

(iv) for any other purpose approved by the Governor.

Members will observe that although the Act empowers the Governor to authorise water boards to obtain money, there is no provision in the Act for him to cancel such authority. The situation may arise where the Governor may approve of a loan for a specific work. Subsequently, the necessity for such work might disappear, but the Governor cannot withdraw his approval for the raising of the loan. That approval stands for all time and the board, if it felt so disposed, could raise the money and spend it for some other purpose. Quite recently a water board obtained the Governor's approval to raise a loan for a certain object. Later it asked that that part of the project be excluded and other works substituted. To achieve this purpose it was necessary for the Governor to issue another approval to cover the amended scheme. As there is no power in the Act to cancel the first approval, the water board now holds two approvals to obtain loan money for the one project.

The Bill, if passed, will remove any such anomaly by giving the Governor power to grant a license unconditionally, or subject to conditions he may care to impose, such as time limits within which loans must be raised, and the work commenced and completed, such time limits to be extended if the Governor thinks fit. This protects the lender also. Authority is given for the Governor to cancel his approval if a water board does not comply with the conditions of the approval. In the case of a cancellation after a loan has been raised and work commenced, the unexpended balance of the loan shall be used only as ordered by the Governor. It will be seen that the Bill does not provide for any new departure from the existing laws but only permits rectification of what has been found wanting although the powers contained therein were always presumed to have been adequate. It was thought that the Governor could cancel his authority, but it has now been discovered that he cannot; and this is merely to make clear what was always thought to be the law. I move—

That the Bill be now read a second time.

On motion by Hon. A. L. Loton, debate adjourned.

*House adjourned at 5.22 p.m.*

## Legislative Assembly.

Wednesday, 3rd August, 1949.

### CONTENTS.

	Page
Questions : Wheat, (a) as to receiving bins, Yarramony-Eastwards .....	881
(b) as to cartage by road .....	881
Metropolitan Water Supply, as to profits .....	882
Coal, (a) as to gasification .....	882
(b) as to importation from England .....	882
Housing, as to shortage of tradesmen .....	883
Railways, (a) as to trucks for Fremantle cargo .....	883
(b) as to attended siding, Goldfields line .....	883
(c) as to extension of Perth-Merredin diesel service .....	883
Daimler diesel busses, as to manufacturers' certificate .....	883
Cardup Brick Works, as to output .....	883
Bills : Increase of Rent (War Restrictions) Act Amendment (No. 4), 3r. ....	884
Companies Act Amendment (No. 1), discharged .....	927
Motions : North-West, as to development and control .....	884
Standing Orders, as to revision .....	891
Dairy Industry Act, as to M. & G. Products Pty., Ltd. ....	894
Native Affairs, to inquire by Select Committee, defeated .....	908

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

### QUESTIONS.

#### WHEAT.

(a) *As to Receiving Bins, Yarramony-Eastwards.*

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

Provided the necessary materials are available, is it intended to complete before the end of 1950 the seven bulk-wheat receiving bins to be constructed along the Yarramony-eastwards route?

The MINISTER replied:  
Yes.

(b) *As to Cartage by Road.*

Hon. J. T. TONKIN asked the Minister for Lands:

(1) What quantity of wheat is stored at the following places, respectively—Hyden, Wickepin, Jitarning, Kulin, Kondinin, Gnarnning and Karlgarin?

(2) From which of these places is wheat being transported by road?

(3) How many motor vehicles are in operation at each place from which wheat is being transported?

(4) To what destination is wheat from the abovementioned places being transported by road?

(5) What is the condition of the road over which wheat has been recently, or is now being transported from Hyden?

The MINISTER replied:

(1) As at the 30th June, 1949—Hyden, 61,432 bushels; Wickpin, 145,939 bushels; Jitarning, 114,345 bushels; Kulin, 142,909 bushels; Kondinin, 76,607 bushels; Gnarnaring, 106,064 bushels; Karlgarin, 59,110 bushels.

(2) Karlgarin.

(3) Six (all Karlgarin).

(4) Narrogin Flour Mill.

(5) All right for type of vehicle in use.

## METROPOLITAN WATER SUPPLY.

### *As to Profits.*

Hon. E. NULSEN asked the Minister for Water Supply:

Will he inform the House—

(1) The accumulated profits of the Metropolitan Water Supply without any deduction for sewerage charges and stormwater from the inception of the scheme?

(2) Similarly, the accumulated profit for the financial year ended the 30th June, 1949?

The MINISTER replied:

(1) In basing its annual rates each year the Metropolitan Water Supply, Sewerage and Drainage Department treats the three branches under its control (Water Supply, Sewerage, Stormwater Drainage) as a combined undertaking and in lieu of reducing the rate on a branch which shows a surplus and increasing the rate on a branch which shows a deficit, the result as a whole is taken into consideration.

The undertaking shows a net surplus from inception to the 30th June, 1948, of £78,204.

(2) I have not the information to answer this question but I would advise the hon. member that for the year 1947-48 there was a profit of £31,000 from the water supply undertaking standing by itself and that for the year just concluded it is anticipated the amount of profit will not nearly reach that amount.

## COAL.

### *(a) As to Gasification.*

Hon. E. H. H. HALL asked the Minister for Industrial Development:

An article published in "The West Australian" on the 25th July last, under the heading "How South Australia Looks Ahead," stated that no effort is being made in this State to develop a process for gasification of our native coal: Will he state if this statement is correct? If not, has he any information on the matter, please?

The MINISTER replied:

The statement referred to is not correct.

Experimental work to ascertain if Collie coal is suitable for gasification with steam and oxygen under pressure was completed 12 months ago.

Subsequently the Fuel Technologist attached to the Government Chemical Laboratories and the Coal Panel consulted with English and German authorities on the process. All of them agreed that Collie coal is suitable for their type of gasification.

The Lurgi Company in Germany was requested to supply estimates of cost and time required to erect a plant, and also to state the calorific value of gas which could be guaranteed. A reply has now been received stating that the request is receiving attention in Germany and also by the company's representative in Australia.

The panel is also investigating a process put forward by Dr. S. Uusna for the production from Collie coal in slagging generators of both town gas and pig iron.

### *(b) As to Importation from England.*

Mr. MAY (without notice) asked the Premier:

Relative to the reported shipment of 7,000 tons of coal from England for the production of gas in this State, will he state the cost per ton f.o.b. Fremantle of this particular consignment?

The PREMIER replied:

This information is not yet available.

## HOUSING.

*As to Shortage of Tradesmen.*

Hon. E. H. H. HALL asked the Minister for Housing:

In "The West Australian" of the 25th July last, it is stated that Broken Hill Pty. Ltd. had sent a man to England to help select 200 building tradesmen to erect houses at Whyalla, South Australia, and that the first of them are on the way: If the Housing Commission considers there is a shortage of building tradesmen in Western Australia, will it recommend the Government to follow the action of Broken Hill Pty. Ltd. in an endeavour to obtain building tradesmen for this State?

The MINISTER replied:

The State Housing Commission has nominated a number of building tradesmen. One gang has already arrived and is now building in the country. Others are on the way. Further nominations will depend on the material supply position.

## RAILWAYS.

*(a) As to Trucks for Fremantle Cargo.*

Mr. FOX asked the Minister for Railways:

How many railway trucks were in commission transporting cargo to and from ships during the years—

(a) 1943;

(b) 1946;

(c) for the six months to the end of June, 1949?

The MINISTER replied:

Records are not available.

*(b) As to Attended Siding, Goldfields Line.*

Mr. KELLY asked the Minister for Railways:

(1) As the volume of goods and passenger traffic both for arrival and despatch at Noongaar Siding is very limited, why is it considered necessary to maintain its attended siding status?

(2) Would not either Moorine Rock or Walgoolan be more appropriate as attended sidings?

The MINISTER replied:

(1) Noongaar is a staff station and is manned solely for safe working purposes.

(2) No.

*(c) As to Extension of Perth-Merredin Diesel Service.*

Mr. KELLY asked the Minister for Railways:

(1) Is it the intention of the Department to extend the present diesel service now operating from Perth to Merredin, and vice versa, on to Kalgoorlie, or to any intermediate terminus?

(2) If the answer is in the affirmative, when is it anticipated that this service might commence?

(3) If the answer is "No," will early consideration be given to this extension?

The MINISTER replied:

(1) No.

(2) Answered by No. (1).

(3) No.

Diesel electric rail cars are intended chiefly for daylight running and a journey to Kalgoorlie would take at least 15 hours. It is considered that for such a lengthy run, an overnight service as at present would be more popular.

## DAIMLER DIESEL BUSES.

*As to Manufacturers' Certificates.*

Mr. GRAHAM asked the Minister for Transport:

(1) Has a certificate regarding the Daimler diesel buses owned by the Tramway Department yet been received from the manufacturers in Great Britain?

(2) If so, what are its terms?

The MINISTER replied:

(1) No.

(2) Answered by No. (1).

## CARDUP BRICK WORKS.

*As to Output.*

Mr. BRAND asked the Minister for Housing:

(1) What is the daily output of Cardup brick works?

(2) Have the works produced daily over the past two months?

(3) Does the Department consider that these works are producing at a maximum?

The MINISTER replied:

(1) Approximately 14,000.

(2) No. The coal strike interrupted production.

(3) No. The Building Materials Division of the Department of Industrial Development has the position of this yard under review.

**BILL—INCREASE OF RENT (WAR RESTRICTIONS) ACT AMENDMENT (No. 4).**

Read a third time and transmitted to the Council.

**MOTION—NORTH-WEST.**

*As to Development and Control.*

**HON. E. H. H. HALL** (Geraldton) [4.40]: I move—

That in the opinion of this House, the Government should propose to the Commonwealth Government that it provide sufficient financial assistance to the State Government to enable a long-range and well-planned developmental scheme for the North-West portion of the State to be commenced as early as possible. Failing satisfactory negotiations by the end of 1949, the Government should invite the Commonwealth Government to assume the administration of the North of the State at a point to be agreed upon.

In his Financial Statement last week, the Premier explained the burden of the Budget. I remember when I occupied a seat in another place reading a statement by the then Premier, Mr. Willecock, that it was apparent to everyone with any knowledge of the subject that the people in the South-West Land Division could not be expected indefinitely to raise sufficient money to do justice to the North. I have wondered when the Commonwealth, having control of the finances, would take some specific action to relieve this burden on the people, but time goes on, and while I do not deny that something is being done, yet, in the opinion of those who are more au fait with the question than I am, not enough is being done. Action is too slow and time is running out.

Last week the Premier also brought to the notice of the House what he called the abnormal expenditure involved in the Budget—the increase necessary to implement the 40-hour week and the increase in the basic wage—and he wondered whether, in view of the need for the development of the North-West, we could expect to receive increased grants through the Grants Commission. We

have been told of the loss of £413,000, inclusive of capital charges on the State Shipping Service and of representations having been made to the Commonwealth for assistance, but that the Commonwealth's reply was that the State's freight charges were much lower than they should be and increased charges were recommended. We are told that these charges have been increased.

This morning I got into touch with the Government Statistician who informed me that the population of the huge area from Shark Bay northward totalled 6,860. Those are the figures for 1947—the latest available. An inquiry at the Treasury a week or so ago as to the cost of servicing the North and North-West revealed that some 10 years ago such records were kept, but that they have been discontinued. If they were available, we could form some idea of the burden on the people in the South-West Land Division. Consequently I ask members; Can any Government do justice to the people in both sections of the State? There are so many things that Governments, irrespective of their political complexion, are being continually requested to supply, not frills, but things absolutely necessary to the lives of the people. Application was recently made to the State Government to accept the financial responsibility for a State orchestra. Yet people in the outback country are continually asking for some of the amenities enjoyed by residents of the metropolitan area.

I wonder whether the cost to the people in the South-West Land Division of attempting to do the fair thing by the residents of the North is taken into consideration by members of the Grants Commission, because it seems to me that this is a responsibility that should properly devolve upon the people of Australia as a whole. A gentleman, Mr. Duncan Raine, came to see me yesterday and left a mass of matter and diagrams bearing on the North, and I must apologise for not having had time to digest the information.

The Premier: I myself would have apologised, but have not been able to see him.

Hon. A. H. Panton: Lay the papers on the Table.

Hon. A. R. G. Hawke: Under the Table.

Hon. E. H. H. HALL: Members are well aware of the activities of the Adult Education Board which is subsidised by the

Government. Recently I had the pleasure of listening to two lectures held under the auspices of that body, the first given by the Leader of the Opposition and the second by the Director of Works, Mr. R. J. Dumas. I attended in response to a notice in "The West Australian" and found the lecture by the Leader of the Opposition highly interesting and informative. He spoke extempore for over an hour and gave a mass of detail that impressed me as being astounding. I know that for a few years he lived in the North and in later years has resided in the city, but undoubtedly he has memorised many details that most men would have forgotten. Later I heard the lecture by Mr. Dumas. This, too, for the small charge of 2s., I attended in response to the newspaper advertisement. I might be asked why I should pay 2s. when I could listen to a speech in Parliament for nothing, but I consider that I was well repaid for the small outlay.

After listening to those two gentlemen who, I consider, are qualified to speak on the subject and after reading about the same time a statement in the Press that a sum approaching £360,000,000,—speaking from memory—is proposed to be spent on the diversion of the Snowy River waters—a project that has been mooted since my boyhood—I felt that at last something was being done. I am not speaking in any parochial spirit when I say that after considering what is being done in the Eastern States, I felt it was the duty of somebody to draw attention to a matter that closely affects this State and almost as closely as the whole of Australia. That has already been proved. It is not my desire or intention to labour this point because many members know much more about this subject than I. My object in bringing it forward is to urge the present Government—busy as it is, harassed as it is with present-day worries—to give the matter some attention. I think it is a question which, faced as we are with approaching elections in the Federal and State spheres, should receive the attention of every aspirant for Parliament.

About two weeks after Mr. Dumas gave his public address, Mr. G. Drake Brockman who is Assistant Director of Works and was at one time known as Commissioner for the North-West, also delivered an address. I was not aware of that at the time but heard

about it subsequently. He spoke to the Junior Chamber of Commerce on the subject of the North-West. I intend to quote from both those addresses, which were read. The Leader of the Opposition stood up and gave his address with no notes whatsoever and I was therefore not able to ask him for them, as I did in the case of the other two gentlemen. Turning first to the address of Mr. Dumas, on page 9 he has this to say—

Carnarvon points the way; a town of 600 to 800 people with an annual revenue of £250,000 produced from approximately 300 acres of land irrigated by the water extracted from the sands in the bed of the Gascoyne River.

With the exception of a few improved stations, there is little in the way of fencing or the provision of artificial water points. On some of the stations the cattle have been grazing continuously for 60 years around the sparsely situated permanent waters and, because of the heavy feeding and walking further and further to feed and back to water, immense areas have been eroded.

He is now dealing with the area east from Derby.

On one station of a million acres more than 600,000 acres have been eroded to various degrees through over-stocking and lack of well spaced watering points.

On page 10, he says—

The rainfall, which is regular, ranges from an average of 45 inches in the extreme North-West to 18 inches at Hall's Creek in the South-East, falling during the months of November to March.

Owing to the lack of fencing and control of any kind the breeding conditions on most stations are bad and the losses high. Statistics, which in the circumstances cannot be very reliable, indicate that only approximately 10 per cent. of the cattle on a station are sold each year.

On page 12 he says—

In 1946 the Commonwealth Government in conjunction with the West Australian and Queensland Governments constituted the Northern Australia Development Committee. The members of the committee included two representatives from each of the States and three Commonwealth representatives, one of whom was chairman. This committee reported to a policy committee consisting of the Prime Minister and the two Premiers.

The committee's terms of reference were wide, and the area under review embraced the whole of Northern Australia above the 26th parallel of latitude with the exclusion of a strip along the eastern coast of Queensland.

Northern Australia as defined above is approximately 1,370,000 square miles in extent—nearly half the size of the Australian continent. In the whole of this immense space

there is a population of only 80,000 to 90,000 white persons. Most of these people live in towns and it is impossible for anyone who has not visited Northern Australia to visualise the sparseness of population in this vast enormous territory.

The Northern Australia Development Committee realised that two distinct approaches to the problem of Northern Australia were necessary—

(1) A plan to deal with immediate problems and build on the already established industries.

(2) A plan to commence a long range development of the country, beginning in the region which showed the greatest promise of successful settlement.

The greatest needs of the cattle industry are water supplies on the stations, fencing, housing, improved stock routes, roads and where feasible, railways, means of transporting cattle to avoid the losses of long driving, and the importation of stud bulls.

The Northern Australia Development Committee dealt with these matters in its report, and some of these recommendations have already been approved. The Commonwealth Government has agreed to meet the whole cost of constructing more than 500 miles of road-way leading into Wyndham from the East Kimberleys and the Victoria River areas. This project will include construction of a rail-road bridge over the Ord River. Most of this work will be carried out by the Western Australian Main Roads Department.

The Commonwealth Government has also agreed to share on a fifty-fifty basis with the State Government the cost of improving and establishing additional watering points along the main stock routes into Wyndham.

Consideration is being given by the two Governments to a scheme for subsidising the provision of additional water points on the stations. An endeavour will be made, as a first stage, to provide one watering point for every 25,000 acres of grazing land—this area representing the economic radius for cattle to feed from a central water point.

The practicability of the usage of road trains to transport live cattle on the hoof is being tested out.

The first inland abattoirs with transport of beef by air is in operation.

Later the Director of Works gives his ideas for a long-range plan. He says—

The Northern Australia Development Committee considered that in commencing a long range plan for the development and populating of Northern Australia it would be more effective to concentrate on one or two regions which gave most promise of success, rather than spreading its efforts at a number of scattered points over the whole area.

The Ord-Victoria region has the following advantages:—

(1) It has a deep sea port—Wyndham—as its outlet.

(2) The region enjoys a high degree of regularity in its rainfall.

(3) In addition to the Ord River dam site, there are several known sites for dams on other rivers.

(4) There are immense areas of land suitable for irrigation.

(5) The already established Meat Works can be progressively expanded to handle increased numbers of stock.

(6) The region has millions of acres of high quality grazing lands, and if some means of topping off the cattle can be provided, the meat can be shipped in a chilled—not frozen—condition from Wyndham to the United Kingdom at a materially higher price per ton.

The ultimate development of the Ord-Victoria Rivers region can be likened to the T.V.A. project. A series of dams will have to be built, irrigation areas established, hydro-electric energy generated, and industries based on tropical production fostered.

The committee realised that any settlement proposals which did not provide for community life with complete modern amenities, such as water supply and sewerage, electricity, good roads, and good housing and refrigeration, would be doomed to failure.

The selection of the Ord-Victoria Rivers region by the committee was largely due to the fact that Western Australia was the only State which had ready a concrete scheme which had reached a fairly advanced stage of design.

The Northern Australia Development Committee recommended the aerial survey of the region, which has already been partly completed, and a land survey by a party of scientists, including a geologist, a soils expert, and a botanist. This survey is now being made under the direction of the Council for Scientific and Industrial Research.

The proposed Ord River Dam will be located across a gorge cut through the Carr Boyd Ranges.

The dam will be about 140 feet above river bed level and the reservoir will have a capacity of approximately 2,000,000 acre feet, which is about 50 per cent. greater than the Hume Reservoir, the largest in Australia. Turbines to be installed below the dam will generate 12,000 K.W. or one-quarter of East Perth. The site is approximately 60 miles South-East from Wyndham.

Preliminary engineering surveys have been made of the site, diamond drilling has explored the foundations, the river has been gauged over a series of years, approximately 200,000 acres of irrigable land have been marked out below the dam, and this area can be extended when required. Of this area approximately 80,000 acres have been soil-surveyed.

The Commonwealth and State Governments have jointly established a research station of approximately 600 acres on the banks of the Ord River below the dam site. This re-

search station is under the control of a Committee with an officer of the Council for Scientific and Industrial Research as chairman, and including representatives of the State Department of Agriculture.

Experiments are proceeding, particularly in the growing of pastures, rice, cotton, peanuts and sorghum, and it is hoped that in the near future the Committee in charge of investigations will be in a position to submit its report.

The engineer goes on to deal with the future of the North of Australia—

Northern Australia—half the continent—today, with a few local exceptions, is much as it was sixty years ago. There are in it two relatively short lengths of railway line, one ribbon of bitumen roadway, and 80,000 white people. It is actually worse off than it was 60 years ago because of the very extensive erosion which over-stocking, vermin, and the misuse of the land have caused. Australia has not worried about the North throughout this period, as she was fully occupied in developing the South. No other country could come into the North whilst Great Britain had command of the seas and our northern neighbours in any case were days distant from our shores.

All that has now changed. The aeroplane has annihilated distance, and U.N.O.—not the British fleet—now deals with the problems of the world. In the hundred years prior to 1940 the population of the world more than doubled—from 1,000 millions to 2,200 millions. The world's agricultural land now amounts to little more than an acre per person and is shrinking fast. At the same time 50,000 stomachs are being added to the world population every day. In China there are 500 million stomachs to be filled every day, and there is less than one half acre of arable land available per person, much of it subject to unfavourable climatic conditions.

In 1867 the Japanese population was stabilised at about 26 million. By 1950 Japan will have a population of 79 million. She has now lost both Formosa and Korea, as well as Manchukuo, from all of which areas she drew substantial amounts of food. With five people per arable acre, it is not likely that she can feed herself at anything more than a bare subsistence level. India's population today exceeds 400 million and the economists say that "at the lowest minimum of 1400 calories she can feed only less than 300 million people."

Yet India is increasing her population at the rate of 14,000 per day, despite the fact that 45 per cent. of the population die before they are 10. The graph prepared by Sir William Stampe, the noted irrigation adviser to the Indian Government for many years, and who was recently in this State, tells the story better than any words can do. The graph indicates that, prior to 1923, India exported food.

Sir William Stampe also advised me that in one province alone 250,000 acres were going out of production each year owing to a rising water table and salinity. Let me quote from

Pandit Nehru's address at the opening of the Indian Science Congress in January, 1947. He said:

"For a hungry man or a hungry woman truth has little meaning. He wants food. And India is a hungry, starving country of 400 million persons, and to talk of truth and God and even many of the fine things of life to millions who are starving is a mockery. We have to find food for them. Clothing, housing, education, health—all the absolute necessities of life that every man should possess. When we have done that we can philosophise and think of God."

It is inconceivable that half the world's population will be content very much longer to accept their present low standard of living and they will look towards the empty habitable spaces of the world for areas into which to expand. Because of these things Southern Australia is now compelled to pay attention to its northern half, but the time available requires that the work necessary be greatly expedited.

When the immediate measures for the full development of the cattle and sheep industries have been carried out the white population will only be a few thousands more than at present. This huge area of country will never be allowed to remain a purely grazing proposition because of pressure of world populations and a world demand for food. More than 15,000,000 acres of land are irrigated within the 20th degrees of parallels of latitude. There is therefore nothing in its geographic situation to prevent the development of irrigation wherever water is available in Northern Australia, and it is by this means that production can be increased, population sustained and industries established.

Australia is growing approximately 20,000 acres of rice in New South Wales to meet our home consumption. Each acre of rice crop requires approximately 5 acre feet of water. This excessive watering is causing trouble in adjacent irrigation blocks and the water could be used in New South Wales to give materially greater returns in other ways. The world is approximately  $4\frac{1}{2}$  million tons of rice short of its requirements, and is likely to remain short for many years. The Ord River Scheme will have surplus water, and can economically grow all of Australia's requirements, and a large surplus for export. It has to be realised that on the plain country rice growing is entirely mechanised under Australian conditions and does not require cheap coolie labour.

Parallel with the growing of rice go the various processing industries, which call for community population. Australia today imports approximately £12,000,000 worth of cotton piece goods, and her cotton processing factories are established in every State in the Commonwealth except Tasmania and Western Australia. The only Australian cotton is grown in Queensland in relatively small lots and is not irrigated. The returns per acre are only a fraction of those gained under irrigation

and picking, etc., is carried out by hand. Consequently the crop has to be heavily subsidised, and the acreage has steadily diminished.

Cotton growing is now as highly mechanised as wheat growing. The seeds are drilled into the soil, the rows are tilled and kept free from weeds by overhead tractors and, just before the bolls are ready for picking, the bushes are dusted with a powder which makes the leaves fall off and assists the bolls to fill out. A mechanical picker then traverses the rows stripping the plants of their cotton bolls. These methods are of course only possible where large acreages of cotton are grown on reasonably level country.

It may be mentioned that a number of successful cotton crops were grown in the Wyndham district in the years 1925-30. With the growth of cotton would come the establishment of ginning mills, and other sources of employment attached to the cotton industry. In the Kimberleys pigs thrive and sorghum grows well under irrigation. Thousands of acres of sorghum grown under irrigation and converted into pigment would be both a source of financial gain to the country, and of employment for many workers.

In Queensland an area of approximately 250,000 acres is being set aside for the same purpose, but, as it will be dry farming, seasonal risks will have to be taken there which would be absent under irrigation in the Ord River irrigation areas. Peanuts can be grown successfully in the lighter types of soil under irrigation, and their processing will add another avenue for employment.

The cultivation of pastures and the fattening of stock have been referred to earlier. The above are probably the first four main ways in which irrigated areas in the North would be developed. Alongside these wholesale processes would be developed the individual holding of possibly 100 acres. The occupier could grow bananas and other tropical fruits, and keep cows, pigs, poultry, etc. In the early period of settlement he would have to be guided in what to grow and processing plants would have to be established.

It is not suggested that settlement will be effected by Australians from the South or by Englishmen from the United Kingdom. Queensland was settled to a large degree by Italians. It would therefore appear that carefully regulated immigration of Maltese, Italian and Southern European people will be the best means of providing population as development proceeds. The Ord River Scheme is the great experiment for Northern Australia. On its success depends the future complete utilisation of the waters of many rivers, and thousands of acres of rich plain country which now carry an odd beast or two.

The finding of oil, or the location of some rich mining field, are both purely local in their effects. Irrigation settlements scattered throughout the North with prosperous and closely settled communities will be the best means of demonstrating to the world that Australia is fully discharging her responsibilities as owner of this vast territory.

Mr. Hegney: Whose address is that?

Hon. E. H. H. HALL: That of the Director of Works, Mr. R. J. Dumas. Mr. Drake-Brockman's paper is practically a repetition of what Mr. Dumas said. It states—

In spite of the fact that we have had an experimental station on the Ord River for six years, Commonwealth officers do not yet consider the experiments are sufficiently advanced to warrant their recommending development of the Kimberleys by irrigation. I do not agree with this "hasten slowly" policy.

I think the time has come to get on with the job and do something. Mr. Drake-Brockman goes on to say—

In 1927—

Hon. F. J. S. Wise: Long before 1927!

Hon. E. H. H. HALL: These men are individuals who have been studying this most important matter over a period of years. The report goes on—

In 1927 and 1937 respectively, I read papers to the Institution of Engineers (Australia). In the first, I outlined proposals for the development of the whole country north of the 26th parallel, based on classification of the land by river basins. In the second, with regard to the Kimberleys, I advocated especially (1) utilisation of waters available for irrigation for fodder crops, (2) improved land communication, i.e., roads, road trains, railways and stock routes, (3) prevention of soil erosion. I still hold those views.

He then continues—

Mr. Dumas, Director of Works, has been the driving force behind the Ord River scheme, and I hope he will see the dam on the Ord River under way, if not completed, before he vacates his present chair.

Further on, Mr. Drake-Brockman states—

In conclusion, I wish to stress two points. First, the necessity of preventing wind erosion in the sheep-raising areas of the North-West and, in particular, of preserving soil coverage by resting grasslands in rotation, in order that the sheep population can be maintained at no less than 3,500,000. Second, that the Kimberleys can be developed by irrigation so that it will become an important world food-producing area, carrying a considerable population, possibly a million, within fifty years.

Those men are the Director, and the Assistant Director of Works in this State. Although they occupy senior positions, they are, after all, civil servants, and when we see civil servants taking an interest in the welfare of the country, then surely that matter deserves the attention of Parliament.



Last week, the "Daily News" featured three articles which dealt with the same subject and ever so often somebody else makes a statement about the wonderful potentialities of the North-West. However, very little is being done at present.

Mr. Leslie: Do you agree that we should populate those places with Chinese and other like people?

Hon. E. H. H. HALL: That was never suggested by those men, and I was particularly anxious to read Mr. Dumas's suggestion about Maltese and Southern Europeans. Of course, I realise that we have a White Australia policy and I thoroughly agree with it. However, other such areas have been settled successfully by Europeans.

Hon. A. A. M. Coverley: Give us your opinion on this question, instead of reading extracts.

Hon. E. H. H. HALL: I dealt with the Snowy River scheme and I read in the Press a statement by the Commonwealth Minister for Works and Housing—who is at present in this State—concerning this project. That is like the straw which tells us the way the wind is blowing and is an illustration of what the Commonwealth Government intends to do. The Leader of the Opposition has lived in our North-West, and his professional training entitles him to a respectful hearing when speaking on this subject. I have a cutting taken from "The West Australian" of the 29th July, which states that the initial work on the Commonwealth plan to construct trunk roads in the East Kimberleys, the North-West and the Northern Territory is being undertaken immediately. That scheme envisages an expenditure of £1,500,000, but the scheme outlined by Mr. Dumas will call for an expenditure of millions. The sooner his scheme is brought under the notice of the Commonwealth Government by the State Government, the better it will be. I consider it to be the responsibility of the Commonwealth Government, because it controls the purse-strings of this country, and it would have to make the necessary advances.

I also noticed in "The West Australian" of the 7th July that the population of this State had increased during the last 20 years from 427,000 to 527,000. Of those numbers, the metropolitan area absorbs three-quarters. We have been hearing about the

Snowy River scheme for years, and we have also been hearing, for the same period, about the drift to the city. What can we do to stop it? I do not know whether the days of private companies have gone, but if we look at other parts of the Empire we can see what those particular companies have done by way of development. I do not know whether the Commonwealth Government is interested in that type of development, but the suggestion could be put to it that companies of financial standing in the Old Country might be interested in the development of our North. If these companies are interested, then so much the better. On the 29th July, the following appeared in "The West Australian":—

Australia's Laws. Convention wanted on Constitution. A full revision of the Commonwealth Constitution was necessary, Dr. Frank Louat told the All-Australia Constitution League Convention yesterday. Judicial interpretation and the construing of blanks in the Constitution had made the document unrecognisable. Moving that a national convention be called to review the working of the Constitution, Dr. Louat said that it could, if its conclusions had the support of the people, put its views before Parliament and a referendum could then be held. The convention agreed to the resolution and also adopted a proposal by Sir Earle Page, M.H.R., that new States were indispensable to the rapid peopling and co-operative development of Australia and would provide safeguards against totalitarian tendencies. Sir Earle advocated the immediate subdivision of Western Australia, Queensland and New South Wales each into four new States, a new State for western Victoria and south-eastern South Australia and two States for the Northern Territory.

I was born in West Australia and at my first vote I voted against Federation and I also voted against the financial agreement. However, the writing is on the wall.

Mr. Hegney: Did you vote for secession?

Hon. E. H. H. HALL: Yes I did. We must realise that we have one flag and one destiny. It is no good adopting a defeatist attitude and saying "No good can come out of Israel." If we adopt that attitude we will not get anywhere. We must look forward to getting something out of the Commonwealth Government.

Mr. Leslie: Change the Commonwealth Government!

Hon. E. H. H. HALL: I know a Labour member who recently visited Darwin and he told me that he was amazed at what was

going on up there. He said he would not have a bar of the Commonwealth Labour Government and he thought it would be defeated at the next election.

Hon. J. B. Sleeman: He will be a bad judge.

Hon. E. H. H. HALL: He also said it cost £800 to grow a pumpkin. How is a young family going to live under such conditions?

Hon. F. J. S. Wise: Do you know what happened about that pumpkin? They are going to have a Royal Commission to inquire into that one.

Hon. E. H. H. HALL: The Commonwealth Government has the finance and it has a duty, not only to this State, but also to the other States of Australia as well. That Government should do the right thing by this State as well as by Australia as a whole. I suggest to the Premier, because this Government is just about reaching the end—

Hon. A. R. G. Hawke: Hear, hear!

Mr. SPEAKER: Order!

Hon. E. H. H. HALL: —of its first term.

The Premier: Hear, hear!

Hon. E. H. H. HALL: This Government has a wonderful opportunity. It is led by a Western Australian-born man and we do not want these Queenslanders, Victorians or South Australians to come here and show us the way. Our present State Government, as I said, is led by a Western Australian, and he has an excellent opportunity to approach the Prime Minister and point out to him his bounden duty.

Hon. A. A. M. Coverley: All this Government did was to rob the North of one of its representatives.

Hon. E. H. H. HALL: I am sure that the Prime Minister would not need much persuading in this matter. I count it a privilege that I was able to become better acquainted with the Leader of the Opposition after having spoken to him on several occasions.

Hon. A. A. M. Coverley: The people of the North will take more notice of being deprived of one of their representatives.

Hon. E. H. H. HALL: I have had many talks with the Hon. F. J. S. Wise and I find that he is an Australian who has made

a close study of this State and he has taken a keen interest in land development. He has come to Western Australia and made it his adopted State. He knows a great deal more about it than many locally born men, myself included. If the Premier can persuade the Leader of the Opposition to accompany him on this mission—

Hon. A. H. Panton: He would not take him up.

Hon. E. H. H. HALL: —I am sure that it would be a successful one. During the last few weeks I have closely perused seven printed reports of the Rural Reconstruction Committee, the chairman being the Hon. F. J. S. Wise. I would state that originally I intended to quote from these documents but I am afraid that would be too much. I wonder how many members of this Chamber have taken the trouble to read those reports. One factor, in those reports, vitally concerns this State and that is the necessity to safeguard our lands which are suffering from erosion. I have heard people saying, "This is my property." It is not their property at all.

Hon. F. J. S. Wise: Hear, hear!

Hon. E. H. H. HALL: I have read the remarks of Henry George and though I do not follow his policy 100 per cent. I believe that the land belongs to the people.

Labour Members: Hear, hear!

Hon. E. H. H. HALL: I came to this Parliament in 1928 and whilst travelling to Perth over the Wongan line I saw hundreds of acres of ground in its natural state. I called into the Lands Department and asked them if I could take up some of this country. They looked at me in amazement and said that it had all gone and it was conditional purchase land. We all know what that means. I said to the people at the Lands Department counter that the conditions under which this land had been granted were not being carried out. I was told quite definitely that that was not the job of the Lands Department and that it would need an army of inspectors to check. It is about time that we, as custodians of the lands of this State, saw that those conditions were carried out. Between Perth and Bunbury there are hundreds of acres of land not being utilised. I heard the Leader of the Opposition emphasise that point last night.

When this sort of thing can happen in the South, one feels impelled to ask what is happening in the North. A member of the Labour Party told me that if I could see how badly the land in the North had become eroded, I would be shocked. Therefore I say it is time something was done. Perhaps the Premier could confer with the Leader of the Opposition. However, whatever fate may be in store for the Government and its Leader, I hope he will be in a position to say that he tried to do something for the North and thus benefit Western Australia in particular and Australia in general.

On motion by the Premier, debate adjourned.

### MOTION—STANDING ORDERS.

#### *As to Revision.*

**HON. A. H. PANTON** (Leederville) [5.32] I move—

That in view of the ruling of the Speaker, confirmed by the House on the 26th July, this House is of the opinion that the Standing Orders Committee be requested to give consideration to the revision of all Standing Orders, especially Standing Order 180.

In submitting the motion, I am simply actuated by a desire to be practical. I wish to assure you, Mr. Speaker, that I in no way propose to criticise either the House or yourself in regard to the ruling given a few nights ago, because I have argued over the years that Parliament is the master of its own destiny and that, whatever rulings might be given, once a majority has reached a certain determination on a question, that is the decision of the House and the House has a perfect right to adopt that course.

During the last few years, alterations have been made to the Standing Orders. I wish to quote a few instances for the benefit of some of the newer members. Before 1933—and in saying this, Mr. Speaker, I am not telling you something you do not know, because you have been through most of it—it was the custom for a member desirous of asking a question to rise in his place and state that, at the next sitting, he would ask a certain Minister a certain question, and would read it out. It was then handed to the Clerk and appeared on the notice paper for the next sitting, when the member would again rise in his place and say, "Mr. Speaker, I desire to ask the Minister the question standing in my name."

At about that time, the Standing Orders Committee was requested to revise the procedure in connection with the asking of questions and, as a result, the present system was evolved. Members appreciate the fact that a great deal of time and unnecessary talk and unnecessary writing by "Hansard" were saved by that one alteration alone. Then, on the first reading of a Bill, which is now merely a matter of form, the Minister introducing it, after notice, was obliged to rise in his place and move, "That the Bill be now read a first time." That was altered and the Speaker now automatically puts the motion without its being formally moved by the Minister. Thus there has been considerable alteration in the procedure, which has resulted in benefit to members and in the smoother working of our business.

Now I come to Standing Order 133, which is rather an interesting one. It reads—

No member shall refer to any other member by name, except for the purpose of distinguishing from other members returned for the same electoral district.

That Standing Order has been one of our rules for a very long time; in fact, it was there when I entered the House in 1924. I suggest it was also there when the member for Murchison, now the father of the House for continuous service, first entered the Chamber and even when the member for Nedlands represented Kalgoorlie, which is a very long time ago. Notwithstanding that rule, it was the custom in Committee for a member to address the Chairman of Committees by name, not as "Mr. Chairman." Each member also was called by name, and to me it is obvious why that was done. After all, the Committee stage is the machinery stage.

On the second reading debate, a member may speak as long as he likes provided the Speaker does not call him to order for irrelevancy or something of the sort, but he may speak once only at that stage. On the other hand, in Committee, he may speak on a clause as long as and as often as he likes. There is not much difference between saying "Mr. Marshall" and "Mr. Chairman," but there is a big difference between saying, "Mr. Tonkin" and "The member for North-East Fremantle." I am pointing out how a lot of verbiage and time were saved. That custom became established—rightly or wrongly I do not know—but it was certainly convenient and expedient as well as being

time-saving. This was carried on until the member for Murchison became Chairman of Committees. Those who were members at the time will appreciate—and I say this in no derogatory way—that the hon. member followed the custom until he reached the Chair.

Hon. F. J. S. Wise: It was "Marshall" law then.

Hon. A. H. PANTON: I remember an occasion when the then Leader of the Opposition, now Sir Charles Latham, rose in his place and said, "Mr. Marshall, I desire to congratulate—" but got no further. The Chairman interposed, "Order! The hon. member will resume his seat," and he resumed his seat forthwith. Members at once picked up their copies of the Standing Orders. Standing Order 133 was read, and since that time it has been "Mr. Chairman" and "the member for North-East Fremantle."

Mr. Marshall: Some little improved dignity was introduced.

Hon. A. H. PANTON: Whether that is so or not, I mention these facts as customs which though of very great benefit to the House, were discontinued. No member seems to be worried about it; the member for Murchison said that it was right, just as you say some things are right, Mr. Speaker, but with this difference, we did not move to disagree with that ruling as we sometimes have the impertinence to do with yours. That custom was discontinued merely because the member for Murchison at that time decided that Standing Order 133 applied both to the House and to Committee. Although it would be interesting to know whether that is right legally, I have no desire to enter upon an argument with the lawyers, on the other side of the Chamber as to whether the custom of long years had become legal or not. However, as I say, the custom was discontinued, unfortunately for the then Leader of the Opposition, who fell under the axe. I wish to deal with one or two other Standing Orders that seem to me to be anomalous. They must be rather confusing to new members.

Hon. J. B. Sleeman: You were a member of the Standing Orders Committee for a long time.

Hon. A. H. PANTON: From the time I became Speaker. I then immediately called the Standing Orders Committee together in

order to review the points with which I have already dealt, but the Speaker, who was then the member for Fremantle, was quite content to carry on in the same way.

Hon. J. B. Sleeman: That is not correct.

Hon. A. H. PANTON: If I were standing on my dignity I would ask you, Mr. Speaker, to make the member for Fremantle withdraw that remark. I am making this speech and the member for Fremantle can speak afterwards.

Hon. J. B. Sleeman: Stick to facts!

Mr. SPEAKER: The member for Leederville!

Hon. A. H. PANTON: The way in which some members rush in with interjections is marvellous, but they bite when the interjections are replied to. That is like the Fremantle footballers, of course!

Hon. J. B. Sleeman: Who is doing the biting now?

Hon. A. H. PANTON: I am enjoying myself. If the interjections are finished I shall try to proceed. Standing Order No. 1 reads:—

In all cases not provided for hereinafter, or by sessional or other orders, resort shall be had to the rules, forms and practice of the Commons House of the Imperial Parliament of Great Britain and Northern Ireland, which shall be followed as far as they can be applied to the proceedings of this House.

I venture to say that the average new member would find it difficult to understand that Standing Order. I once heard a Minister of the Crown say that he had never read the Standing Orders, but I think every member should try to make himself familiar with them. A new member would say to himself, "I cannot find a Standing Order to deal with such-and-such a point and therefore I must refer to what the House of Commons does." What does he find? Certainly not a rule dealing with the point on which he is seeking information. We pay respect to a person named May. I am not in a position to say whether he is a first-class authority or not, but we do consult his book. He tries to advise what the House of Commons has done or would do.

The Minister for Education: What about getting the member for Collie to write a new book? He has the same name.

Hon. A. H. PANTON: The Minister for Education is in a better position to get that done than we on this side of the House are.

To return to "May"! The member for North-East Fremantle is very fond of quoting "May." He almost convinces himself, let alone the House, that "May" is right. But what happens? The Attorney General, in all majesty, rises in his place and says, "Section 44 of the Interpretation Act wipes 'May' out of existence."

The Minister for Education: Quite right!

Hon. A. H. PANTON: Within the covers of the same volume which contains the Standing Rules and Orders, there is also the Interpretation Act. Standing Order 180 says one thing, but Section 44 of the Interpretation Act says another. Therefore, how can new members unaccustomed to the House comprehend the Standing Orders? Section 44 of the Interpretation Act is as follows:—

Any Act may be altered, amended or repealed in the session of Parliament in which it was passed.

That is the law, said the Attorney General, and of course we poor mortals who depend upon the Standing Orders must accept what he says. But if the law is to take precedence over the Standing Orders by which members are supposed to be guided, I suggest in all seriousness that the Standing Orders Committee should give some attention either to deleting Standing Order 180 or getting the Government to bring in a Bill to amend Section 44 of the Interpretation Act. Do not let us have these two conflicting provisions. If my motion be passed, I suggest to the Standing Orders Committee that it might give very serious attention to reverting to the old custom by inserting a Standing Order to that effect. Standing Order 177 provides—

So soon as the debate upon a question shall be concluded, the Speaker shall put the question to the House; and if the same should not be heard, shall again state it to the House.

I admit that I am in a fog about this Standing Order. I would like to know exactly what it means. What is the question referred to? I submit that the question is the motion moved. For instance, in this debate the Speaker should rise and say, "The member for Leederville has moved" and then he would read my motion as it appears on the notice paper. I submit that that is the question. With all due respect to you, Mr. Speaker, the question is not what is usually heard in the House. The

question is not "That the motion be agreed to." Very few members comprehend exactly what question they are voting on.

So the method adopted is very unfair to many members. Some would not know what the motion was because of its having been on the notice paper for so long. Last Wednesday night—I hope I may be pardoned for mentioning it, because it is relevant to what I am trying to point out—the Minister for Housing made a very long and informative speech on timber, during which there were only seven members sitting on his side of the House.

Mr. Graham: That is not unusual.

Hon. A. H. PANTON: I suggest that had that been the end of the debate and you, Mr. Speaker, had put the usual question that the motion be agreed to, there would have been very few members who would have known what the motion was; and if there had been any controversy and a division had been called for, it would have been unfair to members if that had been the only question they had heard put. I suggest respectfully that when a debate is finished, the question should not merely be put, that the motion be agreed to but the question should be read by the Speaker so that everybody knows exactly what he is voting on. I do not suggest that it is necessary to alter the Standing Orders in this connection; nor am I seeking to reprimand you, Sir, in any way, because all previous Speakers have been tarred with the same brush. I have already dealt with Standing Order 180 which reads—

No question shall be proposed which is the same in substance as any question which, during the same Session, has been resolved in the affirmative or negative.

That Standing Order is as plain as a pike-staff, as I think I heard the Minister for Education say tonight.

The Minister for Education: It was last night really.

Hon. A. H. PANTON: It might have been. So many things have happened in the last week that I forget. I apologise for using the Minister's expression, that is all. I consider that the Standing Order is particularly plain, but it does not mean what it says at all. You, Sir, have ruled, and this House has said, that it does not mean

that. Section 44 of the Interpretation Act is just as emphatic as Standing Order 180. It says—

Any Act may be altered, amended, or repealed in the Session of Parliament in which it was passed.

As the Attorney General said, that is the law; and it is a question to me, at any rate, during this session, of "Never mind what the Standing Orders say; it is what the law says that matters." I am not going to say that the law is an ass, because we make the law and if the law is an ass then we are asses that make it; and I do not propose to say that. But if this House is going to be conducted according to the Interpretation Act, we should revise our Standing Orders and do away either with Standing Order 180 or with Section 44 of the Interpretation Act. I may have seemed somewhat critical about this matter at times, but I do not want you, Sir, to regard my remarks—and I am sure you will not—as being a criticism of the way in which you have put motions, nor do I want the member for Murchison to think that. I think he believes honestly that he did the right thing. But if we have more dignity in Committee now, it takes a great deal longer to do the business.

Mr. Marshall: I did not do it. Look at No. 155. You have only a half-knowledge.

Hon. A. H. PANTON: I have sufficient knowledge to know that the poor unfortunate Leader of the Opposition crashed the other night like a ton of bricks.

Mr. Marshall: I did nothing but follow the Standing Orders.

Hon. A. H. PANTON: We had a custom for many years previously and I suggest that we should revert to the position as it was before the member for Murchison altered it. I think that a study of the Standing Orders will show that my remarks are not only fair but also correct. I suggest we have to move with the times. Our Standing Orders have not been overhauled for a long time. They have been altered here and there, as the member for Fremantle said, but all of our Standing Orders need reviewing.

The Attorney General said the other night that this is not a debating society. I entirely disagree with that. If this is not a debating society, I do not know what a

debating society is. A debating society from the parliamentary point of view should be conducted on the very highest plane. My attention has just been drawn by the Leader of the Opposition to the fact that "Hansard" bears the title "Parliamentary Debates." There is no argument about this being a debating society or a place where debates are held; and the debates should be on the very highest plane. That can only be achieved if we have a set of Standing Orders or rules of debate that can be logically followed. If we have Standing Orders such as exist at present, under which a member like the member for North-East Fremantle can spend a considerable amount of time and put up a very logical argument as to something being wrong and then the whole thing can fall to the ground by a simple wave of the hand, as it were; and the production of the Interpretation Act, the debates are not on a very high plane. I move the motion in all seriousness and hope it will be carried so that the Standing Orders Committee will have the opportunity to look at the position. If it decides there is nothing to be altered, I will not be hurt; but I think consideration should be given to the matter.

On motion by the Attorney General, debate adjourned.

#### MOTION—DAIRY INDUSTRY ACT.

*As to M. & G. Products Pty. Ltd.*

HON. J. T. TONKIN (North-East Fremantle) [5.57]: I move—

That in the opinion of this House, the conditions attached to the Certificate of Consent which His Excellency the Governor in Council, acting pursuant to Section 2A of the Dairy Industry Act, 1922-1939, and upon the advice of the Hon. Minister for Agriculture, is now prepared to grant to M. & G. Products Pty. Ltd., of 101 St. George's Terrace, Perth, are unduly and unnecessarily onerous contrary to the intention of the Dairy Industry Act and outside its scope, and by insisting upon the company's compliance therewith the Government is acting in a partial manner and detrimentally to Western Australia's industries.

The motion concerns an attempt on the part of a group of reputable persons to establish an industry in Western Australia. So far, although their attempts have been carried on for a period of at least 10 months, they have not met with the desired success.

As a background for the case which I propose to present, I desire to read two quotations from a newspaper. The first is from the "Daily News" of the 19th March of this year, the heading being "Big Plans for Export Milk." The cutting reads as follows—

Sydney, Sat.: Vice-president H. J. Mountrey of the Carnation Milk Corporation which has factories in U.S.A., England, France and Germany, is here from San Francisco with plans to erect a million dollar factory to can milk.

"A preliminary survey has established that enough cows for the milk yield we need are on the south coast, between Sydney and Melbourne," Mr. Mountrey said.

"The location of our factory has not been fixed definitely, but it will be somewhere in that area. Most of the production will be for export to Asian countries."

It is clear, therefore, that there is more than one group of persons alive to the fact that a valuable market exists in the islands for milk products from Australia. That is a report of a proposal to establish a big company in the Eastern States. The other quotation I propose to make is from "The West Australian" of the 27th July last under the heading "Premier's Hopes. Production and 'Upsets,'" as follows:—

The Premier (Mr. McLarty) said last night that he felt that the Privy Council's decision would be hailed with satisfaction by the great majority of the Australian people. "I have never known of legislation to cause such uneasiness among all classes of the community as the proposal to nationalise the banks," Mr. McLarty added. "It was felt by many that this was the first step towards complete socialisation of industry. The Victorian State elections were an indication of what the people thought of these proposals. Having regard to the Privy Council's decision and the great need to encourage all sections to increase production, it is necessary that those engaged in industry should not suffer any further upsets."

We can see that the Premier desired to emphasise that we must get on with the job of producing, and that in order to facilitate production we must remove any obstacles which exist. I say to the Premier that example is better than precept. Let us see how his Ministers and his Government have treated this bona fide application to establish a worthwhile industry in Western Australia. According to the file which the Minister was pleased to place on the Table, at my request, John Glass and Sons, and a person named S. F. Mizrahie lodged an

application on the 5th October, 1948, for the consent of the Governor to erect a condensed milk factory in Western Australia.

In order properly to understand why that application was necessary, members must appreciate that in 1939 the Dairy Industry Act was amended by Parliament at the request of the then Minister for Agriculture, the present Leader of the Opposition, Hon. F. J. S. Wise, to give greater control over the erection of factories. Prior to 1939, the Dairy Industry Act provided only for the registration of factories. A person who desired to manufacture milk products in such factories had only to make an application, accompanied by a fee of £1 for registration. Because of difficulties which arose from a duplication of butter factories, the Government of the day, upon advice, thought it desirable and necessary, in order to prevent the erection of redundant factories, to amend the Act. So we had the amendment of 1939—it is No. 27 of 1939—and Section 3 provides—

A section is inserted in the principal Act after section two as follows:—

2A. (1) From and after the commencement of this section no person shall erect or cause to be erected, or utilise or cause to be utilised any building or premises for the purposes of a dairy produce factory or store or depot unless and until the consent of the Governor shall be first had and obtained.

Provided that—

- (i) this section shall not apply to any building or premises which at the time of the commencement of this section are already registered as a dairy produce factory, store, or depot; and
- (ii) the consent of the Governor shall not be necessary in respect of the utilisation of a dairy for the manufacture of dairy produce, where such dairy produce is manufactured solely from the milk produced in such dairy, if the utilisation of such dairy as aforesaid is approved by the Minister.

(2) Any person acting in contravention of this section shall be guilty of an offence.

Penalty: One hundred pounds.

(3) The Governor may grant or refuse any consent applied for under this section, and, when he grants his consent, he may do so unconditionally or upon and subject to such conditions as he may think fit.

(4) Applications for consent under this section shall be made as prescribed by the regulations.

I turn now to the regulations for the purpose of ascertaining just what has to be done.

The form is as follows:—

Form 25.

The Dairy Industry Act, 1922-39.  
Application for the Consent of the  
Governor-in-Council to Erect  
a Factory.  
(Regulation 1A.)

To the Under Secretary for Agriculture,  
Department of Agriculture, Perth.

Sir,

I/we hereby make application for the consent of the Governor-in-Council to erect a ..... factory at ..... and submit herewith the particulars as prescribed, and I/we hereby agree to furnish any other particulars that may be required.

Then follows the list of questions to which answers must be given. Form 26 sets out the type of certificate that may be granted upon such application. I would like members to follow closely, because it is actually the bone of contention. It is as follows:—

This is to certify that His Excellency the Lieut.-Governor in Council, acting pursuant to section 2A of the Dairy Industry Act, 1922-1939, has been pleased to grant the application dated the ..... day of ..... 19...., by ..... of ..... in the State of Western Australia....., made under the said section, and to consent to the premises situate at ..... and more particularly described in the said application, being erected (or utilised) for the purposes of a ..... under and subject to the provisions of the said Act.

It does not say that it shall be granted under and subject to any provisions that the Minister might desire to prescribe and that are outside the Act, but that, if the certificate is to be granted, it is to be granted under and subject to the provisions of the said Act. Yet we find that the Government has required the applicant to contract out of the Act; to agree to conditions that are not mentioned in the Act, and the Minister specifically stated that should the conditions be outside the Act they must be complied with, notwithstanding. I never heard the like of it! Parliament determines the conditions upon which the application is to be granted—after due deliberation.

The Act represents the will of Parliament in this matter, but the Minister puts himself above the will of Parliament and wants to impose conditions that Parliament was not prepared to impose. Appreciating that he might be doing something that is ultra vires he endeavours to make the applicant form a

separate agreement and agree to such conditions, notwithstanding. He goes to the length of having an Ex.-Co. minute put up, with such provisions contained in it. In order to get this in its proper perspective, I propose to give the story as it is shown on the file and as it was developed. I would emphasise that when the amendment of 1939 was put through, it was done with two ideas in mind. As appears at page 985 of "Hansard," vol. 1 of 1939, Hon. F. J. S. Wise, who introduced the amending Bill, said—

The amendments that the Bill endeavours to place in the parent Act are aimed at two fundamentals, firstly to secure a fair share of the gross proceeds for the farmer and at the same time protect the manufacturer.

That was a perfectly legitimate idea—to look after the gross proceeds of the producer and protect the manufacturer who was to take the primary product and process it. In trying to achieve those fundamentals, it was necessary to impose some check for the protection of the producer and of the manufacturer. The Premier knows that one of our difficulties in the matter of milk production in Western Australia is that during the flush season we have a lot of surplus milk. Because of the necessity of farmers to keep large herds to meet the requirements of their quotas in the lean period, it is inevitable that in the flush season there will be a surplus of milk.

I can well recall the discussion that took place, when the Milk Act was under consideration, as to what we ought to do with the surplus and how much we ought to pay for it. One would have expected the Government to be waiting for somebody to come along with a proposition indicating some market at least for the surplus milk that was available, and that the Government would be anxious to expedite such an application and remove obstacles, rather than put them in the way.

Hon. E. H. H. Hall: And are they not?

Hon. J. T. TONKIN: Certainly not, as I shall prove. One would have expected the Government to encourage the establishment of such an industry but, instead of that, although these people started the preliminaries in September or October of last year, there has still been no consent or license to go ahead and erect this factory.

*Sitting suspended from 6.15 to 7.30 p.m.*



Hon. J. T. TONKIN: I was endeavouring to point out the delay which had been occurring since the application for consent to erect a factory had been lodged. So far the consent has not been granted. I was also endeavouring to illustrate that where we should have expected to find encouragement, we found discouragement. Where, for this industry, we should have expected to find help, we found hindrance. So, we have to ask ourselves, "What is the reason for this?" It seems that the Department of Industrial Development was very helpful and believed that John Glass & Sons should be assisted to extend their operations. However, for some reason or other, the Department of Agriculture was not at all helpful and put obstacles in the way of this industry which those interested were most anxious to establish.

In giving consideration to this question, it is necessary to keep in mind that the market, which it is proposed to supply, is at the moment a most lucrative one. Prices for most commodities are high and we have found a number of industries trying to take advantage of those high overseas prices. We hear of the desire on the part of the wheat-growers to take advantage of those high prices for their wheat. The same applies to those who produce wool and other commodities. Here was a market, well known to many people, where, if the commodity could be supplied, higher prices would be paid willingly and with considerable benefit to the businesses concerned. We know, too, that during the flush season of the year a considerable quantity of surplus milk is available. I would say that this surplus would be likely to increase in quantity if an inducement were offered and an indication given that the market for extra milk was likely to be permanent.

I will now tell the story from the file so that it can be checked up completely step by step. I have obtained this evidence for anybody who wants further information. The application, which appears as No. 1 on this file, bears the stamp of the Department of Agriculture and the date of the 5th October, 1948. It is Form 25 under the Dairy Industry Act, 1922-39 and is an application for the consent of the Governor-in-Council to erect a factory under Regulation 1A. Then followed the necessary particulars and signatures which

have been supplied. On the 12th October the Superintendent of Dairying wrote this letter to Messrs. J. Glass & Sons, Osborne Park—

Dear Sirs,

Your application for the consent of the Governor-in-Council to erect a cheese milk factory at Osborne Park was received here on the 5th October. The information given, however, is insufficient to allow an examination of your proposal. I should be glad if you would forward additional information as follows:—

(1) Districts covering the area to be served by the factory (map should be attached).

(2) What are the existing channels through which milk is disposed of in this area?

(3) The estimated production through the proposed factory for the years ending 30th June, 1949, 1950 and 1951.

(4) What are the prospects for an increase in production?

(5) (a) As Masters Dairy, Stuart-street, Perth, is handling liquid milk for the city trade, is it intended that the only intake to the proposed factory would be the surplus from the liquid milk trade?

(b) Is it intended that Masters Dairy procure the milk supply on behalf of the new factory?

(6) What saving would accrue to the dairy farmers producing milk and supplying to the proposed factory?

I should be glad if you would let me have this information so that the application may be considered.

A perfectly legitimate request on the part of the Superintendent because he was entitled to have that information! John Glass & Sons, on the 14th October—two days later—replied as follows:—

The Supt. of Dairying,

Department of Agriculture,

St. George's Terrace, Perth.

Dear Sir,

In reply to your letter of the 12th inst. 205/48, wherein you request additional information in connection with our application for a permit for manufacturing condensed milk, we have to advise as follows:—

1. The factory will be situated at 125 Main-street, Osborne Park (Lot 468).

2. The existing channels for the disposal of milk in this area are:—

(a) Browns Ltd., Charles-street, North Perth.

(b) W. Della, Mabel-street, North Perth.

(c) Masters Dairy, Stuart-street, North Perth.

3. Our production naturally depends upon milk supplies and arrangements have been made through Masters Dairy for approximately 1,000 gallons per day, from the months of June to December and all surplus milk during the other six months of the year.

4. Increased production naturally depends upon the increased milk supplies and we are reliably informed that there is every indication that the milk industry will be able to supply the increasing quantities.

5. (a) and (b) We understand that the milk supplied by Masters Dairy will be surplus to their present requirements and it is intended that should other milk vendors be able to supply us from surplus, we shall acquire whatever is available.

6. We are not quite certain of what you mean by this question but it is obvious that should producers be able to sell their surplus whole milk without having to separate and sell for a lower price, the producer will benefit.

We trust that the foregoing will fulfil your requirements and that the permit as applied for will now be granted without further delay.

I submit that there is an honest attempt and, in my opinion, an adequate attempt, to supply the information which the Superintendent of Dairying desired to have. Attached to the letter from John Glass & Sons was another letter from the manager, Masters' Dairy, dated the 14th October—

Messrs. John Glass & Sons,  
125 Main-street, Osborne Park.

Dear Sirs,

In answer to your inquiry re supplies of surplus milk. The fluctuation on milk sales to the public varies considerably between summer and winter, and as all milk is bought on a summer production basis, the winter surplus creates quite a problem which your proposition would alleviate. We have approximately 1,000 gallons surplus daily during the flush.

There is a declaration from people who are handling large quantities of milk and who have undertaken to supply John Glass and Sons with their factory requirements. Then the D.P.I. and butter-grader put up a minute to the Superintendent of Dairying, which appears on page 7 of the file. It reads—

Comments on proposal for erection of condensed milk factory at Osborne Park.

Such a factory could only treat surplus milk over and above city requirements. Whilst there will no doubt be some surplus during the flush period, the position is usually much the reverse over about six months of the year.

Of course, anybody knows that. It continues—

It is noted that three treatment plants are quoted, but only one letter is forwarded (viz., from Masters' Dairy) whose supply comes mainly from North Dandalup northwards, and is not influenced by country depots.

Della draws largely from S.W.D.F., Harvey. Brownes have their own depot at Brunswick and the surplus milk problem of these city plants would be controlled by these country depots. Mounsey has his own depot at Waggeup, and it seems feasible that his most economical way of disposing of surplus would be through the Waroona condensary or Harvey.

These are the main treatment plants in the city, and they handle a big proportion of the city requirements, so that it seems there is every possibility of a condensary situated in the metropolitan area being idle for at least six months of the year, and the supply for the balance being most erratic.

If I may interpose, whose business was it if the factory was to be idle during the period that the milk supply was adequate only for the city requirements? The company was aware of that and so it proposed to deal with this milk during the flush season when there was an ample supply of surplus milk. So that comment really does not count for anything because the company was well aware of the situation. After all, the company was risking its money. Continuing the minute—

Increased milk supplies will not come from the metropolitan area, but from country areas already catered for by the above depots. The applicants may have in mind the retreatment of condensed milk from other companies, which has been rejected for export.

There is a pure case. Quoting further—

This practice lends itself to abuses.

So, having set up the Aunt Sally, the butter-grader proposes to knock it down. The minute continues—

Do they realise that the regulations require the employment of qualified staff where milk is purchased on a butterfat basis? If machinery for the manufacture of tins is available at the site, the proposal may work in well with present canning operations, but the milk supply should at all times be spasmodic.

Now comes a minute from the Superintendent of Dairying and I think this is what threw the spanner in the works in the first instance. This is addressed to the Under Secretary and appears on page 8 of the file—

With reference to the application by J. Glass & Sons for the consent of the Governor-in-Council for the erection of a condensed milk factory at Osborne Park, I have to advise that in my opinion this factory is not necessary.

There is No. 1 argument; it is not necessary. We could point to a lot of things that are not regarded as necessary by other people.

Hon. F. J. S. Wise: The Government itself, for instance.

The Minister for Education: Even the member for North-East Fremantle.

Hon. J. T. TONKIN: That was found to be the case by the Redistribution of Seats Committee and so they wiped him out.

The Minister for Education: The whole of Parliament could be included even.

[Resolved: That motions be continued.]

Hon. J. T. TONKIN: So to say it is not necessary is not dealing with the position at all. The facts are that a market for condensed milk undoubtedly exists. Here was a firm of some substance backed with the necessary documentary proof that it had substance, that it was desirous of exploiting that market and utilising a primary product, and it is elementary that if a demand is set up and is strong enough the supply will increase to meet it. So although there might not be a tremendous quantity of surplus milk available—and there is quite a large quantity—it is understandable that on the erection of a factory which would offer an attractive price efforts would be made on behalf of primary producers to rise to the occasion and increase the production. That is the logical view to take. So to say that the factory was not necessary in my view was quite the wrong approach, and emphasises my statement that where there should have been help there was hindrance and where there should have been encouragement there was discouragement. Continuing with this minute—

The clause relating to the need for procuring the consent to the erection of dairy produce factories was inserted in the Act in 1939, to prevent the unnecessary erection of factories where no good purpose would be served to the dairying industry.

This amendment was framed following the erection of two butter factories at Katanning, two at Manjimup and moves for the establishment of three cream depots in the Walpole district.

The objective of the clause is to protect producers' interests by insuring that the price paid will not suffer because of heavy capital expenditure and rise in manufacturing costs consequent on reduced turnover which would be possible in a large number of small factories.

In the present case, the proposed factory will not open up a new area nor will it fill a need for a market. In the submission reference is made to the use of "surplus milk" from the metropolitan trade. This suggestion is misleading. The word "surplus" in respect to the milk available to the condensing factory is used in a different sense from that used in relation to the operations of the Milk Board. There is no milk wasted in the city.

I might say here that there is quite a quantity wasted in the country, but that does not appear in the minute, which continues—

Treatment plants adjust their intake from the country to meet nicely their day-to-day requirements. Should there be a reduced call, less milk is brought from the country. The balance is not wasted, but is converted into cheese or condensed milk.

Of the channels from which it is proposed milk would be obtained, Brownes Ltd. and W. Della advise that they would have no "surplus" milk for sale for manufacturing purposes. Brownes have milk at Brunswick to meet their city requirements but are not prepared to sell it in the city at under city milk prices. If an offer were made for the milk at manufacturing-milk prices they would decline, as they prefer to manufacture it into cheese themselves. At W. Della's dairy, North Perth, I understand that rather than there being a surplus, Mr. Della is finding it difficult to procure sufficient milk for his normal trade.

I also interviewed Mr. Masters, Masters' Dairy, Stuart-street, Perth. He advised me that they could provide approximately 1,000 gallons per day for manufacturing purposes, but they are not embarrassed because of the physical presence of this milk in the city, as they have an arrangement with the Serpentine cheese factory for it to take any surplus which is not needed in the city.

There is no indication in the submission from J. Glass & Sons for the price that they would be prepared to pay.

On general grounds it is unlikely that a condensed milk plant, constructed to meet the requirements of the Act, could be operated economically with an intake of 1,000 gallons per day over only six months of the year.

I had the opportunity during the war of investigating costs of producing condensed milk at Harvey, when the South-West Co-operative Dairy Farmers were experiencing difficulties in disposing of their product at a price which would cover their costs. This company was handling more than 1,000 gallons per day and at that time could not manufacture condensed milk profitably. Prices are now better and they are being more successful.

I have not requested a copy of the plans and specifications of the building proposed to be erected at Osborne Park, nor have I any details of the plant which would be installed, but it is obvious from the figures quoted—£1,700 for buildings and £2,000 for equipment, it would be the opposite to pretentious.

I have been given to understand that it is the intention to conduct the condensary in conjunction with their fruit and jam operations. This could not be permitted under the Dairy Industry Act.

However, in view of the other aspects outlined above, I have not endeavoured to procure information regarding this point, as it is one which would need clarification only if the general question of supply, returns to the farmers, guarantees, etc., were satisfactory.

I recommend that the application for consent be refused.

The Acting Under Secretary for Agriculture then wrote to his Minister as follows:—

The report by the Superintendent of Dairying on the application of J. Glass & Sons for consent to conduct a condensed milk factory at Osborne Park is forwarded for your information.

He recommends that the request be refused and has given adequate reasons to show that such a factory is not necessary.

I concur in his recommendation that this application for such consent be refused.

Now follows a letter from the Minister to Messrs. J. Glass and Sons, under date the 16th November, 1948:—

With reference to your application under the Dairy Industry Act, 1922-39, for the consent of the Governor-in-Council to erect a condensed milk factory at Osborne Park, I wish to advise I am not prepared to make a favourable recommendation to Executive Council.

The reason the clause relating to the need for procuring the consent to the erection of dairy produce factories was inserted in the Act in 1939 was to prevent the unnecessary erection of factories where no good purpose would be served to the dairying industry.

So members will see that the Minister was satisfied that if a factory were erected that would take surplus milk from the producers, it would not serve any good purpose.

The Minister for Education: But the surplus milk was already being used.

Hon. J. T. TONKIN: No, it was not.

The Minister for Education: It was being sent to Serpentine.

Hon. J. T. TONKIN: No it was not, as I shall show later on. The letter proceeds—

This amendment was framed following the erection of two butter factories at Katanning, two at Manjimup and moves for the establishment of three cream depots in the Walpole district.

The objective of the clause is to protect producers' interests by insuring that the price paid will not suffer because of heavy capital expenditure and rise in manufacturing costs consequent on reduced turnover which would be possible in a large number of small factories.

In your case the proposed factory will not open up a new area nor will it fill a need for a market.

With reference to the use of "surplus milk" from the metropolitan trade, this suggestion is misleading. The word "surplus" in respect to the milk available to the condensing factory is used in a different sense from that used in relation to the operations of the Milk Board. There is no milk wasted in the city.

Treatment plants adjust their intake from the country to meet nicely their day-to-day requirements. Should there be a reduced call, less milk is brought from the country. The balance is not wasted, but is converted into cheese or condensed milk.

Of the channels from which it is proposed milk would be obtained, Brownes Ltd. and W. Della advise that they have no "surplus" milk for sale for manufacturing purposes. Brownes have milk at Brunswick to meet their city requirements but are not prepared to sell it in the city at under city milk prices. If an offer were made for the milk at manufacturing-milk prices they would decline, as they prefer to manufacture it into cheese themselves. At W. Della's dairy, North Perth, I understand that rather than there being a surplus, Mr. Della is finding it difficult to procure sufficient milk for his normal trade.

Masters' Dairy, Stuart-street, Perth, advise that they could provide approximately 1,000 gallons per day for manufacturing purposes, but they are not embarrassed because of the physical presence of this milk in the city as they have an arrangement with the Serpentine Cheese Factory for it to take any surplus which is not needed in the city. If the Serpentine factory is deprived of the whole of this 1,000 gallons of milk per day, the management advise me that they will be forced to close down, and any lessening of the daily intake of milk will interfere with the continuity of supply of the manufactured product.

It appears from your application that you intended to conduct the condensary in conjunction with your fruit and jam processing operations. This could not be permitted under the Dairy Industry Act.

In view of the foregoing it does not appear to be in the general interests of the dairying industry to grant your application.

Yours faithfully,

G.B.W.,  
Minister for Agriculture.

I cannot find on the file any evidence whatever in support of the statement by the Minister that the Serpentine factory said it would be obliged to close down if it did not get the 1,000 gallons of milk per day as stated there. On the contrary, there is something that proves the opposite. In reply to that letter there is one from Phillips Pty. Ltd. of E.S. and A. Bank Chambers, Perth. While I do not know for certain, I understand that in these days J. Glass and Sons are operating in association with this firm and in this matter they were acting together. The letter is addressed to Hon. G. B. Wood, M.L.C., Minister for Agriculture, and is dated the 10th December, 1948. It reads—

With reference to our application for a permit to manufacture condensed milk in this State for export overseas, we shall be glad if you will kindly reconsider our application on the following additional information regarding this matter:—

1. In an interview we have had with Mr. A. W. Crooks, the General Secretary of the Milk Producers Association of W.A., he informed us that he had interviewed Mr. Cullity, who on hearing the full facts of the application recommended that we submit the proposal to you again for further consideration.

2. That we are prepared to contract for our milk supplies for a period up to five years.

3. The price we are prepared to pay would be approximately 1s. 10d. per gallon, which in our opinion would be a great benefit to the producer.

4. The factory could also absorb skim milk at a price which would be advantageous to the producer. Large quantities of skim milk is at present wasted. The Department of Commerce also informed us that they will issue export licences for skim condensed milk.

5. Letters have been received from Masters Dairy Pty. Ltd. and W. Della, stating that ample milk can be made available to us without interfering with either the wholemilk market or any other manufacturing concerns.

6. We are also supported by the Milk Producers Association which, at its last meeting, passed a resolution to support this project wholeheartedly.

7. The building which has been commenced at Osborne Park is of brick construction and will be built according to the Dairy Act, as a condensary, and used as such.

8. The sales of the goods are intended for export and we are assured of markets which are ready and willing to establish letters of credit immediately the factory is in production.

In view of the foregoing, we consider that the producer would greatly benefit if this permit is granted as applied for. We therefore sincerely trust that you will approve of this application as expeditiously as possible as we are most anxious to complete our arrangements without delay.

Accompanying that letter are other letters. The first is found at page 15 of the file and is from Masters' Dairy Pty. Ltd., dated the 8th December, 1948, to Messrs. John Glass and Sons and reads—

Since writing my last letter to you, I have had a further offer of 1,000 gallons of surplus milk daily during the flush period. We have been assured that this milk will not affect any manufacturing concern.

At page 14 is one from the Ambleside Dairy, dated the 29th November, 1948, to Messrs. John Glass and Sons, as follows:—

Further to your inquiries of some days ago in reference to the availability of milk for manufacturing purposes; we have to advise that we expect to have approximately 500 gallons (five hundred) daily during the months of the flush period only. We regret that we will not have milk available right throughout the year, as we can only supply the surplus milk from our own producers and, as stated before, this supply is limited to the flush season. We don't purchase any surplus milk from other treatment depots—our purchase of such milk is limited to M.D.Q. milk only.

I trust we may be able to be of mutual assistance in the disposal and use of the surplus that we expect to have during the coming season.

A further letter from Masters' Dairy Pty. Ltd. dated the 2nd December, 1948, to Messrs. John Glass and Sons reads—

With reference to the letter received by you from the Minister, wherein he states that the Serpentine Cheese Factory would have to close down if they lost the processing of 1,000 gallons daily.

The whole of this milk would not come from our company, as we only supply them with an average of about 300 gallons daily during the flush period. The balance of the 1,000 gallons, as stated by me, would be drawn from farmers who separate their milk on the farms, which is extremely wasteful, as in most instances the skim milk is thrown down the drain.

In any case, before the next flush period, it was my intention to make arrangements which would be of added benefit to the farmer.

It seems clear to me that the three plants concerned from whom John Glass and Sons were to draw their supplies have refuted the statement in the Minister's letter that the milk was not available. They have stated quite definitely that it is available

and surplus to their requirements. A further minute from the Superintendent of Dairying to the Acting Director of Agriculture states—

Following a discussion with the Hon. Minister Thursday morning, I have perused the correspondence from Phillips Pty. Ltd., regarding their application for consent to the erection of a condensed milk factory at Osborne Park.

The original application was made by John Glass and Sons, but obviously from the latest communication, Mr. Mizrabie is the principal and is now making the approach himself through Phillips Pty. Ltd. It appears advisable to have this clarified and, if necessary, a new application submitted by Phillips Pty. Ltd.

In a discussion that took place with Mr. Crooks some days ago, I was informed that additional information had become available, which might merit re-consideration of the application. I informed Mr. Crooks if that was so, there was no reason why the new information should not be submitted.

The inference given in the letter, that, on hearing the full facts of the application, I had recommended re-submission, is not a true record of the discussion.

However, the only new information is that contained in the statements that the company is prepared to contract for milk supplies for a period up to five years and that they would be prepared to pay approximately 1s. 10d. per gallon.

Evidently Mr. Cullity placed no reliance on the new information that the firms had surplus milk to supply.

This price is approximately 50 per cent. higher than that being paid for milk for condensing in other districts, and if it is possible for stability to be reached on this basis, there is no good reason why the application should be refused.

There is a change of front!

It is true that there would be some impact on some factories elsewhere, but if the producers can benefit to the extent suggested, there is no reason why they should not be allowed to do so.

With that I heartily agree and I wonder that the superintendent did not appreciate it months before.

However, I do not think that the statements regarding the price and the contract period can be accepted at their face value. If they are correct, the question immediately arises: Why is not this favourable price paid by other companies operating in similar markets?

John Glass and Sons were prepared to enter into contracts and give financial guarantees.

There is no doubt that the actual establishment of the factory and the payment of these prices would cause considerable dissatisfaction by suppliers of milk to other factories for condensing.

I have endeavoured to make an estimation of the present-day costs of manufacturing milk, excluding labour and overhead. The higher price paid for milk alone would mean an increased cost of about 11s. per case. As the quantity it is proposed to treat is very small, it is obvious that the labour cost would be high compared to that in fully organised factories handling large quantities of milk. It is unlikely that this would be under 3s. to 4s. per case. In all, a total cost of over the net local wholesale price is likely. It is obvious that this high cost cannot be met unless there is a specially good market. There is no evidence on the file to show that such a market exists.

No evidence on the file, but ample evidence elsewhere.

I suggest that it would be unwise to grant approval on the face value of the information given in the letter hereunder. Rather the applicant should be given the opportunity of demonstrating that the high costs involved in their proposal for manufacturing condensed milk can be more than met by their returns.

In addition, in view of the interference with the structure of the industry, consideration might be given to requesting the provision of a bond to cover any possible deviations from the suggested contract price. It is necessary to point out, however, that no form of guarantee is really worth much. Alterations of economic policies may affect the future by either increasing the flow of condensed milk from other sources or by otherwise causing a fall in price.

In paragraph 7 of the letter, reference has been made to the commencement of the new brick building. I contacted Mr. Christie, of the State Housing Commission, and ascertained that the only permit granted was for the extension of factory premises to be used for making preserved fruit and jam. No reference was made to possible use of the building as a condensary.

That minute was sent to the Minister for his information by the Acting Under Secretary of the Department of Agriculture. On the 22nd December, 1948, a letter appears on the file, at page 20, from the Commercial Bank of Australia Ltd. to the Hon. the Minister for Agriculture. It reads—

Dear Sir,—Re M. and G. Products Pty. Ltd. We understand from Mr. S. E. Mizrabie, the Managing Director of the abovenamed company, that you desire a letter of recommendation from a bank regarding his integrity and ability in connection with any transactions he may enter into for the purchase of milk required by the above company for manufacture

into a condensed milk product. Our association with Mr. Mizrabie has been quite satisfactory and we feel confident that he would not enter into any contract which he would be unable to fulfil.

I cannot decipher the signature to the letter, but it looks like Wilkinson. He signs as manager. On the same date, the 22nd December, 1948, there is another letter (page 21 of the file) addressed to the Minister, as follows:—

Re M. and G. Products Pty. Ltd. We understand from Mr. S. E. Mizrabie, the Managing Director of the abovenamed company, that you require an assurance from us, as accountants to the company, that should a permit be issued for the manufacture of condensed milk, the company will be prepared to buy milk for the manufacture at 1s. 10d. per gallon for five years, commencing from the completion of the factory. We are assured by Mr. Mizrabie and the other directors of the company that this price will be paid. From our knowledge of Mr. Mizrabie and his business integrity, we give this assurance with perfect safety.

On page 23 of the file there is a letter from the Minister to Mr. W. Della, dated 23rd December, 1948, as follows:—

Dear Sir,—An application has been made to the Agricultural Department from Messrs. Phillips Pty. Ltd. for a license to conduct a condensary at Osborne Park. It would be appreciated if you could inform me as to the quantity of milk you could supply to the applicants and the price the producer would receive for such milk.

At page 24 of the file, there is a letter from the Minister to the manager of Masters Dairy Pty. Ltd. It is dated the 23rd December, 1948, and is as follows:—

An application has been made to the Agricultural Department from Messrs. Phillips Pty. Ltd. for a license to conduct a condensary at Osborne Park. Will you please inform me as to the quantity of milk you could supply to the applicants and the price the producer would receive for such milk. I understand that you supply milk to the Serpentine cheese factory at present. Would this milk be diverted to the condensary? As I am concerned about the supply of milk to the Serpentine cheese factory, it would be appreciated if you could give me your opinion on the effect of the operations of a condensary against the cheese factory.

Mr. Masters replied on the 24th December. The letter appears at page 25 of the file, and is as follows:—

In answer to your letter of the 23rd instant re Phillips Pty. Ltd., the quantity of milk we can supply would be in the region of 1,000 gallons daily during the flush period. The price the producer will receive will be well in excess of what he is receiving now for his surplus milk. As this firm's requirements are

apparently limited, the balance of the surplus milk will be going into other manufacturing concerns, and it will be necessary to equalise the farmers' return on the overall price.

It is my opinion that this condensary will not in any way affect the Serpentine cheese factory, as the surplus milk we intend to supply to Phillips Pty. Ltd. will be drawn from districts other than the Serpentine district.

Mr. Della's reply to the Minister is on page 26 of the file. It reads—

In reply to your letter of 23rd instant, we expect to be able to supply Messrs. Phillips Pty. Ltd., of Osborne Park, with approximately 500 gallons of milk per day during the flush period of the 1949 season. Yours faithfully, Ambleside Dairy, W. Della.

The letter from the Serpentine Dairy Products Ltd. to the Minister is at page 29 of the file. It reads—

Since our interview of last week—

So it seems the Minister must have had a talk with the proprietor or the manager of this factory—

Mr. Mizrabie, together with his brother and Mr. Glass, have paid us a visit to discuss the proposed condensed milk factory at Osborne Park. A lengthy discussion took place, from which I gathered the following points.

On their first visit to Mr. Cullity they were advised that a license would not be granted to them for either metropolitan or country factory. Subsequently at an interview with Mr. Crooks they were told that if a price of 1s. 10d. per gallon was offered for milk, that they would succeed in getting a license; this they agreed to do, later to discover that under the Act that Mr. Cullity had no power to refuse a license provided they complied with the Act. I hold the opinion that the 1s. 10d. offered only applied to a limited quantity of milk of a seasonal nature, and would only apply to holders of whole milk licenses. The offer of a five years' guarantee was in my opinion only flag waving, as it is impracticable and could have no real meaning. A close examination of the subject would, I think, bear this out.

They offered to exclude a three miles' radius from our factory from their operations. This is again beyond their power. You cannot brand milk, but even if you could, I could not agree to this. I could not be a party to an agreement that made it possible for a dairy farmer outside the three mile radius to receive 1s. 10d. per gallon, and inside approximately 1s. 1d. per gallon.

I advised Mr. Mizrabie that if he went anywhere in the dairy country of the South-West and offered the farmer 1s. 10d. per gallon for his milk, he would have no difficulty in establishing a factory in any centre.

What this man forgot was that Mr. Mizrabie would still have to get the certificate of consent from the Minister.

I drew his attention to an article on the front page of the "S.W. Advertiser," of the 24th instant, published in Pinjarra and circulating in this district, and presumably inspired by him, the statements of which are untrue and could do us harm.

Up to date we have been asked what effect the proposed factory would have on our operations and have replied to the best of our ability. At the moment this is all we can do, and until the effects are felt our future policy cannot be determined. The 11d. per gallon quoted is not correct.

My considered opinion, after the talks held is that the proposal can only benefit the whole milk section of the industry, and that only to a very limited capacity, that it will tend to aggravate the differences that exist between whole milk suppliers and butter-fat producers, and strengthen the feeling of frustration that already exists between these two groups. Both groups operate under Government price control. The proposal to establish a different method of manufacture and marketing between these groups and free from control, can have no permanent future. It must inevitably be absorbed by the existing groups.

Boiled down his proposal is to use metropolitan milk transport and depots for his supply of milk for manufacture; what do the Milk Board and Transport Board think of this proposal? Personally I would say it opens a field for abuses.

On behalf of this company I would like to tender our thanks and appreciation for your unsolicited consideration of our present difficult position and to add that our considered opinion is that no good purpose would be served by this company opposing the application.

So after building up all that case, the manager, in his final paragraph, makes the declaration that they are not opposed to the application. That was in December last, and this is August; and this company still has not received its certificate of consent. I would only weary members if I read all the various documents with regard to the other developments, so I will have to leave some of them out, making reference only to those which I believe are particularly relevant to the case and will be of interest. I think I should read this one, because it contains the first glimmer of hope I have seen yet coming from the Minister. On page 33 of the file there is a minute from the Superintendent of Dairying to the acting Director of Agriculture, as follows:—

Further to my discussions with the Hon. Minister regarding the application for consent to the erection of a condensary at Osborne Park, I wish to record comments on two items not mentioned in my earlier minutes.

(1) Irrespective of other remarks, for, or against permission to erect such a factory, I am firmly convinced that Osborne Park is not a suitable site. The great bulk of the milk will be produced South of the metropolitan area, and consistent with well established principles, a factory should be located as close to the source of supply as possible. This is to safeguard quality, by reducing the time lag between production and manufacture. It would also result in a reduction of transport costs. In addition, it is obvious from the present application that there would be interposed, between the producer and the operators of the condensary, several middlemen. This will undoubtedly make the task of ensuring that the producers obtain their full remuneration most difficult.

(2) The quantity of milk which can be diverted to condensing in the areas close to the proposed factory could not be large unless a number of dairymen were delicensed by the Milk Board. It has been the expressed wish of the Milk Board to obviate the need for taking milk from many of these dairies for consumption in the metropolitan area, because of the reputed low quality. I feel that it is necessary to make clear the fact, that good quality milk is necessary to make good quality condensed milk, and that, generally the milk being made into cheese and condensed milk is of a higher quality than the milk going into consumption in the metropolitan area. The diversion, from dairies, in the Osborne Park area of low quality milk to the proposed factory could only result in a low quality article being manufactured.

It would then be the responsibility of this department to undertake the task of effecting improvement. If the quality of these supplies could be improved by our efforts it may be pertinent to suggest that similar efforts by the Milk Board should give a similar result, and so obviate the need for delicensing, and allow these dairymen to retain their present market.

Should the Minister approve of consent being granted, I would recommend that it be made conditional upon the factory being erected on a suitable site, amongst the farms from which the bulk of the milk will be produced.

That is signed by M. Cullity, Superintendent of Dairying, and the Minister has the following note upon it:—

I disagree with the above.

So there is the first glimmer of hope. The Minister does not accept that minute. He does not accept the views of the Superintendent of Dairying; he says he disagrees. He disagreed on the 14th January. On page 38 of the file is this minute to the Attorney General from the Solicitor General, Mr. S. H. Good—



It appears to me that Messrs. Phillips Pty. Ltd. have applied for the consent of the Governor-in-Council under Section 2A of the Dairy Industry Act, 1922-1939, to the erection of buildings for the purposes of a dairy produce factory and for the utilisation of such buildings for such purposes.

2. Under Subsection (3) of this Section, "the Governor may grant or refuse any consent applied for under this section and when he grants his consent he may do so unconditionally or upon and subject to such conditions as he may think fit." There is no provision in the Act for an agreement between the Minister for Agriculture and any applicant.

3. I would suggest, therefore, that the Minister settles a list of conditions upon which he will recommend to Executive Council the granting of the consent under Section 2A aforesaid, and that, subject to agreement by Messrs. Phillips Pty. Ltd. Executive Council grants consent, subject to those conditions.

4. I accordingly attach draft of relative Executive Council minute paper for checking and settling by the Hon. Minister for Agriculture before submission to Messrs. Phillips Pty. Ltd. for their approval and for submission to Executive Council for the consent under Section 2A.

5. The conditions set out in the attached draft embrace only those referred to in the Hon. Minister's minute hereunder. Although the first condition refers to a "condensary" as mentioned in the Hon. Minister's minute, this word does not appear to be defined in the dictionary and it may be wise to be more explicit as to what the company's factory should be used for. The Hon. Minister may also consider it expedient to comply with the requirements of any notice given to the company, from time to time, by the Hon. Minister, relating to the carrying on of the factory.

And here is the draft of the Executive Council minute—

Under Section 2A of the Dairy Industry Act, 1922-1939, and upon and subject to the conditions hereinafter mentioned, to consent to the erection by Phillips Pty. Ltd., of 101 St. George's Terrace, Perth, of buildings at Osborne Park for the purposes of a dairy produce factory, and to the utilisation for such purposes of the premises whereon such buildings are situate.

#### Conditions.

1. The factory shall be used solely as a condensary.

2. The premises shall be and shall be maintained fit for such use.

3. The operations of the factory will not prejudice or interfere with the operations of the cheese factory at Serpentine, and in particular no milk supplies required by or for the cheese factory aforesaid shall be diverted to the said factory at Osborne Park.

4. Not more than 1,500 gallons of milk will be used in or about the factory in any one day during the period 1st July to 31st December, both dates inclusive, in each year during the currency of this consent.

5. In the event of any breach of any of these conditions, the Minister for Agriculture may, by notice in writing to Phillips Pty. Limited aforesaid, cancel and determine this consent, and thereupon this consent shall cease and be revoked accordingly.

On page 41 there is a cutting from the "Daily News" of the 11th January. The heading is, "India Wants W.A. Milk," and the extract reads as follows:—

Newly-formed company M. and G. Products Ltd. has been asked to supply 25,000 cases of condensed milk a year to India for five years.

This was stated today by Mr. J. Glass, of the Glass Fruit Preserving Co., who is one of the principals of the new company.

Equipment for the proposed factory would be produced locally and would cost about £3,000, said Mr. Glass.

It was intended to build the factory on to the front of the fruit preserving factory at Osborne Park but the condensed milk section would be a unit entirely separate from the other.

If it were possible to get a continuous supply of surplus milk without interfering with other factories, the condensed milk unit would produce throughout the year. If supplies were restricted, the company would produce only during good periods.

Things are getting along a bit, and it looks as though consent might be forthcoming, so the Minister sets out to capitalise the development. As his interests lie mostly in the country districts he seeks to get the eyes and ears of the farmers by speaking to them through "The Farmers' Weekly." I quote from page 42 of the file—

Proposed New Condensed Milk Factory. A project to establish a condensed milk factory at Osborne Park with the object of exporting the production of the factory to Singapore is being fully investigated, according to a statement made by the Hon. Minister for Agriculture (Mr. G. B. Wood). The matter is also being watched by the Dairying section of the Farmers' Union. A circular issued from head office of the Union on January 5, and covering the activities of various sections, states:

"Investigations are being made on behalf of members into the proposed new condensary for which it is rumoured a license is being sought. Apparently the main idea is to use surplus milk from the metropolitan depots, but we are not yet in possession of

sufficient information to form a definite opinion as to the producers' benefits or otherwise. We are seeking further details of the proposal."

It is reported that the persons interested in the project have been advised by certain suppliers that during the flush season they could make 1500 gallons available per day, and that possibly another thousand gallons could be secured. It is further reported that 1s. 10d. a gallon would be paid for surplus milk supplied to the factory and that an excellent profit could be shown at that figure.

The next development is a further draft of an Ex.-Co. minute with a couple more conditions added, making seven altogether. I do not propose to read them all again. Conditions Nos. 1, 2 and 3 are the same as I have read. I think No. 4 is, too. It provides—

Not more than 1500 gallons of milk will be used in or about the factory in any one day during the period 1st July to 31st December, both dates inclusive, in each year during the currency of this consent.

That is one of the conditions which is onerous. Why should a company be limited to 1,500 gallons in the flush season if 2,000 or 3,000 gallons are available without hurt to anybody? Why should not these people be encouraged to expand their production to the limit if by so doing they provide a market overseas—rendering a service in two directions? Why restrict their operations? How does that fit in with the statement of the Premier last week, that we are to produce? Here is a definite attempt to restrict production without, I say, any justification.

Hon. A. R. G. Hawke: What about the John Freeland propaganda?

Hon. J. T. TONKIN: Condition No. 5 is—

By notice in writing addressed to the Company the Minister for Agriculture may from time to time require the company to observe and perform other acts and things in relation to the operations of the factory, and the company shall duly and punctually observe and perform all such requirements.

There is a blank cheque. What member of this House would agree to a condition like that on going into business? Without these other acts and things being specified, these people are to agree that they will not perform them. Condition No. 6 provides—

In the event of any breach of any of these conditions, the Minister for Agriculture may, by notice in writing to M. & G. Products Pty. Limited aforesaid, cancel and determine this consent, and thereupon this consent shall cease and be revoked accordingly.

Under the Dairy Industry Act, if because of an adverse report by an inspector on premises that are registered under that Act, the registration is withdrawn, provision is made for an appeal. But here the Minister sets himself up as the final arbiter. If, in his opinion, some breach has occurred, then the consent will be cancelled and the company has no redress. Fancy putting a few thousand pounds into a proposition of that nature! No. 7 is the best of the lot—

That the Company agrees that it will not erect, operate or continue to operate the factory except upon and subject to these conditions, notwithstanding anything to the contrary which may be expressed or implied in the said Act.

So that, even though the Act protects the applicant and limits his obligation, and notwithstanding that some of these conditions are outside the Act, the applicant has to agree to them. The Minister, therefore, sets himself up as superior to Parliament and the will of Parliament. If that had been the desire of Parliament it would have been in the statute. I do not blame M. & G. Products Ltd. for not completing its application with these conditions being held over it. Now follow negotiations between the Minister and M. & G. Products Ltd. in an attempt to have the conditions watered down, but with very little success on the part of the company. The Solicitor General becomes a little uneasy and so, on the 20th January, 1949, he said this, amongst other things, to the Attorney General—and I quote the final paragraph on page 49 of the file—

On a reconsideration of the Dairy Industry Act I think it is arguable that the conditions of consent of Executive Council under Section 2A refer only to conditions prior to the operation of the consent and that once such conditions precedent have been fulfilled the consent cannot later be revoked. In order to reject that argument I have drafted as Condition 7 a provision intended to operate as a contracting out by the company of any of its registration benefits under the subsequent sections of the Act.

That is a fine thing. The Crown Law Department suggests to the Minister that he should require a subject to contract outside of the Act so that he cannot gain the benefits which Parliament intended he should have. That advice is tendered and followed. A letter which appears at page 56 of the file, addressed to Messrs. Casper and Casper,

Accountants, English, Scottish and Australian Bank, St. George's Terrace, Perth, by the Honorary Minister for Agriculture, under date the 17th March, 1949, reads as follows—

I desire to acknowledge your letter of the 17th ult.

The matter has now been given full consideration and, dealing with each clause separately, I would advise as follows:—

Clause 3. It is my desire that the Serpentine Factory be fully protected against all possible extensions in the future and that this clause remain as it is.

So the Minister wants definitely to restrict the operations of this new company, and says so. The letter continues—

Clause 4. I am prepared to amend this clause by the insertion at the commencement thereof of the words, "except with the previous consent in writing of the Minister first had and obtained."

Clause 5. There appears to be no objection to agreeing to your request and I am prepared to add after the words "the operations of the factory," the words "to further or facilitate the objects or purposes of these conditions."

Clause 7. I am insisting on this clause as it stands and as your company has already expressed a willingness to comply with the requirements of this condition there should be no objection to such a stand.

I think you will agree that the amendments acceded to above should satisfy the demands of your firm so far as those clauses are concerned.

I like that—the "demands of the firm." It appears that progress was being made and the Minister decided to go on the air. At page 57 of the file, under the heading "Australian Broadcasting Commission" there appears the following—

State news 22/3/49, 6.45 a.m.—

The State Government has decided to grant a permit to a Perth company to set up a condensed milk factory at Osborne Park. The Honorary Minister for Agriculture, Mr. Wood, said some details about the zone from which the milk should come had still to be decided, but he was sure the factory would be established. The company was registered last December as M. & G. Products Ltd., with the intention of producing condensed milk for export to the Far East.

The Minister did not lose any time, when it looked as though something might happen. He wanted to cash in on it and got on the air in the morning. In case the people did not hear him then he got on the air again at 7 p.m., as follows—

A permit will be granted by the State Government to a Perth company to set up a condensed milk factory at Osborne Park. The Honorary Minister for Agriculture, Mr. Wood, said today that some details about the zone from which the company could obtain its milk remained to be decided, but he was sure the factory would be established. The company with a nominal capital of twenty-five thousand pounds, was registered last December as M. & G. Products Limited, with the intention of producing condensed milk for export to the Far East. All the capital is said to have been subscribed in Perth.

At page 69 of the file there is a letter from the Acting Director of Agriculture to Messrs. Casper and Casper. It is dated the 3rd June, 1949, and reads as follows—

M. & G. Products Pty., Limited.

I have to advise that the conditions set out in the Form of Certificate of consent for the M. & G. Products Pty., Ltd., to erect a building at Main-street, Osborne Park, have been prepared for the approval of the Executive Council. However, before the license can be issued, the application of M. & G. Products Pty., Ltd., needs finalising by the payment of £1 provided in the Act. I should be glad if you would forward the amount in question to this department.

It will be recalled that when I started to state this case I quoted regulations under the Dairy Industry Act to show that there was no provision in the certificate of consent for the imposition of conditions outside the Act. The form is definitely set out, as I quoted it earlier, and the wording ends with "under and subject to the provisions of the said Act," so the consent is issued under and subject to the provisions of the Act. The certificate does not require that any applicant shall agree to some other conditions that are outside the Act and that the Minister seeks to impose for reasons that I do not know.

Here is a case of complete frustration. The company, aware of an existing market, because one of its principals is a man who has lived in the country where the market exists, who has personal knowledge of the conditions and has business contacts there, wants to take advantage of his knowledge and experience and establish a business in partnership with one of our own citizens. For ten months they have been striving to obtain the necessary consent to set up their factory. After battling against odds all the way and meeting opposition the whole of the time they finally reached the stage where the Minister imposed conditions to which not

one of us would agree. They have been asked to put a large amount of capital into a concern that could be closed up in a matter of hours should the Minister so determine. There would be no redress or appeal. Is that the way in which to establish industries in Western Australia? I repeat that instead of finding encouragement being given, as we would expect, we find nothing but discouragement. Is it to be wondered that, although all that remains now is for the company to sign on the dotted line and agree to these conditions and pay the £1, they are disinclined to do so because they feel that the conditions are too onerous? If we want this industry to be established we will have to alter the conditions. I believe the Government has no legal authority for imposing these conditions.

My reading of the Act is that these conditions are conditions precedent to the granting of consent—things that have to be complied with beforehand and upon compliance a certificate of consent will be given, and then the control that the Department of Agriculture has will be the same as it already has over other factories. Every year factories must apply for renewal of registration and, if they are not living up to the requirements of the Act, registration can be withheld. That is all the control that is necessary, so why impose these conditions if we want to encourage the establishment of industries? The record of this case is no credit to the Government or to the Minister. Nowhere do we find the helping hand being held out, but rather obstacles being placed in the path, assumptions and suggestions that will not help the application but will retard it. That is why I have moved my motion.

On motion by the Minister for Lands, debate adjourned.

### **MOTION—NATIVE AFFAIRS ADMINISTRATION.**

#### *To Inquire by Select Committee*

Debate resumed from the 6th July on the following motion by Hon. A. A. M. Coverley:—

That a Select Committee be appointed to inquire into the administration of the Native Affairs Department.

**THE MINISTER FOR NATIVE AFFAIRS** (Hon. R. R. McDonald—West Perth) [8.50]: I am afraid that the member for Kimberley has moved this motion under some misapprehension as to the facts. I feel sure that after an explanation of the position, he will be completely reassured. The hon. member referred to six grounds on which he based his motion for a Select Committee and I propose to deal with those grounds for the information of members. I intend, when introducing the Estimates for this department, to give members some idea of the general aspects of the work of the department.

The first matter referred to by the hon. member related to a property known as Udialla. Udialla is in the West Kimberleys and is commonly referred to as Udialla Station. Perhaps that is something of a misnomer, in view of the size of Kimberley holdings, as Udialla covers an area of some 3,000 acres. It was acquired in 1944 by the Department of Native Affairs and the intention, I understand, was that Udialla should be an institution for the reception of half-caste children and young people who had been evacuated from northern towns during the war. I think there were some 35 of these children and young people who had been sent to Beagle Bay and Lombardina Missions. When the war ended in 1945 these young people were sent back from Beagle Bay and Lombardina Missions and most of them became re-established with their parents, particularly in Broome and Derby. In those areas, in the case of girls, they had an opportunity to take up domestic work. Many of them took this opportunity, particularly in Broome, where the Bishop, under whose jurisdiction these missions come, has his headquarters.

I speak subject to correction, but at the end of 1948 only one half-caste was on Udialla. He had been sent there under warrant—that is by compulsion—and was being detained at that institution. He was, I am informed, very unhappy because he was the only half-caste and he came into association with full-bloods, most of them being bush natives. He pleaded to be allowed to leave. This was permitted and he took up employment on a station and has been there ever since. The original conception of Udialla as an institution for training, particularly technical training, of coloured

natives was, owing to circumstances which are understandable, never realised in the way that was envisaged when the property was first purchased. Instead, it became a resort for bush natives. To some extent other natives resorted there from employment on stations and in a few instances they were sent there to convalesce after they had been in hospital. However, at the time when Udialla operations were suspended, no such convalescents were on the property.

Following a report by Mr. Bateman in June of last year, and the appointment of a new Commissioner, Mr. Middleton, the question of Udialla was inquired into. Mr. Middleton toured the Kimberleys towards the end of last year to inform himself, first hand, of the situation. It then became evident, for a number of reasons, that the justification for setting up a native institution at this site should be reviewed if the department was to take a responsible attitude in the matter. Therefore towards the end of last year it was found that it had not been possible to develop Udialla and the only building, worth calling a building, on the property, was a house of very limited structure. In fact, the proposed new manager, Mr. Elgar Smith—of whom I will speak later—stipulated that he would not go with his family to Udialla unless a decent house were built for him.

The property has no institutional features except some gardening activities on a minor scale—I do not mention that in any critical way—and the station had been carrying a flock of approximately 1200 sheep. Mostly it was the resort of bush natives and to some extent natives who, it was alleged by pastoralists, left their employment on stations when they had any grievances. They preferred to go to Udialla where they could sit down, receive their rations, not have to work very hard and have a bit of a spell. On that point I do not intend to place any reliance, but I feel that I should tell the House what has been said by pastoralists in the Kimberley areas because those people have to rely, almost to the fullest extent, upon native labour. These pastoralists and their wives have their own difficulties in this isolated country where there are few amenities and no large towns or cities.

The position of those men and women who live on the stations in the Far North should not be entirely ignored. If they

had, and they did have, apprehensions as to the proper relation which existed between this native institution and the labour available to work the stations, then I think the department would have a duty, at all events, to ensure that pastoralists were not prejudiced unreasonably by any action by the department, however well intended it might have been. I just mention that because some of the pastoralists are entitled to be considered as they live there and know something, in most cases, of what they are talking about. Other factors of an even more important nature arise as to Udialla. On the 16th of last December, the then manager, Mr. Bromby, reported to the department a deficiency of 165 head of sheep out of a flock of 1,255. He said, and I quote his report—

I am of the opinion that the deficiency is by death of sheep caused by exceptionally dry season and lack of grass.

The previous month Mr. Bromby had reported, to quote his own words—

Udialla is grossly eaten out and some plan of restoring pastures will have to be embarked upon to keep up the number of the flock to its present figure.

In the same report he said that in order to muster the sheep he had covered an area extending 24 miles to the south of Udialla and eight miles to the north. In other words, the Udialla sheep, to endeavour to live, and they largely died in the effort, had been relying, I am afraid, for their pastures by trespassing on adjoining holdings, not merely for a few hundred yards but to the extent of 24 miles to the south of Udialla and eight miles to the north. About this time, towards the end of last year, when the Commissioner was acquainting himself with native institutions in the Kimberleys, Mr. Buckingham, an officer of the department who was then on Udialla, informed Mr. Middleton that if the gates of Udialla were kept closed, the stock would die of starvation. That was not a condition which was of sudden onset. A year prior to that, on the 6th November, 1947, Mr. Jensen, the departmental inspector for the Kimberleys, reported on the loss of sheep at Udialla, and on that day, the 6th November, his report contains these remarks—

The sheep on this property have not been confined to the boundaries of Udialla. Owing to lack of feed it is high impossible to trace carcasses. Those found were in very poor

condition. Stock feed is extremely scarce on all properties, especially Udialla as a large amount of the property is eaten out and the victim of serious soil erosion.

That is the end of that portion of his letter. The reference to carcasses was due to the fact that owing to the mortality at shearing, part of his duty was to find out what was happening on Udialla. The departmental returns show that between the 1st July, 1947, and the 5th November, 1948—the latter being a date shortly prior to the sale of the sheep which was referred to in the hon. member's motion—a period of one year and four months, the mortality on Udialla was 390 sheep out of an average flock of 1,200. Of that number, 50 died of old age, 242 died of old age accentuated by drought conditions, and 81 represented off-shear losses accentuated by drought. I ask the pardon of members for referring to these details, but the suggestion has been made, and I am quite sure from knowledge of the facts it cannot be fairly made, that the Commissioner had been somewhat hasty in his apprehensions about Udialla.

Hon. A. A. M. Coverley: I will prove by reply that he was, and the Minister also.

The MINISTER FOR NATIVE AFFAIRS: The Minister will have to answer for himself, but the Commissioner, like other officers of the Public Service, cannot speak in this House, and I have to speak for him. But he is a man who has a keen sense of responsibility. I am glad to say that that is characteristic of most of our high civil servants, and when he saw these returns coming in and found that in a period of one year and four months nearly 33 per cent. of the flock had died, mainly of conditions aggravated by drought, to which were added reports of erosion and depasturing of this property, he felt the position. I think it was his duty to examine the position of this property very carefully, because in one year and four months he had lost 390 sheep by death out of a total of something like 1,200 or 1,300 in the total flock. So the Commissioner went there towards the end of last year and his own inspection confirmed his apprehensions about Udialla, as the hon. member, to whom I made available the file, knows.

The Commissioner had seen that Udialla was eroded and badly eaten out. In other words, he found that all that Inspector

Jensen had reported in November, 1947, and what Mr. Bromby, the Kimberleys officer, had reported towards the end of 1948, was true. I can tell the House that the new Commissioner had no prejudice against Udialla; none whatever. He formed the opinion that at all events Udialla might well receive a rest so that erosion on the property might be halted and pastures might have a chance to re-establish themselves. He arrived at his conclusion that it obviously would have to be rested. A further consideration not to be ignored arose respecting Udialla. I told the House that the pastoralists were apprehensive of the role that it had been filling, having regard to the native population in their areas. I am not going to dwell on that phase unduly, except to say that the views of the pastoralists in the hon. member's constituency were entitled, in my opinion, to a hearing.

Another question arose and it was that Udialla had not been developed to become an institution for the training of children. In fact, as an institution it had not been developed at all, and the question consequently was raised as to whether Udialla was the best site where such an institution could be developed. I am not questioning the idea of selecting Udialla originally as a site for an institution. With that idea in mind, it might quite possibly have been suitable at that stage. I make no criticism regarding it—none whatever. All I say is that other circumstances arose. The fact was that the children originally who were to go there, and indeed the half-caste children, had gone into the town. They had established themselves, and the circumstances were such that Udialla never really fulfilled the purpose that was behind its establishment.

Hon. A. A. M. Coverley: You know that is not in accordance with the facts. It was due to the war that Udialla was not developed.

The MINISTER FOR NATIVE AFFAIRS: Udialla was bought in 1944.

Hon. A. A. M. Coverley: Yes.

The MINISTER FOR NATIVE AFFAIRS: War conditions interfered with many matters and they did interfere with the development of the station. I think the hon. member will agree with me when

I say that when the war ended, the people who were to have gone to Udialla had disappeared and gone to various other stations.

Hon. A. A. M. Coverley: I do not agree with you.

The MINISTER FOR NATIVE AFFAIRS: The Deputy Commissioner, Mr. McBeth, told the Commissioner that the only way to get the coloured folk and the young people in particular away from the towns and back to Udialla was not by force. It is recognised in the department that it is desirable to get these people to go to institutions for educational purposes and for training by persuasion for preference and not by force.

Hon. A. A. M. Coverley: That is how you shifted them from Udialla to Le Grange Bay!

The MINISTER FOR NATIVE AFFAIRS: I will come to that.

Hon. A. A. M. Coverley: Was that not by force?

The MINISTER FOR NATIVE AFFAIRS: As I have mentioned, the question arose as to whether Udialla was the best site for an institution for the training of coloured or full-blooded native children. It must be borne in mind that owing to war-caused conditions and the fact that the educational part of the work at Moola Bulla Station in the East Kimberleys had been abandoned, for years there had been no educational training of children on that station. Plans are now being prepared in order to overcome that difficulty and to provide a suitable dwelling place that will attract a teacher to go to such an outlying and isolated area. Thus the question arose as to whether the proper use or a better use for an institution of this kind for the training, particularly in technical matters, of half-castes or perhaps full-blooded native children as well, could not be obtained at some other site.

The first thing to be noted is that the report of Mr. Bateman, who made a survey of the position about 12 or 18 months ago, gave the distribution of the native population throughout the State. That survey showed that in the Fitzroy Crossing area there was a native population of 1,143, almost all full-blood and including 211 children. That is the largest native population in any one area throughout the whole

of Western Australia. As against that population of 1,143, including 211 children at Fitzroy Crossing, Mr. Bateman's report showed that at the time of his inspection, there was at Udialla a native population of 95, including 22 children, all of them being full-bloods. In other words, Fitzroy Crossing contained a native population, including children, 10 times as great as that at Udialla.

That consideration alone would make any departmental head say to himself, "Is this the best area to serve a native population in the way of an educational and training institution or is there some other area where we could establish a better place as being nearer the centre of the main population?" Early this year the Kimberley Regional Advisory Committee submitted to the North-West Development Committee a recommendation that a technical training school for half-caste children should be established at Fitzroy Crossing and not at Udialla. In these circumstances it was decided not to sell Udialla Station but to retain it as it might yet turn out to be the best site for institutional purposes. We decided to suspend operations on it until the matter had been fully examined, and the new district officer for the Kimberleys stationed at Derby, Mr. Pullen, was instructed to examine the whole position and make a report. This he is doing.

In addition, the Commissioner of Native Affairs discussed the matter with the Department of Agriculture and asked whether it would at the earliest opportunity arrange for expert officers to visit Udialla and report what they thought of the condition of the pastures, and for what period it might be proper to rest them and generally as to the potentialities. The Acting Director of Agriculture, Mr. McKenzie Clark, left three or four weeks ago for the Kimberleys and his itinerary will include Udialla, which he is to inspect and report on pursuant to the request of the Commissioner of Native Affairs.

Bearing in mind that for reasons which I am not criticising—difficulties following the war and so on—it had not been possible to develop Udialla on institutional lines in the way proposed; bearing in mind the report received from departmental officers about the condition of the property and the mortality amongst the sheep which had been on such a disturbing scale; bearing in mind also the suggestions made from responsible

quarters that, before finally developing Udialla, the department should look at Fitzroy Crossing as possibly being a more suitable centre, having ten times the population that happened to be at Udialla at the time, the Commissioner felt it was prudent to suspend operations on Udialla until the matter had been fully examined.

I am bound to say that I think he acted with a full sense of responsibility and with a desire to take into account and give due weight to the reasonable views submitted by the Kimberley Regional Advisory Council to the North-West Development Committee—views submitted by people in the Kimberley areas that were entitled to consideration.

Mr. Read: Are they all pastoralists?

The Premier: No, members of road boards.

The MINISTER FOR NATIVE AFFAIRS: I understand they are members of various road boards throughout the area. In this matter I am completely impartial. Personally I do not care whether the new institution is at Udialla or elsewhere, but I do want to see it put in the best possible place. Pending the receipt of the report, the Commissioner and I are keeping Udialla intact as departmental Crown property in case, on the ultimate examination, those who advocate Fitzroy Crossing prove to be not right and Udialla should remain as the location to be preferred for an institution of this sort.

The member for Kimberley asked how many natives there were at Udialla on the 7th October, 1948. I gave him the correct number. At the time Udialla was suspended, the number had greatly decreased. Some of the natives who had been there had returned to their employment on stations, and, when Udialla was suspended as a native institution and the natives were advised that they would not continue to be rationed there, the number was 46. Some comparatively small proportion returned to their employment on stations; the others were consulted and expressed their complete willingness to go to the Native Affairs feeding depot at La Grange Bay—no great distance away, as distances go in the Kimberleys.

Hon. A. A. M. Coverley: Just a hop, step and jump.

The MINISTER FOR NATIVE AFFAIRS: They were conveyed there by truck, and were certainly better off at a departmental institution fully organised, where the wife of the manager is a trained nurse, holding a triple certificate and in a position to give aged, indigent and injured natives treatment and care that they could not possibly have got at Udialla. All I desire to say is that, if all departmental officers gave the same consideration and brought the same sense of responsibility to bear on their decisions regarding Government property as has been done in this instance, we should be well served by the Public Service.

Now I pass to ground No. 2—the sale of some sheep that were on Udialla. I do not know who told the hon. member the story of those sheep, but of course he was wrong. He was not merely wrong; he was hopelessly wrong. Doubtless the hon. member repeated here in all good faith the statement given to him that the sheep were sold in the wool. They were not; they were sold off shears. The hon. member's case, very properly, was built on the theory that the sheep had been sold and delivered on Udialla for 15s. a head, lambs being thrown in, with the wool on them, and he naturally thought, on the information given to him, "Well, this is not a proper sale." I am not a sheep man, but I know there is a vast difference between selling sheep off shears and in the wool. Contrary to the hon. member's information, the sheep had been shorn only a few weeks before their sale to Mt. Anderson Station—a nearby pastoral property.

Mr. Hoar: I thought the hon. member quoted the figures from your file.

Hon. A. A. M. Coverley: I did.

The MINISTER FOR NATIVE AFFAIRS: The hon. member is under a misapprehension. I am afraid that that one little error of information does not leave much more to be said about the sheep, because the basis was not there. I am not blaming the hon. member; he acted on the information he received. I have told the House that during 16 months practically one-third of the flock or 390 sheep had died, nearly all from old age or drought conditions or off shears.

Hon. A. A. M. Coverley: Will you tell the House who shorn the sheep and when they were shorn last at Udialla?



**The MINISTER FOR NATIVE AFFAIRS:** I cannot say by whom they were shorn as I have not got the records. They were sold about the middle of December. An offer was made by telegram by Mr. Rose, of Mt. Anderson Station. He offered 15s. per head, small unmarked lambs to be thrown in. The Commissioner had just recently been to Udialla and had seen the condition of the property. He had received a report a few weeks before from Mr. Bromby, the manager, that the property was badly eaten out. In this wire of the 13th December last year, Mr. Rose went on to say—

Please advise earliest due possibility river running.

It was suggested by the hon. member that there had been some collusion between Mr. Rose and the Commissioner which induced Mr. Rose to send that telegram, in the belief that a good bargain in sheep was on the horizon. Of course, there was not a good bargain in sheep. Collusion would not have been worth while. The Commissioner assures me, and I believe him implicitly, that it never existed. The property having shown a loss of 390 sheep in the preceding 16 months out of some 1,200, 1,250, or 1,300, the Commissioner was concerned that if the river came down he might have still heavier mortality. He therefore felt a sense of responsibility as to whether he should accept this offer or not, so he interviewed a senior officer of the Treasury—this appears on the file—and discussed the matter with him. This officer agreed with the Commissioner that in all the circumstances the best thing was to accept the offer, which was 15s. per head, delivered to the purchaser on the property, he having to take them to his station, small unmarked lambs to be thrown in.

**Mr. Triat:** How could starving ewes have lambs?

**The MINISTER FOR NATIVE AFFAIRS:** I will tell the hon. member all about that, because it has happened that Mr. Rose has written to the Commissioner—unsolicited by him or by anybody else as far as I know; apparently he had read the remarks of the hon. member—and I think it my duty to quote the letter, which is addressed to S. G. Middleton and is dated the 12th July, 1949. It is written from Mt. Anderson, Derby, and is as follows:—

Dear Mr. Middleton,

Mr. Middleton had met the station-owners in the course of his tour of the Kimberleys last year.

I have just noticed Mr. Coverley's allegations in "The West Australian." In reference to his remarks concerning the Udialla sheep purchased by us the facts are as follows:—

The number and price quoted are correct. Taking into consideration that the sheep were just shorn and the quality of them, I consider the price we paid was all they were worth. As a comparison, prime quality wethers delivered in yards, Derby, are only worth 18s. to 19s. per head. Approximately 400 wethers . . . .

He deals now with the wethers he bought.

. . . . were in the Udialla sheep and 50 per cent. were aged sheep over the age of ever fattening. Of the ewes, 400, approximately 50 per cent. of these were of a quality that has been sold locally for 7s. per head. As for the purchaser . . . .

That is Mr. Rose, apparently.

. . . . having put some ewes into his stud paddock, that is an absolutely false statement; likewise the number of unmarked lambs alleged to have been thrown in is a misstatement. Approximately 60 lambs only were thrown in and many of these were under two weeks old. The facts as quoted by Mr. Coverley concerning these sheep in my opinion could only have been given him by Mr. Buckingham, late of Udialla, who I understand was a prospective purchaser himself. Just a case of a discharged and dissatisfied employee. Yours faithfully, Mt. Anderson Pastoral Co., J. C. Rose, Jnr.

Mr. Rose adds a postscript due apparently to his having consulted his records, I should imagine. It is as follows:—

P.S.—17s. is the price given for wethers delivered yards, Derby, and not 18s. or 19s., as previously mentioned. J.C.R.

Without wearying the House further on this subject, the 1,100 sheep were not in the wool, as the hon. member thought and was misinformed; the wool had been shorn some five or six weeks previously and had been received by the department and sold by it, the proceeds having been paid to the department. In all the circumstances, the Commissioner cannot be said to have acted otherwise than in what he believed—after consultation—was a prudent way, and one which prevented the possibility, which he apprehended with some justice, that if he did not sell the sheep he might sustain even severer losses or mortality than he previously had.

**Mr. Triat:** What was Buckingham prepared to pay for the sheep?

The **MINISTER FOR NATIVE AFFAIRS**: I think he said he would have paid 25s. There is the letter from Mr. Rose which he writes out of the blue as an act of fairness, stating what the position was from his point of view and giving the value that prevailed in the district. He states the type of the flock and I think that in all the circumstances it cannot be said there was any want of prudence, that there was anything else but a very careful regard for the best care of the asset the department had, which was represented by this flock.

I pass on to Item No. 3, which relates to what is called imported officers. There are several importations, who have come to this State, and I am not one who holds that against them. Mr. Middleton, the Commissioner, is an importation. It happens that he came from Queensland, from the Western Districts, where he was brought up as a country boy. I have some recollection of another Queenslander being imported some years ago into the hon. member's area.

Hon. J. B. Sleeman: He was an excellent man.

The **MINISTER FOR NATIVE AFFAIRS**: And he ultimately became the Premier of this State. I do not have to go much further along the front bench to see other importations, who have achieved a not inconsiderable place in the life and work of this State. I am not prepared to accept the proposition that there should be no further importations into the Public Service, and the business, the professional, the university or the teaching life of this State from any other State. Nor am I prepared to accept the proposition that we cannot with advantage to this State sometimes secure the services of people of particular qualifications from other States and countries.

It happens that there is at the head of the Native Affairs Department a Queenslander, like his eminent fellow statesman, who served for some 20 years in the Native Affairs Department in the Commonwealth mandated territory of Papua where, starting as a patrol officer under Sir Hubert Murray—who was one of the greatest and wisest native administrators ever produced by the British Empire—he put in 20 years of service in various capacities and was Deputy Director of Native Affairs in Papua when he agreed to accept appointment as Commissioner of

Native Affairs in this State, at the age of 45. He was appointed on the recommendation, as to his qualifications and suitability for this position, of Professor Elkin, who is Professor of Anthropology in the Sydney University, Vice President of the Aborigine Board of New South Wales and the author of many books on aborigines and native of Australia; and on the recommendation of the Hon. Leonard Murray, a nephew of Sir Hubert Murray who succeeded him as Administrator of Papua and under whom Mr. Middleton was an officer of that administration.

It happens that there is what I might call a small generation of officers in the Papuan service under the Commonwealth who have arrived at the age of 40 or 45 after having given anything up to 20 years' service, in the Papuan administration. In a number of cases these men qualify for a pension—not a great one, but for some pension rights. But at that period they arrive at the stage when their families are becoming in need of education and they want to settle down with their wives in somewhat better conditions. It happens that three or four men of this description recently became available from Papua, in which there is a native population of 300,000 natives and a white population, I believe, speaking from memory, of about 5,000. These men have spent their working lives in an atmosphere in which they were part of a native race and served in responsible positions under the Commonwealth in the middle of a native race where white people form a small minority. True, they are natives differing in many ways from those of this country; but at the same time, principles are involved which to a large extent are important in dealing with native races anywhere.

When the Commonwealth desired to get its Director of Native Affairs for the Northern Territory, it obtained Mr. Moy of the New Guinea Commonwealth Mandated Territory Service. That is where the Commonwealth looked to get the right man for a director. This State, too, was fortunate in getting, in Mr. Middleton, a man of the highest character, qualifications and ability—a man who had been and was holding the position of Deputy Director of Native Affairs under the Commonwealth in Papua. These three or four men from Papua to whom I have referred are men of very

high credentials and experience, and their appointment was recommended by the Public Service Commissioner. Their appointment was almost inescapable because their credentials and experience were so much in advance of those of any other applicants.

At a later stage I am going to refer, on the Estimates, to the native affairs position generally and to deal with new developments that have taken place in only the last few years; to the growing industrial consciousness of the natives, not only the half-castes, but the full-bloods in many areas. But I am not going to take the time of the House in that connection now. I am, however, going to say that if we are to do our best for the native interests, we have arrived at the time when we must get the best possible men, and must try to get men for our field staff who are specialists in the sense that they have had experience for years in the atmosphere of native affairs. We have been indeed fortunate that in a department of considerable size, as regards personnel, there are five or six men of the right age who happen to want to leave Papua, that hot country, with their wives and young families, to settle in Australia.

We were lucky to have the opportunity to get those men. One of them, Mr. Hawke, is in fact a Western Australian. All the others are Australians except one who was born in New Guinea, and was educated in Queensland—his father was a ship's captain—and one other, who held a minor office, in a magisterial position, in India until the recent self-government powers took effect. Let us be thankful that we have had the chance of getting men of this calibre and experience. The hon. member suggested, rather faintly, that the appointment of these officers had led to dissension in the staff. I do not think there is any foundation for that. I have not had a single complaint made to me. That is to be understood.

I am glad to say we have some very able young officers in the Native Affairs Department. Some of them would, I think, undoubtedly have had to be seriously considered if they had been applicants for any of the positions to which the Papuan applicants were appointed. But they never applied, and for very obvious reasons. These men belong to the clerical division

of the Public Service, and as such they have in front of them the opportunity of promotion to any department of the service. They may become under secretaries. In due course they may hold the more senior positions in any department. The positions to which these field officers from Papua have been appointed are in the general division, and their opportunities of promotion are extremely limited, if not nil. I believe the officers of the department, at its headquarters, never applied because they knew perfectly well they would be sacrificing the arena of promotion which they had in the clerical division. So there is, I believe, no dissension, but quite the opposite in the Department of Native Affairs.

I turn now to the case of Mr. Martin. This is No. 4. When I became Minister for Native Affairs, something over two years ago, Mr. Martin was an acting inspector. In fact, all the senior officers were acting. I do not blame anybody for that. There was an acting commissioner, an acting deputy commissioner and four acting inspectors in the field, and Mr. Martin was one of them. It has been suggested that the commissioner was hard, or unfair on Mr. Martin. I just wish to give the facts. There is no criticism to be made of Mr. Martin's character. I make that perfectly clear. I met him on a number of occasions, and I liked him. As far as I know, he had had no previous experience of natives. He had been a clerk in the Wyndham Meat Works, his record shows, and later a partner in a poultry business in the metropolitan area. He may have had other avocations, but those are the only ones of which I have a note on the file. But, after his appointment as an acting inspector, he showed increasing aptitude in learning about native welfare.

There has been, to a large extent, a succession of superintendents at Moore River. The practice has rather been there, and in other institutions, to appoint a husband and wife. The wife has to be a nurse, and the husband is appointed as the manager. Towards the end of last year the superintendent left, and Mr. Martin was sent there to be acting superintendent of Moore River until a new one, who happened to be an ex-Papuan officer in Mr. Ethell, was appointed. When he was appointed on the 24th January last, the

Commissioner sent to Mr. Martin a telegram addressed, "Superintendent, Moore River, Mogumber." As I said, Mr. Martin was then acting superintendent, and had been for some time. The wire was as follows:—

Please remain settlement until thorough hand-over to Ethell. Stop. Submit weekly journals brought up to date. Commissioner Native Affairs.

Thereupon, Mr. Macnamara, the plant officer of the department, went to the settlement at Moore River to help Mr. Martin prepare the inventories in order to hand over all the stores, plant, furniture and everything else which was on charge to the Moore River Settlement, in accordance with the regulations under the Audit Act. I have those regulations here, and would be glad to show them to any member, but at this hour I do not want to read them in full. They provide that the head of the department is responsible for all proper taking-over of Government property at any institution when there is a change of managers or superintendents. They set out in detail how the inventories are to be prepared by showing what has been received during the time of the previous superintendent or manager, what has been expended, what is left, and what has been lost, so that the incoming manager will know just what he is taking over and what he is responsible for.

These returns have to be signed by the outgoing manager and the ingoing manager, and a copy sent to the departmental head. They are the records on which the Audit Office works. They are set out in Regulation 125 of Appendix E under the Audit Act of 1904. The plant officer from head office went there to prepare the form to enable Mr. Martin, as the outgoing superintendent, to hand over to Mr. Ethell, the new superintendent. That was on the 26th January. On the 9th February, Mr. Ethell, who had gone to Moore River, wrote to the Commissioner saying that Mr. Martin had left for Geraldton, via Moora—Mr. Martin's regular position was that of inspector for Murchison, based at Geraldton—and that he had explained to Mr. Martin before he departed that he could not take over on sketchy and incomplete inventories. I will not read the whole of the letter, which goes on to speak about his obligations. Mr. Ethell had been a Commonwealth officer and was

accustomed to a proper hand-over before he took responsibility for some hundreds or thousands of pounds worth of departmental property, and he expected the thing to be done according to the Audit Act.

In spite of the instruction to him, from the Commissioner, that he was to remain at Moore River until he had completed the hand-over to the new superintendent, Mr. Martin, without any reference to the Commissioner or to head office, without completing the hand-over or the inventories of the property that he was to hand over, and entirely without notice, left Moore River and went to Geraldton. That created an utterly impossible position. There was then no superintendent at Moore River settlement, a place where there was a lot of property and an institution with some 200 or 230 natives, because Mr. Ethell quite properly declined to recognise himself as superintendent until there had been a hand-over of the property for which he was to take responsibility.

Mr. Martin, the man who had been superintendent, had left without letting the Commissioner know he was leaving. Of course no department could carry on on those terms, even if it had been an office boy and not a senior officer who had left a definite, assigned and important duty without letting his departmental head know before he went to another centre some 250 miles away, leaving the Moore River settlement without a superintendent. Under those circumstances the Commissioner felt that he would have either to take charge or get out. Nobody could carry on under those conditions, so he sent Mr. Martin a definite wire to the effect that he had to go back and complete the hand-over. Mr. Middleton, having gone up there personally in view of the situation that had been brought about, wired Mr. Martin at Geraldton to this effect—

Visited Moore River yesterday. Hand-over not complete as instructed my telegram January 25th. Under Regulation 125 Audit Act you are responsible for serious shortage, tools, etc., and unless you return Moore River at your own expense and complete hand-over matter will be reported to the Auditor General. Treat as urgent.

That telegram was sent on the 12th of February and it was not until nine days later that it drew a reply from Mr. Martin. He then from Geraldton wired the Commissioner in Perth, saying—

Herewith tendering resignation my position as acting inspector with two weeks notice as from today. Proceeding Moore River. Please have Crooks prepare and forward hand-over statements as was previously usual. Martin.

Mr. Triat: How long would a hand-over usually take?

The MINISTER FOR NATIVE AFFAIRS: I think probably four or five days should complete it. The plant officer from headquarters had gone up there previously and prepared all the forms and headings of inventories, and I think the stock-taking there would not take more than three or four days or perhaps a week.

Hon. A. A. M. Coverley: Mr. Martin will tell the committee a story different from that.

The MINISTER FOR NATIVE AFFAIRS: I asked Mr. Middleton, "Who was looking after this hand-over under you?" and he gave me the name of a senior officer of the department. I said to him, "Let him send me the report. You need not send one if he knows all about it." Before I quote from his report I hope I will be pardoned for dealing with this in a little more detail. I wish to say, in Mr. Martin's favour, that in view of the old free and easy days he no doubt thought that the new officer, Mr. Ethell, was rather too particular in the type of hand-over he required. Ethell was a Commonwealth officer, trained under discipline, who knew he had an obligation to abide by the terms of the Audit Act. Mr. Martin, perhaps quite naturally, probably thought, "We need not be so particular." There is that to be said for Mr. Martin's outlook, but it does not excuse his disobedience of the direct instruction of the Commissioner, or his leaving Moore River without permission before he had handed over. Mr. Martin said that he had some inspectorial duties in his area at Murchison.

I am informed by the Commissioner that there was nothing that required Mr. Martin to leave Moore River at that juncture for his district. Even if there had been some such matter, the hand-over was so important that a senior officer from headquarters would have been sent to the Murchison district to discharge any duties of that description and so enable Mr. Martin to complete his hand-over at Moore River. I am informed, and

believe, that there were no duties in the Murchison district that required Mr. Martin to leave without acquainting the Commissioner that he was doing so and without completing the hand-over.

Mr. Triat: He was there 15 days for the hand-over, and you say it would take about six days.

The MINISTER FOR NATIVE AFFAIRS: It was going through slowly.

Mr. Triat: From the 26th of January to the 9th of February.

The MINISTER FOR NATIVE AFFAIRS: I am not quite sure of the date when Mr. Ethell arrived, but I know the plant engineer went up there on the 26th of January and that he spent a day or so with Mr. Martin, and on the 9th of February a proper hand-over had not taken place as required by the Audit regulations. The officer who made this report to me—not being Mr. Middleton—states—

Mr. Martin told me personally in respect to his resignation that it had been prompted by several reasons.

What I have to say is in every way creditable to Mr. Martin. I regret only that I have to refer to personal matters, but I have no possible alternative as they have been the subject of this motion. The officer states—

Mr. Martin told me personally in respect to his resignation that it had been prompted by several reasons. For some time he had been away from home for extended periods, both on inspectorial work and on various occasions as Acting Superintendent of Moore River Native Settlement. His wife, naturally, was not very happy about these absences and Mr. Martin said his home life was suffering as a consequence. He had been living out of a suitcase for months at a time, with short and very infrequent visits to his home. Mr. Martin also expressed some displeasure at the fact that his permanent appointment had been delayed so long. He was appointed to the temporary staff of this department as travelling inspector with headquarters at Geraldton on the 3rd March, 1947. The delay, of course, had been common to all other field inspectors, including Messrs. T. E. Jensen and J. J. Rhatigan, and was due to a reluctance on the part of the Minister and the Public Service Commissioner to confirm these appointments until Mr. F. E. Bateman's survey had been completed and Mr. F. I. Bray's successor appointed. Mr. Martin was aware of these facts. I quite truthfully told him that only a week or so prior to his resignation you had mentioned to me the fact that you considered Mr. Martin to be a good field officer, who only required some education in the manner in which you expected

field officers to exercise their initiative and the responsibility of their position in the field, together with the required rendering of journals, patrol reports, etc. I also told Mr. Martin that at the time of this discussion you had mentioned that a recommendation was being made to the Hon. Minister seeking his permanent appointment. Subsequently, after my return to head office from Moore River, I sighted a minute regarding Mr. Martin's appointment, unsigned by yourself, which you will remember, you then destroyed.

In fact, prior to Mr. Martin's resignation, the Commissioner did prepare an Ex-Co. minute to confirm his appointment as an inspector. The report goes on to say—

Mr. Martin said that it was a pity that action had not been taken earlier, but in any case he had made up his mind to leave the department's service. He found the work most interesting but he had his family to consider. He said he was not getting any younger and his children were growing up and it was up to him to establish a home for his family. Mr. Martin said the entire matter had been subject to some considerable thought by himself over a period of months and when he received your telegram, instructing him to return to Moore River, he decided to resign. He said he did not like the tone of the telegram, but in any case, as he had practically made up his mind to resign in the near future, it only hastened his decision. Mr. Martin admitted that you were justified in instructing him to return to the settlement, but as I have mentioned earlier, he felt at the time when he left, that his departure back to his family was being unduly delayed by the thoroughness of the hand-over required by the Superintendent.

Mr. Martin returned to complete the hand-over. He was not paid for his petrol but the Commissioner did see that he was paid the usual travelling expense allowance, even though his absence had been unauthorised and, as an administrative action, was highly improper. No departmental head who assigns an officer, presumably a responsible one, to discharge an important task could possibly tolerate that officer ignoring his instructions without letting him know that he was leaving for another part of the State with his job undone. That is all I need to say about Mr. Martin. The Commissioner regrets, and I regret, his resignation. The Commissioner had thought sufficient of him to have Ex-Co. papers prepared for his permanent appointment just before he resigned. I most emphatically suggest that Mr. Martin resigned for personal reasons.

Mr. May: It seems to me as though he was fed up.

Hon. A. A. M. Coverley: Of course he had the skids under him and he knew it.

The MINISTER FOR NATIVE AFFAIRS: If he was fed up, then he had no reason to be.

Hon. A. A. M. Coverley: What a pity.

The MINISTER FOR NATIVE AFFAIRS: He had no reason to be fed up with the present Commissioner because he had been in office only three months.

Mr. May: It was probably because of the delay in his appointment.

The MINISTER FOR NATIVE AFFAIRS: As far as I can recollect, I never spoke to me about that matter. The desirability of allowing the staff position to remain until Mr. Bateman's report was made, and the new Commissioner had had a chance of becoming acquainted with the staff, is something which I consider perfectly reasonable.

Hon. A. A. M. Coverley: It's a pity you had not been so cautious about the sheep: Udialla.

The MINISTER FOR NATIVE AFFAIRS: We were cautious enough after we had lost 390 in 16 months. I do not know whether we should have been cautious and lost another 390 in the next 6 months. I turn now to Episode No. 5—Mr. Connor. I will deal very briefly with this case and again I make no criticism of the character of either Mr. or Mrs. Connors. These people are one of those cases referred to, where the wife is a trained nurse and the husband accompanies her for service in the department. They are both appointed as servants of the department. Mr. Connors did not have any previous experience of natives, as far as I can learn, and prior to the last war he was a boilermaker's assistant in Victoria. He joined the Forces at the outbreak of war and served very creditably for 5½ years. He became a Warrant Officer Class 2. After the war he and his wife joined the Department of Native Affairs, firstly at Moore River, and later at the Port Hedland Hospital. While they were at Port Hedland they, and all other people in the department in a like position, heard that it was proposed that the northern native hospitals should be transferred to bring them under the jurisdiction of the Department of Public Health.

That fact was mentioned to Mr. and Mrs. Connors by the Deputy Commissioner, Mr. McBeath.

The intention was that those who were employed in native hospitals as superintendents and matrons would be transferred from the staff of the Department of Native Affairs to the staff of the Department of Public Health. I think, in all cases except that of Mr. and Mrs. Connors, that was done. On the 11th January last the department forwarded a letter to Mr. and Mrs. Connors at the Port Hedland native hospital, which reads as follows—

I wish to advise that as from the 1st February next the administration of the Port Hedland native hospital is being taken over by the Medical Department which includes the retention of your services by that department. From that date all correspondence should be addressed to the Under Secretary, Medical Department, 57 Murray-street, Perth. After final details have been completed you will be advised in respect of any future variations in procedure or policy. I would like to express my deep appreciation of your services to this department and feel sure that you will continue to render the same loyal and wholehearted service to the Medical Department as you have done in the past to the Native Affairs Department.

I suppose that a more tactful letter could have been written; I do not know. But bearing in mind all that had been known of this impending transfer of native hospitals, the response to that letter was a wire from Mr. Connors as follows:—

Refuse to accept transfer to public health. We do not go with the fittings.

That was throwing down the gauntlet with a vengeance. So the Commissioner wired back saying that if he would not go to the Medical Department there was no other position with the Native Affairs Department, and he must take it that he was terminating the appointment of himself and his wife. Thereupon, and I am going to touch on this briefly, Mr. Connors confides his grievance to an extremely able local medical officer, Dr. Saint. I admire his interest in the natives of the area. Dr. Saint espouses the cause of Mr. Connors and he writes a letter to Mr. Middleton, couched in very strong terms but, I think, not very discreet.

Hon. A. H. Panton: Like most doctors.

The MINISTER FOR NATIVE AFFAIRS: Mr. Middleton takes exception to this letter because if Dr. Saint had any-

thing to say about native affairs his proper administrative course was to have written to his own head, Dr. Cook, or Mr. Stittfold who could have passed the necessary reference to the Native Affairs Department.

Mr. May: Have you the letter there?

The MINISTER FOR NATIVE AFFAIRS: There are several letters and I will show them to the hon. member with pleasure. However, the Commissioner wrote back, having received a bit of a stinger from Dr. Saint, a retaliatory note to the doctor.

Mr. Graham: Through Dr. Cook?

The MINISTER FOR NATIVE AFFAIRS: Not in that case, but Dr. Cook tries to make peace with Mr. Connors and he fails.

Hon. A. R. G. Hawke: Did you say that Dr. Cook tried to make peace?

The MINISTER FOR NATIVE AFFAIRS: Yes, I was waiting for the hon. member to rise to that, but he did and his attempt failed. In due course the Connors left Port Hedland native hospital and went somewhere in the country. The whole matter was not a storm in a teacup; it was just a ripple. It was one of those small bits of departmental exchanges that may happen in any department.

Hon. A. R. G. Hawke: A flutter in a thimble.

The MINISTER FOR NATIVE AFFAIRS: As for applying four times since then for a position with the Native Affairs Department—the hon. member said that four applications had been made by Mr. Connors who aspired once more to serve under Mr. Middleton, the Commissioner, for vacancies advertised with the department—he applied twice and in each case on a survey of the applications and the qualifications of the applicants, Mr. Connors was not entitled to be judged first past the post. In saying that I am not mentioning anything against Mr. Connors but he was just beaten by better horses.

Hon. A. H. Panton: Horses for courses!

Hon. A. A. M. Coverley: Did you get a swab taken of the winner?

Hon. A. H. Panton: Did you have a photo-finish of the race?

Mr. Yates: What was the reason for the termination of the appointment of Mr. and Mrs. Scanlon?

The MINISTER FOR NATIVE AFFAIRS: I am not sufficiently acquainted with the exact details to say now, but I will find out for the hon. member. That is all there was to Mr. and Mrs. Connors. I have read the letter. Upon my soul one needs to be pretty thin-skinned to take exception to that letter, bearing in mind that Connors had been told beforehand of this impending transfer, the only result of which was for him to become an officer of the Department of Public Health instead of the Native Affairs Department. Admittedly, in fairness to Mr. Connors, he might have preferred native affairs as being more congenial to him and he might have thought native affairs offered more scope in the future, but it is one Government department instead of another and it was part of a determination of policy of the highest importance to the health of the natives that they should get the same opportunities and the same organisations for protection as in the case of white people.

I pass now to the last of the episodes on which this motion has been founded and that is the case of Mr. Elgar Smith. Again, no criticism is made of that gentleman's character. He was appointed in the time of my hon. friend from Kimberley when Minister of Native Affairs to the position of manager of Munja Station. Mr. Smith had been a police officer at Katanning. I do not question in any way the suitability of his appointment. He had had, as far as I know, no special knowledge of natives but he was a man of some capacity and of good character. Mr. Middleton came in contact with him towards the end of last year at Munja when an incident arose which gave Mr. Middleton, and me and others, some very great concern.

Three white stockmen employed on Munja Station under Mr. Elgar Smith—the member for Kimberley will remember this—were charged with having sexual relations with aboriginal wives of natives on the station. Mr. Middleton was deeply concerned and accompanied by Mr. McBeath, the Deputy Commissioner, and in the presence of Mr. Coombs of the Presbyterian Mission at Kunmunya they inquired into

these allegations. The result was that these three men were charged in one of the northern police courts,

Hon. A. A. M. Coverley: Two.

The MINISTER FOR NATIVE AFFAIRS: Two were sentenced and convicted to terms of imprisonment for breaches against the Native Administration Act and the third was discharged because the time in which he could have been prosecuted had expired; a technical defence. The Commissioner, however, although deeply concerned that this should have happened under Mr. Smith's superintendence of Munja and that these men, his employees, should have been convicted of living with the native women for whom Mr. Smith was responsible, felt that the matter was not one which he should hold against Mr. Smith. It was a happening which might have occurred even with the utmost vigilance on the part of any superintendent.

But in the time of the member for Kimberley, discussions had arisen for the merger of the administration of Munja Station with that of the Presbyterian Mission at Kunmunya; a most desirable proposal which has recently been carried out and the control of Munja Station has now passed to the Presbyterian Church Mission which has an adjacent institution at Kunmunya. On that happening, the position of manager of Munja became vacant and there was no other comparable position in the department to offer Mr. Elgar Smith at that time, which was early in this year. Thereupon, Mr. Middleton concerned himself as to Mr. Smith's welfare and went to the Agricultural Department and discussed the matter with Mr. Toop. In consequence of the interview, Mr. Smith was transferred to the Agricultural Department and he became the officer concerned with stock at Derby. Thus he was still in the permanent service of the Government. He had been told at the time he ceased to be manager of Munja, or thereabouts, by Mr. Middleton that he would seek to get him back into the service of the Department of Native Affairs as soon as possible.

After the lapse of two months Mr. George, the Superintendent of Moola Bulla Station resigned and in the reorganisation that followed there became available the position of assistant superintendent and



manager of Moola Bulla. Mr. Middleton then thought that that was his chance to get Mr. Smith back into the service of the Department of Native Affairs. On the 16th May, which was several weeks before the member for Kimberley moved his motion or ever mentioned the name of Mr. Elgar Smith, as far as I am aware, Mr. Middleton addressed a minute to the Public Service Commissioner recommending that Mr. Smith should be appointed assistant superintendent and manager of Moola Bulla. In the course of that minute to the Public Service Commissioner he wrote—

Mr. Elgar Smith by his attitude and behaviour has proved to my satisfaction that he has service spirit of a high order,

On the following day, the 17th May, the Public Service Commissioner approved of Mr. Middleton's recommendation that Mr. Elgar Smith be appointed assistant superintendent and manager of Moola Bulla. That information was conveyed to Mr. Smith by Mr. Middleton, and Mr. Smith in due course accepted the position. Some weeks before the hon. member moved his motion in this House, Mr. Middleton had completed all the arrangements with the Public Service Commissioner for Mr. Smith's appointment to the position at Moola Bulla, having no knowledge, of course that Mr. Smith might be the subject of any representations by the member for Kimberley. However, Mr. Smith has accepted this position at a salary at least comparable with that which he received at Munja. Mr. Middleton has been most solicitous that Mr. Smith should not suffer any interference with respect to any of his rights or superannuation benefits, and that has all been arranged.

Whereas Mr. Smith left the service as manager of Munja early this year, within three or four months, at Mr. Middleton's instigation, he was back in the department in a position at least comparable with that which he formerly held. That is the man as to whom the member for Kimberley said he was "putting the skids under him." That refers to the last of the episodes I have to deal with. I will just add this: It is quite evident that there has been nothing unfair to any officer on the part of the Commissioner who is an experienced, most balanced and most reasonable man, with long training in the service of the Commonwealth in Papua.

There has been nothing unfair on his part to any officer. What I am concerned about is the possibility that we might be unfair to the Commissioner—

Mr. Read: That is the point.

The MINISTER FOR NATIVE AFFAIRS:—in respect of matters in which I think he has acted with the most earnest desire to be prudent and responsible and even, in the case of one or two men, most generous. The Commissioner has told me that his administration is an open book. He is the kind of man that would do that sort of thing. He said to me, "Anybody can examine any administrative act I have ever done." But I think there is something more than that. I want to know what good purpose would be served by the proposed Select Committee? Only a year ago Mr. Bateman completed his survey, which took him over a year, apart from some time he had to devote to other duties. During his investigations he travelled throughout the whole State from Wyndham in the north to Gnowangerup in the south and from the far east to the coast on the west.

Any Select Committee that would make a report worth while would have to devote the time and energies of its members to an examination of the many institutions in various parts of the State—and it is only 12 months since we had a report from an impartial and capable observer. I do not think—I have the files here and they can be examined by any member—that there is anything in these episodes to cause the slightest doubt regarding the Commissioner's ability, good faith and administrative capacity. I feel he would be best helped—he has not been in his office for even one year since we took him from his post of Assistant Director of Native Affairs in Papua—by the confidence and support of members of Parliament, and of the general public as well, in the big responsibilities to which he is applying himself with very great devotion. In all the circumstances, I feel that no case has been made out for the appointment of a Select Committee. If we appointed a Committee, it would be spending its time in inquiring into the administrative details of a most able and conscientious officer. I hope the House will not accept the motion, but will allow the Commissioner, who has had only one year of office in this State, a reasonable opportunity to show what he can do in the

valuable work which I am satisfied he is carrying out in the interests and welfare of native population.

**HON. A. A. M. COVERLEY** (Kimberley—in reply) [10.41]: I have no desire to burke discussion if any other member wishes to speak, but I do want to reply to some of the statements made by the Minister. I congratulate him upon the very bright case he has presented, particularly in defence of the existing position. According to the Minister and the information he has given to the House, they are all jolly good fellows and there is nothing wrong anywhere. But there is another story to be told by those who have lost their positions.

One statement by the Minister was that he thought I had moved the motion while labouring under a misapprehension. If I am under a misapprehension, I got it from the files of the department. Every accusation I made and all the figures I used regarding the number of lambs, etc., handed over free of charge were given by the Minister or obtained from the files.

The Minister for Native Affairs: The files do not show that.

**Hon. A. A. M. COVERLEY**: The Minister spoke of Udialla Station and I wish to reply to those statements first of all. He gave members to understand that this was a very small station consisting of approximately 3,000 acres. It was selected for an institution, and if we compare its acreage with that of any similar institution in the southern part of the State—Carrolup or Moore River—we shall find they are all on a par in the matter of area. I wish it to be understood that there is ample country available to be taken up by the Government for the institution if it were necessary to enlarge the area. I do not wish to have any misunderstanding on that score. If that was the right place for an institution and it was necessary to increase the acreage, it was quite easy for the Government to do so.

An authority was quoted by the Minister, one that I think may affect the judgment of members, known as the Kimberley Regional Council. He told us that the council had recently recommended that the Fitzroy Crossing area should be selected for a technical school. That is a vastly different thing. I do not want members to be misled

by the fact that the council made a recommendation for a technical school to be established there. Udialla was never mentioned by that body, which probably did not realise when it agreed to the recommendation, that the Government had decided to abandon the place. The council consists of an elected member from each road board in the Kimberleys.

The Minister for Native Affairs: An elected member?

**Hon. A. A. M. COVERLEY**: Yes, and the council forwards suggestions for the development of the Kimberleys. It was amusing to hear the Minister quoting this authority to boost his own case, because the council has met on several occasions, and forwarded any number of resolutions that have never seen the light of day. As a matter of fact, all of them have been vetoed by an inner council in Perth consisting of the Director of Works, Mr. Dumas, and a couple of other gentlemen.

The Minister for Native Affairs: The recommendation was sent on to me.

**Hon. A. A. M. COVERLEY**: But for what purpose? To boost this particular argument! The Minister also gave us to understand that the institution was established for the special purpose of catering for half-castes or natives sent to institutions outside of Broome during the war, and that, when the war ended, they were released and went back into homes of some description in towns like Broome and Derby. That is merely a supposition by somebody. I do not know who suggested it to the Minister, but it is not a fact.

The Minister for Native Affairs: The Deputy Commissioner.

**Hon. A. A. M. COVERLEY**: Well, the Minister was definitely given wrong information. Udialla was selected for an institution with the object of having dormitories erected so that half-caste children particularly would be catered for in the way of primary education and afterwards domestic and manual training. It was selected, not on account of the number of natives quoted by the Minister. He told us the number in the Fitzroy River area and other areas, but the object in establishing Udialla was to have an institutional centre for the whole of the Kimberley area. Therefore, numbers do

not count. In my opinion, numbers are not such an important matter as is the site for the institution.

So Udialla was specially selected as the central area for the whole of the Kimberleys because of its ability to produce the requisite food. When establishing an institution for some hundreds or even thousands of natives, the first essential is to have an ample water supply and to be able to make the institution self-supporting. This essential should be followed by providing opportunities for the natives to be educated and taught to grow vegetables while the girls could be taught to manufacture jams, pickles, etc. This can be done at Udialla without the need for any irrigation scheme. If any other area were selected, the first necessity would be to ensure that there was an ample water supply.

The Minister for Native Affairs: There is a site on the Fitzroy River.

Hon. A. A. M. COVERLEY: That site has never been tested for water; we do not know whether it will prove to be fresh or salt. That again is supposition on somebody's part. Udialla was purchased during the war and, owing to lack of material and manpower to carry on the institution, its development was postponed until a favourable opportunity presented itself. It is not consistent of the Minister to show such readiness to accept the report of the new Commissioner, who has not had time to investigate the position thoroughly, as against the considered opinion of the previous Administration that made this selection. The Minister said that the Commissioner of Native Affairs had received advice from the local pastoralists.

Surely members will realise that pastoralists adjoining a station like Udialla would have no desire to see it developed as a native institution. As a matter of fact, I think the Minister might have read the rest of the report by the new Commissioner, who said in effect that Udialla was only a sanctuary for natives and that the natives had become dissatisfied with their employment on the station. In plain words, it was not satisfactory to the pastoralists in that district to have the institution carried on. I hope members will not be influenced by the information that the Minister supplied with respect to Udialla not being a suitable place. Firstly,

there are other influences which desire Udialla to be closed; secondly, the natives who were referred to as going back to homes did not do so.

Another matter that requires consideration is the segregation of half-castes and full-bloods. The Minister knows well that there is quite a number of both half-castes and full-bloods at Moola Bulla at present. In my opinion it would be both foolish and uneconomical to have an institution for both classes at Moola Bulla, because it would be necessary to send the half-castes to some institution to be educated and cared for. Those half-castes, together with various others that are on stations throughout the East Kimberleys, are collected occasionally and forcibly sent to some mission for education and care. There is ample scope and opportunity for a Government institution to cater for the natives who are not being cared for at the moment and have not been since war broke out. The missionary at Moola Bulla left and has not returned. According to the Minister's own figures, 101 natives, including children, were living at Udialla when the transfer took place.

The Minister for Native Affairs: On the 7th October.

Hon. A. A. M. COVERLEY: Tonight the Minister informed us that in the transfer to La Grange Bay there were only 46. I want to know what has become of the others, the difference between 46 and 101, as I am informed on good authority that only nine natives were sent back to stations. I think those figures should be checked.

The Minister passed some remarks about the house at Udialla when speaking of Mr. Smith's transfer. It was never intended that Mr. Smith should be transferred until the institution had been developed. There was no house, only a camp at Udialla. The Minister laid great emphasis on the fact that the sheep were dying. He referred to this subject on three occasions in order to prove the necessity for selling the sheep. I wish to explain to members—particularly Country Party members, who understand sheep perhaps better than their fellow-travellers, the Liberals—that Udialla was purchased from an old man, over 70 years of age. He was slightly near-sighted and slightly deaf and these sheep had got beyond his capacity. The natural consequence was that the sheep were old and there was

lack of fresh blood. In fact, there was quite a lot of culls when the Government took over the station; but that state of affairs did not continue because the Government purchased 15 pure bred rams which were sent up at the rate of five per year.

Mr. Bromby's report about the deaths of sheep was natural enough, but these were the old sheep taken over from the vendor of Udialla. Of course they were dying off; any farmer would understand that. He merely made such a report to protect himself, as he wanted some developmental work to be done. He wanted paddocks to protect the sheep from dingoes. The old fencing was weather-beaten and had fallen down. Much work would have had to be done to put the property in order. Similar reports are made by station managers. When reporting, they ask the directors to have fences repaired and water supplied; they point out that cattle are dying from want of water. Managers of sheep stations make similar reports. My complaint is that the sale of these sheep was made hastily. The Commissioner of Native Affairs was misled by reading reports on something he knew nothing about and did not understand, but which he accepted hook, line and sinker.

The station was not a tragedy, as stated by him. The Commissioner came to the conclusion that the sheep ought to be sold immediately. Had he understood the position, he would have known that ewes with lambs were not dying. I would not say that ewes carrying lambs were on the verge of death. The sheep were of a good class because of the influx of new blood that had been introduced. The Minister should have asked himself why the next-door neighbour wanted to buy the sheep, notwithstanding that the season was a bad one. He should also have asked questions about the rainfall. These sheep were sold on the 18th December. For the benefit of members, I may say that Udialla is between Derby and Fitzroy Crossing. In the month of December Derby got 166 points of rain and Fitzroy Crossing 303 points. In January Derby had 178 and Fitzroy Crossing 246. The purchaser of the sheep asked for an early reply on account of the river rising.

The person in charge of Udialla could write to the Commissioner of Native Affairs stating that he was able to hand over the sheep immediately as he had, being

afraid of the river rising, taken the precaution of mustering and paddocking them in the home paddock so that they would not be washed away in the flood. There was consequently no time to call for tenders or to hold an auction sale. The only offer received was one of 15s. per head and it was accepted. Surely that in itself is entirely wrong. I am not satisfied with the Minister's explanation that the sheep were shorn in November. No shearing takes place in that month.

The Minister for Native Affairs: We got £1,200 for the wool.

Hon. A. A. M. COVERLEY: That was the previous year, do not forget. The shearing started in April, a long time before November. If the figures I gave with respect to lambs were incorrect, that was not my fault as the Minister, when answering my question as to the number of unmarked lambs that were handed over, told me there were 216.

The Minister for Native Affairs: That was the total number of the lambs.

Hon. A. A. M. COVERLEY: That was the only misleading information I used. One other point; Mr. Bromby, the man who was in charge of the station, offered the purchaser 5s. per head on his bargain. He offered the purchaser £1 per head for the sheep. Of course, the purchaser did not accept that, and I do not blame him.

Why would the man in charge of the property offer him £1 a head for them if they were dying, if there was no feed to keep them going? This person has no country; but he knew officially that the Commissioner of Native Affairs would recommend that the place be closed down when he went back to the city, and that the Minister would accept the recommendation. So what he was going to do was to make application to rent the place and carry on the sheep. Those are the facts and I want a Select Committee to find out who has been giving all this misleading information to the Minister. Surely we are entitled to know that.

Hon. A. R. G. Hawke: Why the Minister has allowed himself so easily to be misled.

The Minister for Native Affairs: Few people have been less misled. I have not even been misled by the hon. member.

Hon. A. R. G. Hawke: They pulled the wool over the Minister's eyes.

Hon. A. A. M. COVERLEY: This idea of getting an Agricultural Department officer to travel up there and inspect Udi-alla, has only been put into operation since the motion was lodged.

The Minister for Native Affairs: No.

Hon. A. A. M. COVERLEY: Yes.

The Minister for Native Affairs: It was done many months ago.

Hon. A. A. M. COVERLEY: Nothing was said about the Agricultural Department until after the motion was lodged.

The Minister for Native Affairs: It was proposed many months ago.

Hon. A. A. M. COVERLEY: A week afterwards it was announced that the Under Secretary for Agriculture had gone to make an inspection.

The Minister for Native Affairs: I arranged that myself months ago.

Hon. A. A. M. COVERLEY: I am not fearful of his report because I know what it will be. The Minister informed the House that no sheep were drafted into the stud paddocks. I cannot vouch for that being the truth. I was not there and did not see it. But we will get the truth if this Select Committee is appointed. I guarantee that. In my opinion it happened, because the information I got was fairly reliable; and I know from my own experience and knowledge that there were very few old sheep in the batch sold. I was at Udi-alla myself in September so I do know that the sheep were in exceptionally good condition. There was no starvation as suggested. There certainly was erosion, and the sheep certainly did drift on to other people's country because the station was not fenced. How is one to keep sheep on one's own property when it is not fenced?

Mr. Yates: What do you consider the correct value of the sheep should have been?

Hon. A. A. M. COVERLEY: Thirty-five shillings.

The Minister for Native Affairs: In the wool?

Hon. A. A. M. COVERLEY: Yes. What is more, I know pastoralists who have bought old culled ewes off shears recently for 7s. 6d. a head. That is what has to be

paid for them; and to buy a ewe, even if it is only in half wool, for 15s.—and I say a good ewe, on the young side—well, there is a vast difference in what they did pay and what they should have paid.

The Minister for Native Affairs: I think Mr. Rose said that 400 were old ewes.

Hon. A. A. M. COVERLEY: I think Mr. Rose has had a lot more experience of sheep than I and might know where he can buy sheep for 7s. a head, but they would be very old culled ewes at that price. The Minister is a bit inconsistent because he is prepared to spend quite a considerable time in giving us the facts concerning all these officers that I termed importations, and telling us that they have a great knowledge of the natives and so forth, and is willing to accept the Commissioner's recommendations regarding the sheep and the closing of Udi-alla and other things, when the Commissioner has had only a very short time in Western Australia and spent no more than a fortnight in the whole of the Kimberleys. He accepted the Commissioner's recommendations; but by interjection, during a discussion on the Black Diamond leases, he was not prepared to accept the expert opinion of Mr. Johnstone. If my memory serves me right, he said that Mr. Johnstone was a stranger to Western Australia. He may have been, but he was not a stranger to the coal industry. If the confidence the Minister displayed in the Commissioner of Native Affairs was justified, then the same confidence should have been shown in the Commissioner who inquired into the coal industry. We should have a bit of consistency.

I know it is late and members are looking black, and I do not propose to speak at any great length. I think I have established a case and indicated that there was ample time and opportunity for the calling of tenders for the sale of the sheep, if not to sell them by auction. There was no need for the haste that occurred. In reference to the various gentlemen to whom I referred, my complaint is that we were prepared to allow importations to be made without consideration being given to our local men. I was of the opinion that it was necessary for persons holding these positions to have some knowledge of our local natives, because of their peculiar characteristics. They are a nomad race and entirely different from the community type of New Guinea.

The Minister for Native Affairs: You have not seen the applications for those jobs.

Hon. A. A. M. COVERLEY: I have not. But I do know—at least I think I know—that some senior officers applied for but did not get them.

The Minister for Native Affairs: Not from the department.

Hon. A. A. M. COVERLEY: Yes, from the department. I do not know, but I think a Select Committee would get that information. I have been told on good authority that some officers did apply and none got the positions. The Minister says they did not. He should know because he saw the applications and I did not. But I am still of the opinion that some senior officers of the department did apply but were unsuccessful; why, I do not know. Various officers have been referred to by name. For instance, there is Mr. Martin. He has a very different story to tell from that which the Minister told and I have every confidence that Mr. Martin believes that what he told me was the truth. What the Minister read out tonight may be part of the truth, but I am sure it is only part. I am satisfied that the real reason Mr. Martin gave up the job was that he was dissatisfied with the harassing he received. I am not the only member of this House who knows of other cases in which officials of the department have been retrenched who had a chip on the shoulder, a grievance, and felt that they did not receive fair treatment. I am satisfied that if a committee is appointed Mr. Martin will be able to give a different side of the story from that which the Minister has supplied.

In reference to Mr. Connors, I still think he had a grievance. I differ from the Minister. I do not think the Minister made out a case to justify the belief that Mr. Connors was the cheeky person and that the Commissioner was the aggrieved one. I do not think I would care to receive a wire suggesting that I was to be handed over as part and parcel of the fittings and furniture of a native hospital. The Minister claims that Mr. Connors was warned about this by the Deputy Commissioner. Mr. Connors denies that, and that there was a conversation of any description about the transfer. In fairness to Mr. Connors, he ought to be given an opportunity to refute that allegation. But the Minister said that by

Mr. Connors referring to the fittings of the department, he threw down the gauntlet. I am rather inclined to argue that way in favour of Mr. Connors. I think, on the wire sent to him, he was entitled to say, "If I am transferred, I ought to have a say in it, and to know what the new position will be in comparison with my present one." The matter of confiding in Dr. Saint is only supposition on the part of the Commissioner of Native Affairs. Connors denies that. We should have a committee to find out who is telling the truth.

The Minister led the House to believe that everything was in apple-pie order as far as Mr. Smith was concerned, and that it was unfortunate that Mr. Smith's services had to be dispensed with. He then said that at the first opportunity the Commissioner brought him back again, and did everything he possibly could to fix him up in some other Government department. Mr. Smith denies that. Let us have an inquiry and see who is telling the truth. Mr. Smith had some conversation with the Public Service Commissioner, and when he asked why he could not be transferred to some other position he was told that there was no other position. The department knew full well of the other vacancies which occurred, but no-one said to Mr. Smith, "We will try to fit you in to one of these."

The Public Service Commissioner said that the vacancies were in other departments, and that he would have to fend for himself as he could not be transferred. It was unfortunate, too, that Mr. Smith had some employees causing trouble while working with him. The Minister has said that Mr. Smith was held responsible. I suppose that was so, in accordance with his position. But should Mr. Smith stand guard all night over these native women, and walk around from dusk to daylight with a fixed bayonet? It is a lot of rot.

The Minister for Native Affairs: I said quite clearly that these things happened in spite of the superintendent.

Hon. A. A. M. COVERLEY: I want to remind the House of my charges. I stated first of all that I objected not to the character or the ability of the people who got these positions, but to their having preference over Western Australians when I

knew there were any number of young men in this State who could carry out these duties. The Minister's reply was a long statement as to the ability of these people in New Guinea and Papua, that they worked for the Commonwealth Government and were recommended by Dr. Elkin. Are those recommendations beyond those of the Western Australian applicants? Of course not! I do not argue that they have not ability in their own sphere, but I do claim that they have no knowledge of the natives in Western Australia. The Minister also tried to make out that some of our appointees had no special knowledge of natives. There again, information on his part is lacking. Mr. Smith, to whom he referred as an ex-policeman, had experience on the Gascoyne and the Roebourne districts sheep stations as a lad before joining the police force, and he had a lot of experience at Christmas Creek and on the Gogo cattle station in the North. He had had ample experience of natives. Mr. Connors, I do not know very well. I understand he was a new man in the department. He carried out his duties exceptionally well while he was there.

The only argument the Minister used in connection with the closure of Udiulla was that there was a recommendation by the Kimberley Regional Council to have a technical school. But that is no real argument in favour of the closure of Udiulla. The Minister, of course, excused the sale of stock. That is all. He did not give any sound reason for it, apart from the information supplied to him. I think I have given enough evidence to show that the information was misleading. I pointed out that the sheep were not starving. Some were ewes with lambs, which is proof that they were not starving. The stock he referred to was some of the old stuff we had taken over with the property.

I also pointed out that the rainfall, both in December and January, was enough to scare both the purchaser and the seller into thinking that they might be caught by floods. When rain starts in the Kimberleys there is no starvation for stock. It is marvellous how that country responds to a drop of rain. If this Government is going to allow administration of that description,

by selling stock, plant and other things belonging to the taxpayers, without calling tenders, I hope I shall again become a Minister of the Crown so that I shall be able to do something about it.

Question put and a division taken with the following result:—

Ayes	..	..	..	22
Noes	..	..	..	23
				—
Majority against	..			1
				—

#### AYES.

Mr. Brady	Mr. Needham
Mr. Cockerley	Mr. Nulsen
Mr. Fox	Mr. Oliver
Mr. Graham	Mr. Panton
Mr. Hawke	Mr. Read
Mr. Hegney	Mr. Reynolds
Mr. Hoar	Mr. Sleeman
Mr. Kelly	Mr. Styan
Mr. Marshall	Mr. Tonkin
Mr. May	Mr. Triest
Mr. McCulloch	Mr. Rodoreda

(Teller.)

#### NOES.

Mr. Abbott	Mr. Murray
Mr. Ackland	Mr. Nalder
Mr. Bovell	Mr. Nimmo
Mr. Cornell	Mr. Perkins
Mr. Doney	Mr. Seward
Mr. Grayden	Mr. Shearn
Mr. Hall	Mr. Thorn
Mr. Hill	Mr. Watts
Mr. Leslie	Mr. Wild
Mr. Mann	Mr. Yates
Mr. McDonald	Mr. Brand
Mr. McLarty	

(Teller.)

Question thus negatived; the motion defeated.

### DISCHARGE OF ORDER.

On motion by Mr. Wild, the Companies Act Amendment Bill (No. 1) was discharged from the notice paper.

*House adjourned at 11.22 p.m.*