHIEF SECRETARY** [3.37] in moving the second reading said: This is another Bill, the necessity for which arises out of existing war conditions. The necessity is occasioned by the fact that the Commonwealth has found it requisite under National Security Regulations to compel the closing of branches of various banks in many cities and towns throughout the Commonwealth, including centres in Western Australia. In those places where branches of banks have been closed down many clients have had to transfer their mortgages to other banks. The object of the Bill is to relieve such persons of the obligation to pay stamp duty.

**Hon. A. Thomson**: A very wise proposal!

**The CHIEF SECRETARY**: That is really all the Bill contains. We think that in those cases where farmers, and other persons, have been compelled to change from

one bank to another, stamp duty should not be collected as in the case of ordinary transactions. I move—

That the Bill be now read a second time.

Question put and passed.

Bill read a second time.

*In Committee, etc.*

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

Bill read a third time and passed.

*Sitting suspended from 3.45 to 4.53 p.m.*

**THE CHIEF SECRETARY** [4.54]: As the sitting has been suspended for about an hour pending the receipt of a message from another place and, as it has not yet been received, I shall not ask members to remain any longer. I move—

That the House do now adjourn.

Question put and passed.

*House adjourned at 4.55 p.m.*

## Legislative Assembly.

*Thursday, 10th December, 1942.*

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## QUESTIONS (10).

### CIVIL DEFENCE.

#### *Requisitioned Premises.*

Mr. McDONALD asked the Minister for Mines: 1, With reference to the matter previously brought to his attention, namely, the case of an airman's widow whose premises were requisitioned for Civil Defence purposes, and whose obligations thereon for interest, rates, and taxes amount to £100 a year, is he aware that under the National Security Order made by the Premier, she has received no rent for the premises for six months and is still unable to demand any rent? 2, Will he make representations to the Premier to amend the National Security Order, or to the Commonwealth Minister for Civil Defence, with a view to terminating this injustice at the earliest possible moment?

The MINISTER replied: 1, I am not aware of the present position between the airman's widow and the local authority concerned. 2, Full details of this matter were placed before the Commonwealth authorities when my attention was previously drawn to it.

### LOTTERIES.

#### *Commission on Ticket Sales.*

Mr. McDONALD asked the Minister representing the Minister for Police: 1, During the year ended the 30th June, 1942, did any agent for the sale of lottery tickets receive commissions for such sales exceeding in the aggregate £750? 2, If so, how many agents received commission in excess of that sum and what was the total commission received by each such agent in respect of the year mentioned? (Names of agents are not asked.)

The MINISTER FOR THE NORTH-WEST replied: 1, Yes. 2, Three, £1,927 16s. 9d., £1,249 12s., £764 5s. The above earnings relate to the period 3rd June, 1941, to 28th May, 1942, and include Consultations No. 95 (opened 3rd June, 1941, closed 7th August, 1941) and No. 104a, drawn 28th May, 1942. These are the nearest completed lotteries covered by the period for which information is required.

### AGRICULTURE.

#### *As to Sustenance Allowances and Interest Rates.*

Mr. BERRY asked the Minister for Agriculture: 1, Owing to the increased costs in primary production, would he give earnest

The SPEAKER took the Chair at 11 a.m., and read prayers.

### BILL—COMMONWEALTH POWERS.

Introduced by the Minister for Lands (for the Premier) and read a first time.