

Queensland



Parliamentary Debates  
[Hansard]

**Legislative Assembly**

**THURSDAY, 27 AUGUST 1925**

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## THURSDAY, 27 AUGUST, 1925.

The SPEAKER (Hon. W. Bertram, *Marce*) took the chair at 10.30 a.m.

## QUESTIONS.

COST OF CONSTRUCTION OF MAIN ROAD FROM SOUTHPORT TO BURLEIGH HEADS.

Mr. TAYLOR (*Windsor*) asked the Secretary for Public Lands—

“1. What was the estimated cost of construction of the road from Southport to Burleigh Heads?”

“2. How much money has been expended on the road to 31st July last?”

“3. What is the estimated cost of the completion of the road?”

“4. Is it correct that the Main Roads Board has decided to discontinue the completion of the road by day labour?”

“5. Has a contract been let to a private firm to complete the construction of the road?”

“6. If so, what is the name of the firm who has secured the contract?”

“7. What is the amount specified in the contract for the completion of the road?”

The ATTORNEY-GENERAL (Hon. J. Mullan, *Finders*), for the Secretary for Public Lands (Hon. W. McCormack, *Cairns*), replied—

“1. £13,165.

“2. £69,370.

“3. £8,410.

“4. No. The work is being carried out by the Lands Department by day labour.

“5. No.

“6. See answer to Question 5.

“7. See answer to Question 5.”

TREATMENT OF AGED INMATES OF DUNWICH.

Mr. KING (*Logan*), for Mr. Moore (*Aubigny*), asked the Home Secretary—

"1. Is it a fact that old people at Dunwich who become childish and at times, a little troublesome, are placed in Ward No. 14 under lock and key?

"2. Are there thirty-eight beds in this ward and a table up the middle at which these old people have their meals, though the size of the ward is only suitable for thirty-two beds without any table?

"3. What class of patients is confined in this ward?

"4. Are they thus confined for life without inquiry and with little chance of appeal to any authority?

"5. Are the conditions in this ward as to clothing and accommodation such as to provide reasonable comfort for the inmates?"

HON. T. DUNSTAN (*Gympie*), for the Home Secretary (Hon. J. Stopford, *Mount Morgan*), replied—

"1. The inmates who are put in this ward are dangerous to themselves or others.

"2. The ward is quite suitable for the use to which it is put.

"3. See No. 1.

"4. It is not compulsory for any inmate to remain in the institution.

"5. Yes."

PETITION TO ARBITRATION COURT FOR REDUCTION OF BASIC WAGE IN 1922.

Mr. CORSER (*Burnett*) asked the Premier—

"1. Is it not a fact that the reduction of the basic wage from £4 5s. to £4 per week in 1922 was brought about by a petition to the Arbitration Court by the Government, and that such petition was signed by the Ministers in charge of the various departments?

"2. Is it not also a fact that the money saved to the Government by its action in securing a reduction of the workers' wages provided the fund necessary to enable it to finance the 44-hour week?

"3. What was the total savings to the Government in the reduction of the basic wage?

"4. What is the total increased cost to the Government of the 44-hour week conditions?"

The PREMIER (Hon. W. N. Gillies, *Eucham*) replied—

"1. No.

"2. No.

"3 and 4. The information will be laid on the table of the House when obtained."

RAILWAY CRISIS—SAFEGUARDING OF PUBLIC INTERESTS.

Mr. KING (*Logan*), without notice, asked the Premier—

"In view of the statements in the Press this morning relative to the railway crisis, will he give an assurance that the interests of the public, the primary producers, and those engaged in other industries and businesses will be safeguarded?"

The PREMIER (Hon. W. N. Gillies, *Eacham*) replied—

"The hon. member for Logan has courteously notified me in regard to this question, and I am pleased to be able to inform him that the Government have taken immediate steps with a view to ending the dispute."

PAPERS.

The following papers were laid on the table, and ordered to be printed:—

Report, together with minutes of evidence of the Commission of Inquiry into the Traveston railway accident.

Second annual report on operations under the Unemployed Workers Insurance Act of 1922.

MINING ACTS AMENDMENT BILL.

INITIATION.

The SECRETARY FOR MINES (Hon. A. J. Jones, *Paddington*): I beg to move—

"That the House will, at its next sitting, resolve itself into a Committee of the Whole to consider of the desirability of introducing a Bill to further amend the Mining Acts in certain particulars."

Question put and passed.

WORKERS' HOMES ACTS AMENDMENT BILL.

INITIATION.

The SECRETARY FOR PUBLIC WORKS (Hon. M. J. Kirwan, *Brisbane*): I beg to move—

"That the House will, at its next sitting, resolve itself into a Committee of the Whole to consider of the desirability of introducing a Bill to amend the Workers' Homes Acts, 1919 to 1922, in certain particulars."

Question put and passed.

SUGGESTED FEDERAL CONTROL OF STATE DEPARTMENTS OF AGRICULTURE AND STOCK.

RESUMPTION OF DEBATE.

On the Order of the Day being called for the resumption of the debate on Mr. Corser's motion—

"That, in the interests of the development of the Commonwealth and the stimulation of production, thereby increasing our national wealth, and in order that effective measures may be taken to ensure to those engaged in rural pursuits a reasonable return for their labour by the sectional organisation of marketing both at home and abroad on a Federal basis, by means of tariff considerations and bounties, when advisable, on exported surplus primary products, by Federal advances to settlers, and, generally, by making possible those benefits which are now denied to primary producers owing to constitutional obstacles, it is desirable that consideration be given to the advisability of vesting the control of the Agriculture and Stock Departments of the various States

in the Federal Parliament"—on which Mr. Smith had moved that the question be amended by the omission of all the words after the word "labour," on line 5, with a view to the insertion, in their place, of the following words:—"This House is of opinion that the Commonwealth Bank Act should be so amended as to provide for the financing of pools organised by primary producers under the Queensland Primary Products Pools Act or any similar statute. That portion of the Commonwealth Consolidated Revenue should be earmarked for the payment of bounties on crops with a view to stimulating new avenues of production, and for the development of additional markets for Australian products"—

Mr. PETERSON (*Normanby*): I desire to support the motion moved by the hon. member for Burnett, and also to make some comments on the remarks made by the Secretary for Agriculture when moving his amendment. I take it that the hon. member for Burnett moved this motion in view of the fact that for years past the primary producers of this State have suffered many disadvantages as a result of the competition among the various States. The other States of the Commonwealth at various times have dumped their produce in Queensland, thereby bringing the price of local produce below the cost of production in many instances.

During the last three years we have passed several measures designed to better the condition of the primary producers. In the first place, we had what is known as the Council of Agriculture scheme, whereby we were led to believe—and many of us hoped that the prognostications would have come true—that the primary producers' lot would be considerably relieved. Many of us on the occasion when that scheme was before the Chamber stated clearly and precisely that, while we favoured the measure, we did not see any hope of success, inasmuch as the scheme did not in any way make for a Federal scheme. The present Premier, who was then the Secretary for Agriculture, in reply to an interjection at that period, said that the Government hoped at some future date to be able to make it a Commonwealth scheme on a change of Commonwealth Government. It rests with the electors of Australia as to whether there is to be a change of Government in the Commonwealth, but apparently the fact of having to wait for the future to get the benefit is simply a waste of time. The hon. member for Burnett is of opinion that we should surrender the powers of the Department of Agriculture to the Federal authorities, and once those powers are surrendered the Federal authorities will be in a position, provided the other States come into line, to give effect to the wishes of the primary producers which are being met in the Bill brought forward by the Secretary for Agriculture the other day.

At 10.43 a.m.,

The CHAIRMAN OF COMMITTEES (Mr. Pollock, *Gregory*) relieved the Speaker in the chair.

Mr. PETERSON: The reason why other hon. members and I favour the motion is this: You may have commodity pools brought into existence, but hon. members opposite have not yet proved to us, nor have the past two years of the operation of legislation proved, that the producers can thereby get a better price for their produce. There

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must be some reason why we cannot get prices in accordance with the cost of production, and the major reason is that this State is so isolated that the other States can swamp us at certain periods of the year.

Take the working of a commodity board in connection with butter, for instance. It may pass a regulation that the price of butter is to be increased by a certain percentage. We know that under Federal law the New South Wales and Victorian butter people, if the price is favourable—that is if the increase of, say, 2d. a lb. which has been granted permits of it—can send their produce to Queensland, and the State Government cannot prevent it. They cannot prevent the produce coming over the railways in the same way as the Queensland Government have prevented our producers sending produce to the Southern States. That shows conclusively that, unless some other steps are taken, no matter what measures we pass here the primary producer cannot get that relief which the Government evidently are anxious to give him. Consequently, this motion asks that the Government will consider the advisability of handing over the control of the Department of Agriculture of Queensland to the Federal authorities as a precursory step to the other States handing over their respective departments and the combining of the Departments of Agriculture of the different States under Commonwealth control. If this takes place I am confident that other States will come into line, and we shall find that the producers will be able to take full advantage of the machinery which this Parliament has given to the primary producers during the past few weeks.

The motion of the hon. member for Burnett is quite concise. It refers to the "constitutional obstacles" which prevent primary producers in Queensland reaping a reasonable return for their labour. I think the hon. gentleman in charge of the Department of Agriculture will recognise that these obstacles really do exist. Unfortunately we in Queensland suffer far more from drought conditions than the producers in the Southern States, and as a consequence we are not permitted even by the establishment of commodity or similar boards to get any advantage from drought prices, because the Southern States can dump their produce here without let or hindrance for the simple reason that Queensland is a part of the Commonwealth.

Hon. members will see that the motion does not propose that Queensland alone should hand over its powers. We realise that that would be useless so far as the federalisation of the agricultural system is concerned, consequently the motion is quite broad. It makes the stipulation that, when the other States come into line, that can happen; but that until they do so we shall paddle our own canoe. The motion is merely a direction to the Government—seeing that they have by various measures tried to secure better prices for primary products—that they should go a step further and attempt to make the scheme Federal, and thus give to the producers that which various Acts of the Queensland Parliament have already set out to do.

One of the main reasons why we should support the proposal is this: We find that Victoria is always aiming to underquote Queensland on our markets at certain periods of the year, not only for butter and cheese and similar products, but also for chaff and

that class of commodity; and the Government of Queensland have no power to prevent that competition. So we seek to get over the constitutional difficulty by asking the Government to take the matter up with the Federal authorities as a precursor to the other States doing likewise.

In order to circumvent the motion, the hon. gentleman in charge of the Department of Agriculture moved an amendment. I cannot understand his action, for the reason that it is not going to get the producer any nearer to a better price than he gets at present in view of the Southern competition at various periods, the effect of which his department has admitted. Moreover, the Federal Government lately anticipated the hon. gentleman by passing the third reading—which practically means the passage—of the Rural Credits Bill, in which they propose to give full effect to the proposals of the amendment. The hon. gentleman suggests that “the Commonwealth Bank Act should be so amended as to provide for the financing of pools organised by primary producers under the Queensland Primary Products Pools Act or any similar statute.” That has already been accomplished by the Federal Government, consequently the hon. gentleman’s objections to the motion should not commend themselves to the House. But I intend to deal with the Rural Credits Bill to show that even it is not going to benefit the primary producer to the extent that the motion of the hon. member for Burnett would.

It is proposed in the Bill to amend the Commonwealth Bank Act passed by the Federal Parliament yesterday to convert the bank into a bank of issue, reserve, discount, and exchange, and also to establish a rural credit department. As I have already stated, the Commonwealth Government have anticipated the Secretary for Agriculture, and are placing on the statute-book the very things sought by the amendment, but even that action is not going to get over the difficulty of low prices to the producer. The Commonwealth Government could pass fifty-five Acts, and do what they like in the direction of amending the Commonwealth Bank Act. The trouble to-day appears to be the constitutional difficulties which permit of the other States dumping their produce in Queensland to the great disadvantage of the primary producers of Queensland. We as a State and the representatives of farming constituencies for a long time past have realised these disabilities; and we are not acting to the detriment of any other section of the community when we appeal for a fair return to the farmer for his products. It has been admitted by the leader of the Government and the Secretary for Agriculture that the farmer is not getting the full return for his activities, and there must be some reason for it. I am not going to say that the Government are all to blame for the farmer not obtaining the full result of his industry. The reason why the producer is not able to obtain the full result from his industry is not due to the failure of the scheme constituting the Council of Agriculture; it is not due to the failure of any scheme constituting commodity boards; but it is due to the constitutional difficulties which hinder Queensland and allow Southern competitors to dump their produce in this State. To overcome that difficulty, the motion proposes that we, in consonance with the other States, should hand over our Department of Agriculture

to the Federal Government, so that we can have a federalised scheme to assist producers as one body throughout the Commonwealth. It is my opinion that until that time arrives the producers cannot expect to better their conditions in any way whatever. They cannot expect to better their conditions until the time arrives when they are able federally to deal with their agricultural problems.

I have already mentioned that the Rural Credits Bill has been passed by the Federal Government. This Bill aims at giving the organised producer freedom in the control of his produce. It aims to give him absolute freedom of control during the entire period of its distribution throughout the year. It not only aims at protecting the producer, but it aims also at protecting the consumer. The consumer, who is the purchaser, has every right to be considered when measures of such a nature are going through any Parliament.

Mr. PEASE: The Federal Government adopted the Labour party’s amendment.

Mr. COSER: Why did the Labour party oppose the scheme?

Mr. PETERSON: If the hon. member for Herbert is correct in his statement that the Labour party’s amendment was accepted by the Federal Government, it shows that the Federal Government are much more liberal in accepting amendments than the present Government of Queensland.

Mr. PEASE: They are frightened of the people.

Mr. PETERSON: If two years ago the Queensland Government had accepted certain amendments from this side when the Primary Producers’ Organisation Bill was being discussed, it would not have been necessary for the Government to introduce the amending Bills that we discussed a few days ago. Immediately the primary producers’ organisation scheme was introduced we told the Government that we could not hope for any measure of success from that legislation. I was one who told them that the scheme could not be made a success until we had a scheme operating throughout the Commonwealth. My words have come true. I do not propose to be a know-all, but I have a little intellect, which convinces me that the only hope for, and the only salvation of, the primary producers is in having a Federal scheme. The Queensland Government have provided certain legal machinery for the farmers, but we should go a step forward and enable the farmers to obtain full advantage of that machinery by embodying it in a Federal scheme dealing with the agricultural industry of the Commonwealth.

Mr. W. COOPER: Does the hon. member desire control from Melbourne?

Mr. PETERSON: No. The hon. member for Rosewood knows that, when there is a dispute in the Commonwealth extending beyond the confines of any one State, the Federal Arbitration Court can take cognisance of such dispute and deal with it accordingly. So far as the earnings of the primary producer are concerned, he cannot come into a court, because there is no machinery provided to enable him to do so. Consequently we are asking in effect to be placed on the same level as unionists who are concerned in a quarrel which extends beyond the border of any State. In asking for that we are hoping to get the support of hon. members opposite, particularly those representing country districts. The Com-

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monwealth Rural Credits Bill makes provision for the consumer also. It makes provision whereby, if the producer neglects so to do, the consumer can build up a reservoir of necessities of life, and then adopt a system of even distribution throughout the year. By the regulation of the market that is what the Federal system will do. The producer will be able to get a better price for his produce, and the consumer will be protected. The consumer, consequently, will have nothing to fear under this Federal scheme. He has as much right to be considered as the producer.

Consideration has also been given by the Federal Government in the scheme for the elimination of waste. If the producer and consumer are brought together, as the Bill intends, there must be an elimination of some waste. At times there is a considerable amount of waste of produce between the time it is marketed by the producer and the time it reaches the consumer. It will therefore be seen that the Bill will be in the interests of both the producer and the consumer. When we speak of the primary production aspect we must realise that we are not speaking for a tin-pot circle at all, but we are speaking for the Commonwealth as a whole.

The figures in relation to primary production in the Commonwealth show that it amounts to nearly three-quarters of the total production of Australia. In 1924 the value of primary production in Australia was £270,670,000 out of a total production value of £32,000,000 for the whole of Australia. Consequently, when we appeal to Parliament to render every assistance to the primary producers of this State we are appealing on behalf of a body of men who are responsible for three-quarters of the production of the Commonwealth. Valuable as secondary industries may be, they take a second place—and a poor second place—to primary production.

Then again, we have been for years desirous of building up an export trade. What department of industry does the most exporting? Is it the secondary industries which export the most? No. Our figures show that of the total amount of primary products exported last year 96 per cent. of the value in money represented primary products. That must convince hon. members that, when we are asking for a scheme of this kind, we are asking in effect for measures by which these exports will be doubled. We are asking that primary production shall be made so attractive in Queensland that, instead—as in my electorate and in many other electorates—of young fellows wanting to go from the land into towns to get positions in the Railway Department and other places, they will want to stay on the land. Any scheme that will bring that about should have the hearty support of all hon. members, irrespective of what party they belong to. The motion aims at bringing this about; and in bringing this about we shall do something materially to assist the interests of Queensland. I have given proof of the value of primary production to the Commonwealth, and I have also shown by figures that the value of primary production exported last year constituted 96 per cent. of our exports. Consequently, we are seeking to assist a very big industry, although a poorly paid industry, and it is to try and make it a little more remunerative that the House has been asked to consider this motion.

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One patent factor that stands out more than any other in this motion, if given effect to by all the States, is that it would make for more continuous and regular employment.

After all, one of the greatest bugbears from which the Commonwealth and the State can suffer is the bugbear of unemployment. No matter how ambitious may be our schemes, the fact remains that the cancer of all industrial trouble is that of unemployment. That cancer should be removed so far as is possible by scientific [11 a.m.] methods, and I know of no better method than that of encouraging people to go on the land. All our theorists and economists agree that that is the best ideal a State can achieve.

Hon. members may be able to prove that in the aggregate agriculture has succeeded; but we have to deduce our basis from other things having nothing to do with wool, butter, or agriculture in any shape or form. If one goes carefully through the statistics for last year, he will find that the producers received such a low price for their cream that many will have to go out of business altogether. I know many hon. members opposite do not desire those people should be forced out of business; that they desire that they should get better prices for their product. Being on common ground there, why can we not go a step further and get the whole machinery for handling primary production placed in the hands of the Federal authorities, and evolve one great federalised scheme? Our object is not to mulct the consumer, but merely to secure for the primary producer a fair result for his industry, and that can be achieved by federalisation.

I referred to the question of regular employment. If we can find, apart from the motion of the hon. member for Burnett, any natural means to bring about an increase in the amount of agricultural production and an increase of secondary industries, such a policy would result in continuous and regular employment. We must admit that increased agricultural production would be a precursor to the financing of our secondary industries and the lessening of taxes on industry. Undoubtedly in the cities we depend largely on the continuous producing power of the country. To prove that contention let us hark back to our drought periods. Immediately a drought strikes Queensland—and unfortunately that occurs at comparatively frequent periods—there is a slackening of work in the cities, and thousands are thrown out of work due to that condition of drought. Whilst I admit that no Government can prevent droughts, through a federalised system of organisation and marketing we can prevent our producers being handicapped when they have a surplus in good seasons, thus allowing them to make provision for drought periods.

Take the awards of our Arbitration Court in connection with wharf labourers and other industrial bodies. Such a body would contend that the earnings for a year were so much, covering possibly only 165 or 200 days in the year. The judge invariably fixes his award on a fair average over the whole period. Primary producers do not get that consideration. If, as frequently occurs, primary producers have too great a production on the market, a glut is created, and these farmers still have to get their stuff away. Hon. members know that time

after time produce has been practically given away and debit account sales have been sent back to the producers, simply because we are not in the position to control our output effectively. That could be achieved if we had a federalised system. We cannot deal with it for the simple reason that, no matter how the Government may act with regard to local produce, the Southern people in a prolific season will dump their produce here and take advantage of the local prices.

Mr. W. COOPER: That is not possible.

Mr. PETERSON: It is no good the hon. member saying it is not possible. Unfortunately it is too often possible, and it is this possibility that we want to do away with. This is not a party matter. I am trying to explain what I believe to be in the interests of my electorate and the interests of the people of Queensland.

The SECRETARY FOR MINES: The method of distribution is wrong.

Mr. PETERSON: The method of distribution may be wrong, but there has been ample opportunity during the past two and a-half years, under the scheme which the hon. gentleman and others have supported, to rectify the method of distribution. But the method of distribution has not been altered for the simple reason that, if you do improve distribution, you have still to face Southern competition, and the hon. gentleman cannot get over it until we have a Federal board dealing with the whole matter.

I was dealing with the earning power of the people in the country and trying to show that a diminution in the earning power of the people in the country is reflected in the cities. That has been proved over and over again, because, after all, if our primary producers are doing well in ordinary times, everybody in the city—business people in particular—are doing well, and the workers, by getting more work, are receiving a certain amount of the benefits. That power can only be increased by the regular and orderly marketing of our produce.

I quite agree with the remarks of the Secretary for Mines in regard to distribution, but we cannot deal with that matter as a State; that is the trouble. The constitutional difficulties are there. The hon. gentleman knows that, and until we have a power that will give us regular and orderly marketing of our produce we must always be the catspaw of the other States. It is "up to us" to do a little bit for Queensland.

The SECRETARY FOR MINES: Neither can we fix prices.

Mr. PETERSON: The Secretary for Mines has raised the question that we cannot raise the price of butter. That is just my contention. Although it was done some few years ago—disastrously—the hon. gentleman knows that, if the Commissioner of Prices were to raise the price of butter by 2d. a pound, the Southern people would dump their butter into the State immediately.

The SECRETARY FOR MINES: I am speaking of the Home market.

Mr. PETERSON: The Home market could be better dealt with through a Federal system than by each of the States separately. As I mentioned before, that

power can only be gained by regular and orderly marketing of our produce. In effect, that is what the motion stands for. The hon. gentleman need not take my word for this at all. Past events have proved that. The hon. gentleman and his Government inaugurated the Council of Agriculture to give the farmers better prices. The necessity for the Government introducing certain measures during the past week to give greater powers to that particular Council has shown the futility of past efforts. Why should we dabble with failures? Let us go ahead and try and deal with something that will be successful, and something that will be for the benefit of the primary producers, and incidentally for the benefit of those who work in the city. We have to recognise that it is not a bit of good for us to deal directly in this matter. Sooner or later the Government will have to realise this, and it would stand to the credit of the Government if they supported this motion and let the Federal authorities know that Queensland is prepared to surrender her powers in this regard, as a precursor to the other States surrendering theirs, and placing the power in the hands of the Federal Government, so that the producers would secure, if not the full results of their labour, at least a reasonable return for their industry.

The Commonwealth Bill providing for rural credits—which is aimed at in the amendment of the Secretary for Agriculture—is going to be a very valuable measure; but it is not going to be the goal so far as the salvation of the primary producers is concerned. It may assist in financing pools and other matters pertaining to marketing, but it is not going to get over the constitutional difficulties which exist between State and State. It is not only necessary to finance the producers, as the Federal Government propose under the Rural Credits Bill, but we must federalise agriculture. That is the keynote of the whole situation, and until hon. members opposite can prove that the schemes we have in operation are successful, I shall continue to hold the views to which I have given expression this morning.

The different States of America have tried to sectionalise agricultural production, and have found it to be a failure, and now America has made the agricultural system a national one. They have done that because, with each State working on its own, the result was disastrous. We find that the United States have now decided to make the scheme national, and in their own way they will probably gain as a result of that scheme. Canada is now emulating the example of the United States, and is federalising just as the United States have done in regard to agricultural production. Canada is determined to work on the lines of the motion of the hon. member for Burnett. If it is good enough for the United States and Canada to adopt this national scheme, it is good enough for Australia to imitate them. One reason for asking for this method is to ensure that the primary producer shall receive a better return for his labour than he has done in the past, and no one who stands for the workers can object to that principle.

The Commonwealth Bill also provides for rural credits up to £3,000,000 per annum by means of Treasury loans, and 25 per cent. of the net annual profits of the

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Note Issue Department up to £2,000,000, making a total of £5,000,000. The Secretary for Agriculture makes reference in his amendment to the provision for earmarking that portion of the Commonwealth consolidated revenue for the payment of bounties on crops, with a view to stimulating new avenues of production, and for the development of additional markets for Australian products. The hon. gentleman's amendment has been given effect to by the provision the Commonwealth Government have made, to which I have just alluded; consequently, there is nothing left but to accept the motion of the hon. member for Burnett.

But, although the Federal Government have made these concessions, that is not going to get over the constitutional difficulties. If hon. members who speak on this matter will confine their remarks to the constitutional difficulties which are in the way, and show any better way of getting over them than the one stipulated in the motion before us, I shall be pleased to alter my views on the matter. The Secretary for Agriculture in his amendment asks that the Commonwealth Bank Act should be amended so as to do certain things. Are the Commonwealth not doing certain things to-day? The sugar industry is controlled by the Federal Government, and they have been implored to take over the control of the cotton industry because the Queensland Government have made such an infernal blunder with regard to it that they have driven most of the cotton farmers out of the business. The growers have been imploring the Commonwealth Government to take over the industry, and is it not good enough to ask the Federal Government to take over other industries?

Much has been said on the amendment with regard to bonuses. Are not bonuses already paid for agricultural produce? Have we not a recent Act giving a bonus on the export of meat? Have we not been promised a bonus on arrowroot growing? Are not the fruit-growers benefited under a special Act? Do not the jam manufacturers enjoy an advantage in the rebate on sugar? Have we not a bonus on the production of cassava? Is there not assistance in the importation of stud stock? Are we not receiving a Federal Institute of Science and Industry, which was established because the Departments of Agriculture of the different States worked disadvantageously against each other? Consequently, I again stress the point that until we federalise the whole system we cannot hope for ultimate success.

What will be required? After all, what the primary producer is specially concerned about is not so much State agricultural measures as better prices for his commodity. There is only one way in which that can be brought about. The Secretary for Mines admits that we cannot raise prices from him by means of the operations of the Commissioner of Prices, so we cannot hope for relief from that quarter. But we can see that both the consumer and the primary producer are protected by the absorption of the State Departments of Agriculture by the Federal authorities. No reasonable argument can be urged against uniformity in agricultural matters in the Commonwealth. Is not the tariff uniform? Do not the primary producers in Queensland have to pay the same taxation on their machinery and other things they require as the farmers of New South Wales or any other State? Why then should

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we be left out in the cold and not be able to take advantage of the Federal system? I believe that it is the only solution of that vexed problem which has so long been engaging the attention not only of primary producers but also of those who have their interests at heart. As I have already said, the Federal Court of Conciliation and Arbitration can extend its operations to deal with differences affecting more than one State, consequently we are justified in asking that similar rights be conceded to the primary producers. The British Government are giving preference to the Dominions, as Mr. Baldwin announced some months ago. As a Queensland I want to see Queensland getting a fair share of that preference in respect to cheese and other dairy products, cotton, and similar articles; therefore it should be our aim and object to unite to help to build up Queensland and assist people to settle on the land, and that can be done by agreeing to the motion. I confidently believe that, if hon. members will look at the matter fairly and squarely and disabuse their minds of the proposals in the amendment—seeing that effect has already been given to them—they must come to the conclusion that the time is abundantly ripe for us as a State to surrender our powers to the Commonwealth authorities in this matter and thus ensure to the primary producers the full result of their labours.

Mr. KERR (*Enoggera*): I would like to take the opportunity of congratulating the hon. member for Burnett upon bringing forward for discussion such a motion as this. He is perfectly justified in claiming that in the interests of the development of the Commonwealth and of the State he has suggested a means whereby something can be done for the primary producers. As pointed out by the hon. member who has just resumed his seat, from an exchange of views and opinions some good results may accrue to Queensland. The hon. member who has moved the motion has suggested that the system of organisation he proposes would bring about some definite advantage, and that it should be on a Federal basis.

The hon. member has also dealt with the intricate question of a tariff and bounties on our exportable surplus. He points out that in order that the producer shall receive full legislative benefits the primary products of Australia should be vested with Federal legislation. During his remarks he gave very strong reasons how many of these things could be brought about. He also gave very strong reasons why it would be in the interests of the primary producers for such steps to be taken. The Secretary for Agriculture undoubtedly gave the motion his blessing, and freely admitted that what the hon. member for Burnett was suggesting would be to the advantage of the primary producers of Queensland.

THE SECRETARY FOR MINES: The Secretary for Agriculture improved the motion when he moved the amendment.

Mr. KERR: The amendment moved by the Secretary for Agriculture had the effect of side-tracking the motion, and did not improve it at all. The motion contained a very concrete suggestion and something possible of attainment. Before we could pass control over to the Federal authorities permission would have to be sought from this Parliament, and to-day we are given an opportunity to consider such a proposal. Dealing with the matter generally, one must realise

that there is a good deal of overlapping in the organisation and distribution of agricultural produce, not only in this State but in every other State of the Commonwealth. We have to realise that, when federation was adopted twenty-four years ago, Australia became a nation. Other countries of the world, like America, Canada, Norway, and Sweden, when dealing with the organisation of the primary producers, have viewed the matter from a nation-wide aspect, and have not looked upon their counties or provinces as entities which have to be reckoned with. In Queensland we may one day fix a price for a certain commodity, but the very next day we have train-loads of that produce coming in from the other States, and the effect has not been to extend the benefit that was anticipated to the farmer. There is no doubt that there is a considerable amount of overlapping in Queensland, and, when we are able to prevent such overlapping, the primary producers of Queensland are going to benefit very materially. The Director of the Commonwealth Bureau of Science and Industry speaking with regard to overlapping, says that so far as it is possible the Commonwealth should co-operate with the existing State organisations in the co-ordination of scientific investigation with a view to preventing any unnecessary overlapping and with a view to utilising the staffs in the various States. There we have a Commonwealth officer definitely stating that there is overlapping; but all he can do in the circumstances is to co-ordinate the activities as far as it is possible so to do and then endeavour to induce the States to join in with him. If we lay it down definitely that there shall be a Federal organisation to deal with primary production, we shall obviate the difficulty of securing co-ordination throughout the Commonwealth. If only one State decides to stand out of the organisation, the scheme must collapse because of that fact. There is no question that, if one State remains out, an Australian-wide organisation cannot function. The Loan Council is an example. The New South Wales Government have withdrawn from the Australian Loan Council, and their action will prevent the Australian Governments acting in concert in respect of loan matters. There is a vital necessity in the agricultural industry, more than in any other, to abolish overlapping and embark on a scheme of co-ordination and thus prevent one State from interfering with the interests of another or of the whole of the States.

There is another argument in connection with this overlapping business, and it is one of the principal arguments in support of the motion. Take the efforts that are being made to eradicate the prickly-pear pest. The Governments of the Commonwealth, New South Wales, and Queensland are to-day co-operating to combat this pest. The Director of the Institute of Science and Industry states in this regard—

“Results already obtained in laboratory indicate that certain parasitic insects and fungus diseases have now been established, and that, provided they are as effective in the field as they are in the laboratory, complete biological control of the prickly-pear pest may ultimately be expected. Steps are being taken to liberate certain species of insects.”

That has not been achieved by the action of one particular State. The Commonwealth

Government have been conducting their operations in one part of Australia, the Queensland Government have been conducting their investigations in another part, and New South Wales in another part again. The ravages of prickly-pear are one of the causes for the falling off of settlement and production. Prickly-pear, therefore, is a matter of national importance; yet we have three Government's departments in Australia overlapping in their investigations of this problem. The same argument applies to the blowfly and cattle tick pests and to diseases in fruit. According to the report of the Director of the Institute of Science and Industry, the Commonwealth Government have engaged in the following work in this connection:—

“Valuable results obtained re jetting and increasing arsenical strength.

“Classification and description of wheats, barley, and oats completed with the result that work of plant breeders facilitated, and undesirable varieties eliminated in favour of more prolific and disease-resisting varieties.”

I frankly acknowledge that the various States of Australia are unquestionably doing a great amount of good in these matters. I do not personally believe in unification. I am more of a States righter—and I admit that it would be detrimental in a large number of instances, particularly in matters of finance, for the Federal Parliament to direct the affairs of all the States. In the agricultural industry one does not require a wide vision to enable him to see that it is a matter of Australian-wide importance, and any action that we can take should be taken to bring about closer co-ordination.

Take again the question of the improvement of seeds. Some of the States are dealing with this matter, and the Commonwealth Government are also taking measures. The same taxpayer is being asked by the Commonwealth and the States to test the same seeds. A wider viewpoint would rectify such matters as this. The Director of the Institute of Science and Industry points out this fact, and it is an important matter to Queensland production to-day.

We can do a great deal towards increasing the numbers of our local consuming population. Statistics point unmistakably to the fact that Australia is a primary producing country. If secondary industries were established to deal with many of our primary products, not only would our population be increased, but the farmer would get a better return for his produce than he does at the present time. We have to face the position that in primary production we have an exportable surplus. That is a question that one State alone cannot deal with. It is beyond the forces of any particular State. We have been blessed as a nation with many conditions that did not exist in many other countries of the world. While that state of affairs exists it is up to us to make the most of it. It is a national question to help this along, to endeavour to make ourselves a little more efficient in that way,

[11.30 a.m.] and to produce more. To-day the Government say one of the reasons why our railways are not paying is the lack of settlement on our lands. They tell us there is not one acre of

Crown leasehold available near the existing railway lines. That is a deplorable condition to be in. We do know that, if prickly-pear and other pests were successfully combated, we would have some valuable land available. The matter has never been tackled properly by any individual State, and is simply shelved by all the States.

On page 12 of the report of the Director of the Commonwealth Institute of Science and Industry, we find these remarks—

“The loss to the agricultural and pastoral industries of Australia, and to the secondary industries dependent on them, caused by diseases, pests, and parasites, amounts to millions of pounds per annum. Nearly all the serious pests have been introduced from other countries, and many have now spread over a great part of Australia, or even the whole; thus the work of eradication is costly, and will take a number of years.

“From plant diseases alone the annual loss has been estimated at £5,000,000. An estimate of the loss from the sheep-fly pest gives as much as £4,000,000 in a bad year. Prickly-pear already covers an area in Australia greater than the total area under all forms of cultivation. During the past fifteen years New South Wales alone has expended £600,000 in an attempt to keep back the cattle-tick pest. The loss from fruit diseases due to fungi is estimated at £1,000,000 annually.”

The institute is operating in the various States, not under the jurisdiction of any State, but co-ordinating its operations as far as possible with the States; yet a close examination of the position reveals the fact that the Commonwealth Government, with their inspectors, are really overlapping the duties of the States. The Commonwealth have expended thousands and thousands of pounds, and surely we should co-operate with them and endeavour, not only to save this State money, but to do something at the same time for the primary producer, for whom it is declared we are attempting to do so much to-day.

The question has been raised that this motion can get us nowhere, and that it is against the Constitution of Australia. I am not going to agree with that statement at all. The Secretary for Agriculture in his amendment seeks to assist pools and to earmark money from the Commonwealth Consolidated Revenue for the payment of bounties on crops. Those two matters are certainly applicable to the situation, but they do not get us where we want to get. Let us take the question of the Constitution of Australia and see whether we cannot get over that point. In 1913 a proposal was submitted to the people of Australia by referendum that the Federal control of trade and commerce should be without limitation. That proposal was defeated, and at present the Constitution lays it down that the Federal control shall only extend to trade and commerce with other countries. Possibly control of trade without limitation would be the law in the Australian States to-day had such a motion as that now before us been carried previously, but it is necessary for a majority of the States to carry such a resolution as well as a majority of voters. It is also necessary for Parliament to pass it, and Parliament can do that to-day. There is nothing to say that they could not do that by a vote

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to-day and the legislation to follow would be purely a formal matter. It is necessary to have a majority of the States, a majority of the voters, and Parliament to pass it. Queensland, South Australia, and Western Australia gave a vote favourable to trade and commerce being vested in the Commonwealth without limitation, but unfortunately Victoria, New South Wales, and Tasmania—making it a “fifty-fifty”—voted against it. The majority of voters against the proposal was very small indeed. The figures show that 958,000 people voted in favour and only 986,000 against the proposal. That is to say, there was only a majority of about 28,000 against it, notwithstanding the fact that 74 per cent. of the electors of the Commonwealth voted on that occasion. When such a large number of the people voted in favour of the proposal it indicates at once that State organisation, State control, and State distribution of our primary products is an impossible solution of the difficulty. We know that federation wiped out the border tax and gave free interstate trade. The Constitution lays down that there must be free interstate trade, and, recognising that one principle alone, I say that we have no option but to permit an Australian-wide organisation of our primary products.

In further support of my argument, I would point out that the Commonwealth Government have come into the arena, and have come in very forcibly. Some time ago, when Mr. Bruce visited this State, he was interviewed by the farmers of Queensland in regard to the butter pool, and he said that he could operate so far as the overseas markets were concerned. That is what the Australian Constitution permits. He was asked to extend it further, and this is what he had to say to the dairymen in that regard as reported in the Press—

“He had been told that they should have fixed the price of butter for the interstate trade. That was something the Commonwealth had not power to do. If they wanted the price fixed in Queensland they should go to the Queensland Government and get them to do it. He would not comment as to whether the policy would be right or wrong. All questions of marketing produce in Australian markets were questions for the State Government.”

That is the position as it stands. It would sound all right if we had a high wall between the various States of the Commonwealth; but, while there is no wall at all and we have free interstate trade, the statement amounts to almost nothing. If a small advantage would be gained by that method—and I think a trifle would be gained—what advantage could be gained if it was an Australian-wide organisation? Mr. Bruce goes on to say—

“Surely the one main reason was that under no circumstances were they to have restrictions upon trade between the different States;”

That is my argument—

“if the Queensland dairyman said he had to get a better price, then it was for the Queensland Government to take action. Dairying was a great and useful industry, and the Commonwealth Government would assist. Something should be done to increase butter production.”

I am with the hon. member for Burnett, who

has pointed out an amicable way in which something can be done that will be of material benefit to the primary producer. Mr. Bruce goes on a little further—

“The Commonwealth Government had indicated to all the State Governments it would appreciate improvement in the herds and improvement in butter-fat returns, and would co-operate in any way for that purpose.”

That is as far as the Prime Minister of Australia can go; he is restricted to co-operative efforts. He cannot co-ordinate those interests. So far as the Constitution will allow, the Commonwealth Government, by operation of law, already have done a great deal, and I am quite satisfied that, having the interests of the primary producers at heart, they will be prepared to go a long way further.

The Commonwealth Government have paid great attention—and the Queensland Government have also done something in this regard—to the construction of main roads. If facilities for transport are provided, the primary producer will receive a material benefit therefrom. The Commonwealth are making available from the accumulated surplus which had accrued on 30th June last the sum of £750,000 for main road purposes. During the previous two years the sum of £1,000,000 was appropriated. I am sorry to say that the Queensland Government did not use all the money available, and other State Governments in Australia were in a similar position. I do not agree with the Federal Treasurer when he says that the States absorbed as much money as they could in this direction last year. We could have absorbed a great deal more. We have more roadmaking to do than any other State of Australia. This is an avenue in which money could be well spent in assisting the development of our great State. It is absurd to assume that the sum of £650,000 is all that can be absorbed on main road construction in Australia in any one year. The Commonwealth Government have made available through the Commonwealth Bank money for the construction of hundreds of miles of substantial roads, which have been of great benefit to the primary producers in Queensland. That is a matter which brings home to us the necessity for this motion receiving a free passage, as it will bring about a very desirable state of things.

A great deal has been said about rural credits. It has been said time and again that the Commonwealth Bank has not functioned as it was at first intended to function. Hon. members will remember that, when a Bill to amend the Commonwealth Bank Act was before the Federal Parliament last year, Dr. Earle Page intimated that the Government would take action to institute rural credits in Australia, and a Bill for that purpose is before the Federal Parliament at the present time. Under that Bill advances will be made to primary producers to assist them in marketing their produce. This new departure is further designed to permit of the disposal of products under the growers' control regularly throughout the year. The whole object of reading what I have quoted is to point out the importance of stabilising prices not only in Queensland but also in the whole of Australia. Stabilisation has only one meaning, which is easily understood. It benefits both the producer and the consumer,

and it has done so in a large number of cases of which I have personal knowledge.

The SECRETARY FOR MINES interjected.

Mr. KERR: There is a good deal in that so far as stabilisation is concerned. Only for the Commonwealth Government's activities in regard to various products, we would have had large surpluses in Australia. They have established agencies in London for disposing of them. They are depending in the Commonwealth upon a protective tariff, the proceeds of which are going into consolidated revenue, from which they are spending tens of thousands of pounds in other parts of the world to dispose of our surplus products. I have travelled to some extent, and I can see from travelling round different countries of the world that there are teeming millions of population who are not primary producers. In the rural areas of the countries of the world you can see that the numbers of producers are small indeed and observe the small production of primary commodities to feed and clothe those teeming millions. In Australia we have a wonderful opportunity to exploit the world's markets, and we have got to exploit the world's markets. In my opinion, we can dispose of our primary products in other parts of the world at a greater profit than we can reap from entering secondary industries. I do not want to be misunderstood in saying that. It must be apparent to everyone that the longer hours, lower wages, and the coloured labour which prevail in other countries where secondary products are manufactured are points for consideration. I admit that our tariff returns show us that our imports are far too great, and that there are avenues for secondary industry which can well be exploited. It is a world-wide problem, and every day it is being tackled in the Commonwealth Parliament. Step by step we are doing something to build up the industries which this country so badly needs. The Commonwealth Government have helped considerably in the matter of bounties—I am not doing this for propaganda purposes—but if, instead of having to help in individual States or through individual States, they had an organisation for the whole of Australia and dealt with the producers and the consumers as a whole, their work would be much more effective. That is the point we need to reach in regard to our primary products.

At 11.48 a.m.,

The SPEAKER resumed the chair.

Mr. KERR: Just let me give one illustration of a bounty of which not many people take much notice. Under the Sulphur Bounties Act of 1923 the quantity of super-phosphates produced was 20,750 tons, and the bounty paid was £14,140. All these things the Commonwealth have done to try to encourage secondary industries and also primary industries, assisting them from the revenue they receive by way of high tariff duties.

The primary producers of Australia to a considerable extent are now being compensated by means of the bounties for the increase by the tariff in the cost of their agricultural machinery. If we are going to have a high tariff in Australia, it is a very good thing to pay bounties to the farmers on their exportable surplus products. That is the position that Australia has reached

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to-day, and the Commonwealth will operate extensively on such a reasonable basis.

Another thing that will interest Queensland, and which I would like to see reviewed later on, is the position with regard to Australian wines. Under the Wine Export Bounty Act of 1924 the producers concerned received a benefit to the extent of £28,000. That benefit alone enabled the growers to receive a reasonable price for their product. Under the Canned Fruit Bounty Act of 1924 the Commonwealth Government assisted the producers by paying a bounty on the export of their canned fruits to the extent of over £64,000. There are many things of a like nature that the Commonwealth Government are doing. They are really subsidising the efforts of the States. In my opinion it would be much better if the whole of the activities were controlled by the Commonwealth.

Previously I made some mention of advertising overseas. The Dried Fruits Control Board and the Dairy Produce Export Control Board have been advertising very extensively not only in Great Britain but in other countries of the world. They have been doing that with only one object—the extension of markets. The Secretary for Mines mentioned the word “distribution,” but I would point out that distribution means marketing as well. They are two different terms with but very little difference in meaning in the sense in which we are using them to-day. Distribution means sending out the stuff, but it must be sent out in a proper manner, that is to say, there must be a market for it.

**THE SECRETARY FOR MINES:** The whole system of distribution is wrong.

**MR. KERR:** Can we get over that system? The Commonwealth Government are trying extensively to provide oversea markets for our produce, and they will be able to go a long way in that direction. They will be able to take advantage of the Baldwin preference. Some people might lightly pass over the effect of the Baldwin preference, but I would point out that the concession means a tremendous amount to Australia. It will mean over £1,000,000 sterling to the growers of currants, sultanas, and lexias in Australia. The Baldwin Government have imposed a levy of £7 per ton on foreign sultanas.

**MR. WRIGHT:** Where did the hon. member obtain the value of that preference?

**MR. KERR:** From the Federal Treasurer's Budget speech. When we come to realise that the Baldwin Government have placed a levy of £7 per ton on foreign sultanas and £2 per ton on foreign currants, it can easily be seen that Australia is going to benefit to a considerable extent. Not only is Australia going to benefit in that way, but she is also going to benefit by means of a reciprocal tariff with Canada. Some people may argue that we are sacrificing one thing to gain another, but it is the question of our exportable surplus that must be seriously considered.

In addition to the Commonwealth Government organising the fruit industry, we have each of the States formulating schemes and legislating for the same object. This is an industry where the organisation could be effectively organised by a central body and with much value to those engaged in it. In 1924 the Commonwealth Government made

an advance of £200,000 against the dried fruits crop of 1925. I am not contending that that is a marvellous advance, but it was a very reasonable action, and was of incalculable help to the industry. The Commonwealth Government went further. They did not ask that this advance should be repaid when the commodity was marketed, but said that it need not be repaid until the following year. That is one way of looking after the primary producer. Assistance was not only rendered to market the produce overseas, but the repayment of the advance was extended over a time to enable the fruit-growers to establish themselves. Under the Wine Export Bounty Act the Federal Government rendered assistance to that industry to the extent of £28,417. They also directed their efforts to assisting in developing the overseas market for canned fruits. The output of canned fruits last year was greater than in any previous year of the history of Australia. That was a result of the advertising carried out by the Federal Government in 1923 and the passing of the Canned Fruits Bounty Act in 1924. More than 75 per cent. of the fruit canned was exported at a profitable price. All this was achieved in spite of the highly-organised canning industry in California. Had it not been for the assistance rendered by the Federal Government, these results would not have been obtained.

**THE SPEAKER:** Order! Order! The hon. member has exhausted the time allowed him under the Standing Orders.

**MR. DEACON (Cunningham):** No hon. member would like to say or do anything inimical to our Department of Agriculture, but the time may arrive, and arrive shortly, when we shall have to consider whether it has not become necessary to have all State Departments of Agriculture under Federal control. We may be driven by the problems confronting us to act in that manner. A department can only live as a State department while it is in a position to serve the State; but the time will come when it can be of much more use to the taxpayer by coming under Federal control, and we shall then be driven to the necessity of handing it over to the Federal authorities. I am not going to belittle what the Department of Agriculture has done. It has done a lot of good work, but it could do a great deal more of that good work if it were under different administration. I do not wish in any way to reflect upon the present Minister, but the administration of the department to-day on hard-and-fast lines, according to the platform of the Labour party, forces that conclusion upon hon. members.

If we compare the measures that have been put through the Federal Parliament with those put through this Parliament, we shall see the difference. We have put through measures assisting the dairying industry, creating butter and cheese pool boards, but

as soon as those industries have  
[12 noon.] to face outside competition they get into difficulties. The trouble

is that our producers are always losing. No matter what measure we put forward to help our primary producers those producers get into difficulty when they have to compete with outside sources and those difficulties wipe out the whole beneficial effect that may be achieved through stabilising the local market. Sometimes we are not able to even stabilise the local market.

[*Mr. Kerr.*]

I have quoted over and over again in this House the fact that the cost of producing is beyond the value received. It is practically impossible for the producer to get a living wage. We must realise that everything in this country is dependent upon the primary producer. We cannot get anywhere if we cannot make our land produce, and, if we cannot make it produce to a greater extent than has been the case in the past, no industry that we establish is going to stand very long. All our manufacturing and secondary industries are dependent on the power of the producers to pay for those industries. You cannot expect the producers to go on producing unless they get something out of it. At present they are forced to curtail their expenditure and production. They have difficulty financially, and things are beyond their control. Every bank trading in agricultural districts recognises that the producers are in a difficult position, and that the present land values are not going to improve. The present prices may become permanent, and that handicaps every producer and has a tremendous effect on his operations. It may seem that we have to carry on two or three years sometimes without getting more than bare expenses. The necessity for an Australian-wide organisation which could control the whole of the market for Australia was shown very strongly by the difficulty experienced in connection with the Committee of Direction and also by the legislation introduced this session to try and overcome those difficulties. We know that the Committee of Direction, when exporting fruit to the other States, endeavoured to secure control by limiting the number of agents. It quite naturally followed that that was held to be a restraint of trade, and it was found impossible for them to get over the difficulty of the Federal Constitution. Only the other day we passed legislation in this Chamber providing for complete ownership of the product being vested in the various pools, but even with that complete ownership I am not sure that we shall be successful. The people who will be dispossessed of their business must live, and these agents will endeavour to get business elsewhere and will try and import produce. If you take a man's business from him and cut him right out, he is going to try and get business somewhere else. If the whole control of fruit marketing in Australia were in the hands of one body or one department, certainly it would be much better from the producers' point of view. The controlling body could exercise considerable influence on the Commonwealth Government if it was thought necessary to increase the tariff. It would not only benefit the people it served, but, by cutting down expenses, it is quite possible it would be able to sell the fruit cheaper to the consumer and in this way everyone would benefit. Even with the legislation we have passed vesting complete ownership in pools, I have very grave doubts whether we shall be able to get over the difficulty in connection with the Federal Constitution. If these pool boards restrict the operations of certain agents it will be held to be a restraint of trade. Does it not follow that, if you prevent certain people from trading in a certain article, the High Court will take the view that it is a restraint of trade? Other industries may perhaps come to be in the same position as the fruitgrowers are in under the authority of the Committee of Direction of

Fruit Marketing. We know that some of them are in a worse position, because we cannot keep out importations from the Southern States or from overseas.

I have made quite clear my position with regard to the motion of the hon. member for Burnett. I take it that it may be necessary, in a very short time, to proceed along the lines the hon. member has suggested. I think that, if the Secretary for Agriculture had foreseen what the Federal Government were going to do, he would not have moved his amendment. Almost on the same day that the hon. member moved the amendment the Federal Government introduced legislation which not only gave effect to the idea he had in view, but went very much further and will be much more effective.

It is most regrettable that the leader of the Labour party in the Federal Parliament and the Secretary for Agriculture in this Chamber should speak with two different voices. The Secretary for Agriculture is in favour of the scheme proposed, while the leader of the Labour party in the House of Representatives is opposed to it. It is extraordinary that two prominent Labour members should take entirely different views on such an important matter. Only yesterday Mr. Charlton, the leader of the Labour party in the House of Representatives, attempted to restrict the operations in regard to rural credits to the Commonwealth Bank. We have to take into account things, not as we would like them to be, but as they are. In all agricultural districts the main financial institutions are the private banks. It does not matter whether a man likes them or not; they are established there and must continue to be the main avenues of financial advances to co-operative bodies, pools, and other organisations in connection with a marketing scheme. It would be impossible to cut them out, simply because someone disagrees with privately-owned banks, and confine the making of advances solely to the Commonwealth Bank. Of course, there is no objection to borrowing from them if the Government want to raise a loan. The latter are always ready to use the influence of the private banks to get a loan taken up, but when it comes to a question of assistance to the producer, which is supposed to be one of the true objectives of the Labour party, Mr. Charlton is prepared to prevent him from getting a full measure of assistance. It is a pity that the leader of the Opposition in the Federal House was not more careful than the Minister here in framing his amendment, or perhaps the Secretary for Agriculture is more liberal-minded and sees more clearly what is required in the direction of giving assistance to the producer, because it seems that he is going to support the Federal Government's proposal. That is to his credit. The measure launched by the Commonwealth Government is going to have a tremendous effect on the operations of all the bodies we have in operation or for which provision has been made to deal with the marketing of produce. It is going to give a tremendous amount of credit. At any time, from the money lent by the Treasury, the profits from the note issue, money borrowed by debentures and advanced from accumulated profits, we may have a credit up to about £20,000,000.

I take it also that the operations of the rural credits scheme will be largely confined to assistance to agricultural operations. The pastoral industry is not so much in need of

*Mr. Deacon.]*

help. The prices of its products generally are high, and pastoralists never at any time have experienced any difficulty in getting advances from banks or other financial institutions. The conditions in the agricultural industry have always been entirely different. It handles perishable stuff, and banks have to take into account the fact that agricultural produce must be marketed within a given time, and that, if the market goes down, it does not matter, the stuff has got to be sold. The amount advanced by a bank must always be governed by that consideration. The rural credits scheme must go a bit further than a private bank would go. Not only can it be of advantage by formulating a basis of security on advances, but it must also take into account not alone the price for the month or for the year as an ordinary trade bank would do, but, in addition, the results over a much longer period. In my experience it would be quite fair for any banker—so long as the borrower gives continued security—to take into account operations not only in one year but also in the next, because the loss made in one year can be made up by the profits of the next. If good use is to be made of the rural credits scheme, we have to consider whether on the one hand the Department of Agriculture should be managed by the Federal Government or whether on the other there should be closer co-operation between the Federal departments and the State departments.

I certainly would be very loth to wipe out State control of State activities. If the scheme for the organisation of the farmers does not work well under the Rural Credits Bill, then we shall have to consider the handing over of the State department. The State department is not always worked in harmony with the Federal authorities. There have been clashes in connection with the different systems of grading. There has been dual grading and treble grading, and these things have not been any assistance to the primary producers, but have been very much against their interests. I sincerely trust that, when the issue as to whether the farmer can obtain his full benefits under a State department or whether there should be Federal control is considered, we shall look at the matter solely in the interests of the farmers. I am quite sure that this party will decide the matter having in view only the interests of the producers. We shall not allow any small matter to prevent us from extending the greatest benefit to the producers. We shall not bother about little party disputes, and I hope that the Government will take the same view. I am afraid that there is very little hope because they possess a very narrow outlook and support only those things which will be of political benefit to themselves. However, I expect the Government to give every assistance to the producers. They owe it to the producers, and they owe it to the country.

Mr. SWAYNE (*Mirani*): Our thanks are due to the hon. member for Burnett for raising the matter contained in his motion. There is no getting away from the fact that there is a tendency to lower the price of primary produce and it is the duty of primary producers, and particularly members of a party representing the farmers, to see that this reduction in price does not mean less remuneration to the farmer for the work he does. It is our duty to see that he obtains the best facilities for the marketing of his produce so that his remuneration can

be maintained. I take it that the motion is more particularly aimed at that. As showing the magnitude of the interests involved, I desire to point out that between the years 1916 and 1923 the primary produce of the Commonwealth was worth £1,611,217,000, including £551,007,000 for agricultural produce, £593,788,000 for pastoral products, and £271,839,000 for dairy products, etc. During the same period I have just quoted the value of the secondary industries only amounted to £169,560,000. That shows the importance of the subject that the motion deals with.

Again, I wish to show clearly the national importance of this matter. We all know that the interest on our national debt is largely paid by our primary products. I am very sorry that the figures show that the primary products are not increasing in ratio equal to the interest charge. In the ten-year period from 1914-1923 the national debt of Queensland increased by 130 per cent. while our export balance only increased by 63 per cent. That is to say, our export balance only increased in that period by a little over half as much as the increased interest charge on the national debt. It must be obvious that it is desirable that every attention must be given to this subject and that we must exploit every avenue which will open up increased returns to those engaged in our primary industries.

We find that under cover of this motion a great deal of controversial argument has been introduced. That is a mistake. A motion of this kind should be discussed on its merits. The hon. member for Herbert naturally, as he represents a sugar electorate, dealt with the sugar question. I must say that his imagination is most vivid. I find on page 278 of "Hansard," No. 6, that the hon. member said this—

"I do not desire to deal with this matter in a party spirit, but the hon. member for Burrum made certain statements in connection with the sugar industry which certainly hon. members on this side must correct. I can assure hon. members on both sides of the House that it is not the wish of those engaged in the sugar industry in Queensland to go back to Federal control, for the simple reason that the experience of those engaged in the industry in the past has been that under Federal control the powers of the controllers were not exercised in the interests either of the producers or of the people, but were exercised entirely in the interests of those people who were out to exploit the industry. Anyone who knows anything about the Federal control of the sugar industry will remember that if ever an industry was treated scandalously at a time when there was a chance of developing the industry, it was the sugar industry when under Federal control."

Further down on the same page he said—

"As the Minister pointed out, it is not the Queensland Government who are controlling affairs in connection with the Sugar Board in Queensland. They simply guarantee financial support, and the control of the industry is entirely vested in the elected representatives of the sugar-growers, and if, as the hon. member for Burrum says, the Colonial Sugar Refining Company are getting more out of it than the growers think

[*Mr. Deacon*

they should get, it is entirely due to the constitution of that board."

I would like to point out on this question of Federal control that in 1914 the Hon. W. Lennon, the then member for Herbert, speaking from the Opposition benches, expressed a very keen desire to get the sugar industry under the control of the Federal Government.

That is by the way. I merely point out that under Federal control this most important industry has had the best spin it has ever received during its existence. Not only was the price for raw sugar fixed

at £30 6s. 8d. per ton by Mr. [12.30 p.m.] Hughes, but the present Prime

Minister of Australia has agreed to an embargo which we all recognise to be the salvation of the sugar industry. That is what the sugar industry has received at the hands of the Federal Government, which the hon. member for Herbert denounces for its treatment of this industry.

As showing what we are likely to get at the hands of the Labour party if they achieve Federal power, let me refer to the conditions which existed a few years ago when there was a credit balance of £500,000 to the Sugar Fund, which the National Government proposed to hand over to those engaged in this industry. That was opposed by the then Federal Labour leader, Mr. Tudor, who said—

"I do not blame any Treasurer for doing his best for the State, but I do object to the Commonwealth handing over £500,000 to the grower at the expense of the consumers of the Commonwealth. . . The £500,000 was obtained by charging the people of Australia more for their sugar than they ought to pay."

I would like all engaged in the sugar industry in Queensland to take note of that extract from a speech by the then Federal Labour leader, one of the party to which the hon. member for Herbert belongs. Again, during the recent Southern ebullition of hostility against the industry, we find an account of one incident as follows in Federal "Hansard" for 1922, page 3748:—

"In October, 1922, Mrs. Glencross (President of the Victorian Housewives' Association) convened a public meeting in the Assembly Hall, Melbourne, to protest against the continuation of the sugar agreement and the existing high price of sugar. Mr. Charlton, as leader of the Labour party, wrote to Mrs. Glencross stating that Messrs. Brennan (Batman) and Scullin (Yarra) would represent the Labour party at that meeting. The motion submitted, supported by Messrs. Brennan and Scullin, and passed, was as follows:—

"That this meeting of citizens protests against the continued high price of sugar, and declares its uncompromising opposition to the renewal of any agreement necessitating Government control, and supports the Housewives' Association in the campaign initiated by them in reference thereto. It further records its opinion that Government political control of trade and industry is pernicious and detrimental to producers, manufacturers, and consumers alike."

I am sorry I have had to devote any of my time to such matters as these, but, when hon. members opposite persist in dragging

in questions of this kind purely for party purposes, they must expect a reply from hon. members on this side, especially when we have such an effective reply to make.

The hon. member for Herbert declared that the Colonial Sugar Refining Company were getting too much out of the business. Only recently, at the request of the hon. member for Burrum, an agreement between the Queensland Labour Government and the Colonial Sugar Refining Company was tabled, showing that the Colonial Sugar Refining Company are getting something like 6s. 8d. per ton more than previously. Yet supporters of this Government say they are getting too much! If they are getting too much, then the Government which hon. members opposite support, are the guilty parties in the matter. The speech of the hon. member for Herbert practically amounted to a vote of censure upon his own Government because of their transactions with the Colonial Sugar Refining Company.

I beg to move the following amendment on the amendment moved by the Secretary for Agriculture:—

"After the word 'Commonwealth' where it first occurs in the amendment, omit the words—

'Bank Act should be so amended as to provide for the financing of pools organised by primary producers under the Queensland Primary Products Pools Act or any similar statute. That portion of the Commonwealth Consolidated Revenue should be earmarked for the payment of bounties on crops with a view to stimulating new avenues of production, and for the development of additional markets for Australian products.'

and insert the words—

'Government deserves the best thanks of the primary producers of Australia for the valuable assistance it has given to them in the shape of various beneficial measures dealing with the export of primary products and providing financial assistance in respect thereof; the provision of subsidies, bounties, and guarantees beneficially affecting various primary industries; substantial grants to the State Governments towards the provision of main and developmental roads; the embargo which has brought about the stabilisation of the sugar industry; and, more recently, the creation of a special rural credits department of the Commonwealth Bank by which it is proposed to allocate up to £5,000,000 (and further amounts by issue of debentures) for the purpose of assisting in the marketing of primary products.'

In support of that amendment I would point out that right from the very beginning the National Government and then the Bruce-Page Government have shown themselves constantly alive to the needs of the producers. To prove that I have only to quote from the publication "Journals of the Parliaments of the Empire," supplied to all hon. members, which contains a precis of the legislation passed by the different Parliaments during the previous year. Dealing with our Australian Parliament it shows that a considerable portion of the legislation passed was on behalf of the primary producers for the purpose of assisting them in exporting their

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products and placing them on the markets of the world. Dealing with the different Acts passed, this publication, on page 129, says—

*“Export Guarantee Act.*

“This Act, which received assent on 20th October, is to assist primary production.

“The Act provides for a trust fund of £500,000 for the purpose of assisting primary production.

*“Dried Fruits Export Control Act.*

“This Act received assent on 20th October. It provides for the constitution for a dried fruits control board to control the export, sale, and disposal overseas of dried currants, sultanas, and lexias.

*“Dried Fruits Advances Act.*

“This Act received assent on 9th September. It provides for the payment to growers of dried currants, sultanas, and lexias of advances on the 1924 crop at the rates of £1 10s. for currants, and £9 per ton for sultanas and lexias.

*“Dairy Produce Control Act.*

“This Act, which received assent on 20th October, constitutes a dairy produce control board to control the export, sale, and disposal overseas of butter and cheese.

*“Cattle Export Bounty Act.*

“This Act received assent on 15th August. It provides for the payment to bonâ fide pastoralists of a bounty at the rate of 10s. per head in respect of the export from the Commonwealth, on or after 1st July, 1924, and on or before 30th June, 1925, of live cattle for slaughter.

*“Canned Fruit Bounty Act.*

“This Act received assent on 24th May, 1924. It provides for the payment from Consolidated Revenue of certain bounties on the production and export of apricots, peaches, pears, and pineapples canned in the Commonwealth during the period from 1st November, 1923, to 30th September, 1924.

“The Act provides for—

Bounties which are payable to the canner are—

On production, per dozen tins, each containing 30 oz. net; apricots, 9d.; clingstone peaches, 1s.; freestone peaches, 10d.; pears, 9d.; and pineapples, 6d.

On export, before 28th February, 1925, per dozen 30-oz. tins: Apricots, 8d.; clingstone peaches, 1s. 9d.; pears, 1s. 6d.; pineapples, 1s.

*“Wine Export Bounty Act.*

“This Act, which received assent on 17th September, provides for the payment of a bounty on the export of wine which has been fortified so as to contain not less than 34 per cent. of proof spirit.

“The bounty is payable at the rate of 4s. per gallon on such wine exported between 1st September, 1924, and 31st August, 1927.”

That is all from one session's work of the Commonwealth Parliament. The Secretary for Agriculture said it was doing nothing for the farmer, and that that was what made

him decide to move his amendment. I do not think that, when the hon. gentleman moved his amendment, he had read what had been done or what is about to be done.

When the hon. gentleman moved his amendment—which is virtually a vote of censure on the Commonwealth Government in regard to the administration of the Commonwealth Bank—he used these words, as reported on pp. 276 and 277 of “Hansard” for this session—

“One of our difficulties at the present time is in connection with the financing of our various activities in this direction. We have established machinery to enable the farmer to pool and market his products under conditions more favourable than the old individualist system ever gave him a chance to do. But our difficulties up to the present time are chiefly due to the financial considerations which govern to a very large extent the activities of the Council of Agriculture and the pool boards established under their legislation. The Commonwealth Bank was originally instituted by the Labour party with a view to achieving certain definite functions. Since then those activities have been circumscribed, some of them by means of legislative and others by administrative action, and some by circumstances over which we have no control.”

Then he goes on to say—

“To-day the Commonwealth Bank, in its activities, is seeking for gilt-edged securities, and does little or nothing in the establishment of rural credits, the building up of new industries, or bringing new areas under cultivation. I do not believe that within the last few years the Commonwealth Bank has financed the clearing of a single farm or the growth of an additional hundred-weight of new primary produce which would not have been grown otherwise. We finance as a Government through the Commonwealth Bank, and it in turn finances our pooling system.”

It is an old saying that those who live in glass houses should not throw stones. Before the hon. gentleman criticises the Commonwealth Bank he might very well take stock of the work of his own Agricultural Bank, because there is not a primary producer in Queensland who has done business with that institution who is satisfied with it.

The very morning after the hon. gentleman delivered that speech, reports appeared in the daily Press of the speech of Dr. Earle Page on the Rural Credits Bill. In the “Courier” of 21st August last appears a report of that speech under the caption—

*“THE FARMERS' CHARTER.*

*“RURAL CREDITS BILL.*

*“Federal Government's Scheme.*

*“Value to City and Country.”*

In dealing with the question, Dr. Earle Page said:—

“The Bill before the House is designed to arrange assistance of this nature. Briefly, the Rural Credits Department of the Commonwealth Bank is to be distinct from all other parts of the bank, and its funds are to be provided in the following way:—

The Treasurer may lend the Rural Credits Department up to £3,000,000.

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and 25 per cent. of the net annual profits of the Note Issue Department is to be paid in to the Rural Credits Department until the amount so paid reaches £2,000,000. This will, of course, not provide sufficient funds, and the Bill therefore provides that the bank may raise money by the issue of debentures up to an amount which must not exceed at any time the amounts advanced by the Rural Credits Department on primary produce, or four times the amount of the aggregate of the following sums, namely:—(1) Sums lent by the Treasurer; (2) moneys paid from profits of Note Issue Department; and (3) half of the accumulated profits of the Rural Credits Department.”

He also said—

“But the Canadian and the American experience shows that we need something more than that—that for the orderly handling of our crops, and especially for the national handling of them in the most efficient and economic way, we need a reserve borrowing agency, which will not compete with the existing institutions, but will stand behind them, handle not the whole of the business, but handle that part which, without Government guarantee, and its implied interference, they have shown themselves unable or disinclined to handle; and so take the strain off our national finances, and ensure that confidence in our position which was so conspicuous by its absence for a time last year.”

As showing that the Commonwealth Government have taken into account all phases of this important question, I shall quote from Federal “Hansard” of this year, No. 12, page 1396, where Dr. Earle Page is reported as saying in his Budget Speech some days before the Secretary for Agriculture made his speech—

“When the Bill to convert the Commonwealth Bank into a central bank was before the House last year, I intimated that the Government would take all necessary action to establish a system of rural credits in Australia. A Bill for that purpose is ready for presentation to the House, and will be fully explained at the proper time. The Bill is designed to make advances on primary produce in order to assist in orderly marketing. The new department is designed to permit the disposal of products, under the producer’s control, at regular intervals during twelve months. This should tend to stabilise local prices, with mutual benefit to producer and consumer. The system of rural credits will also be valuable in the oversea marketing of the surplus production of Australia.

“Finance will be arranged through a rural credits department of the Commonwealth Bank, which will not only have a capital but will also be clothed with powers temporarily to command such additional moneys as may be necessary. The capital will be in part provided by the accumulation of 25 per cent. of the profits of the note issue.”

Yet, in contradiction to that the Secretary for Agriculture tables an amendment which will have the effect of doing nothing. He has the audacity to do so in face of the failure of his own Agricultural Bank. When we are discussing a motion of such importance, the

insane desire on the part of hon. members opposite to electioneer at the expense of the Commonwealth Government in season and out of season and that that should prevail over everything else and prevent legitimate discussion from taking place on such matters as this is deplorable. The whole idea of hon. members opposite seems to be to turn every question that crops up to the disadvantage of the Bruce-Page Administration. They evidently think that an election is coming on shortly. One of their late big guns is a candidate for one of the Federal seats. They know that based on truth and justice and absolute facts his case is weak, and they are continually trying to bolster it up by absurd statements such as were made by the Secretary for Agriculture, who took it upon himself to censure the Commonwealth Government for not doing what they were doing at the very time he was speaking.

Coming back to the motion I cannot say that I believe in unification. I would not like to see the Departments of Agriculture abolished in the different States. I think there is much room for a State department to deal with matters of State concern, but I do think the motion is worth considering with a view to establishing a Commonwealth Bureau of Agriculture. I believe that a central bureau under the control of the Commonwealth Government could do much to prevent the overlapping of State activities and render good service to the producers. So far as marketing of our products overseas is concerned the overlapping by the State departments of Australia is to the disadvantage of the producer. We know how much better matters are when our exportable products are handled by one Australian body. I am of the opinion that certain lines indicated in this motion might be followed. Wonderful work could also be done in the matter of agricultural research. We know in the different States there are different vegetable and insect pests. In some cases these pests are confined entirely to one State, and in that case the State is well able to deal with it. In some instances these pests extend beyond one State, and, if there were one central authority engaged in research work, it could do much for the benefit of the whole of Australia. It might be argued that such a body would incur additional expenditure, but from the figures that I gave dealing with the value of primary products the cost involved would be very small indeed comparatively. We know that the money expended would represent but a mere fraction compared with the benefits that could be derived and with the interests that would be served.

I have already mentioned the grants made by the Commonwealth Government to assist in the construction of main roads which are so necessary for those settled in our back country away from the railways. The cotton industry is another industry that the Federal Government have assisted. While the State Government have taken great credit to themselves for all they have done for the cotton industry, I would point out that the Commonwealth Government also deserve to share in that credit. I find that at p. 1399 of Federal “Hansard,” No. 12—

The SECRETARY FOR AGRICULTURE: Why not give your own ideas?

Mr. SWAYNE: If the hon. gentleman had not been electioneering on false premises at

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the expense of the Federal Government, he would not have got this.

The SECRETARY FOR AGRICULTURE: But why don't you make your own statement?

Mr. SWAYNE: We find that in this "Hansard" the Federal Treasurer points out—

"To encourage cotton production, Queensland pays the grower a fixed price for cotton, the State arranging for its treatment and marketing. The estimated output in 1924-25 is 11,000 bales, valued at approximately £340,000.

"The Commonwealth Government has agreed to co-operate with the State by sharing the losses."

Again on the same subject I find that the Prime Minister, on p. 1425, says—

"I desire to make the statement in regard to the cotton industry which I promised earlier in the sitting in answer to questions on the subject. At the present time the Commonwealth Government and the Governments of the States in which cotton is grown are co-operating to encourage the industry by guaranteeing a price for the cotton produced. This is based upon the quality of the cotton, and has varied from 3½d. to 5¼d. per lb. for the cotton seed. This guarantee has encouraged the growing of cotton by assuring to the growers an immediate return upon their product as soon as it reached the ginneries. It has also given considerable stability to the industry. But difficulties have arisen in regard to it, and there is a difference of opinion as to whether it provides the best means for assisting the industry. It was recently represented to the Government that a more effective method of stimulating cotton-growing would be to substitute a Commonwealth bounty for the guarantee. This proposal has been very fully considered, and the Government is sympathetically disposed towards it."

At one time it was not considered to be the function of the Federal Government to render any assistance to develop the primary resources of a State. That was considered to be a function of the State. Now we have the Commonwealth Government stepping in quite apart from party representation—no matter what party is in power in the State—and helping the State Government to develop the primary resources of the State. Yet in the face of all this an amendment has been moved by the Secretary for Agriculture actually censuring a Government controlling the Commonwealth Bank which is now advancing £5,000,000 and further sums if required to assist the farmers of Australia to export their products! The audacity of the hon. gentleman is extraordinary, and I have simply called his bluff.

At 1 p.m.,

The SPEAKER: Order! In accordance with Sessional Order agreed to by the House on 29th July, the House will now proceed with Government business.

#### ADJOURNMENT.

The SECRETARY FOR MINES (Hon. A. J. Jones, *Paddington*): I beg to move—

"That the House do now adjourn."

[*Mr. Swaync.*]

The progress of legislation has been so marked this week that we can afford to adjourn early to-day. (Opposition laughter.)

Mr. VOWLES: That is too thin.

Mr. KERR: You have no business to go on with.

The SECRETARY FOR MINES: I also desire to announce that the Treasurer will deliver his Financial Statement on Tuesday next.

Mr. KING (*Logan*): Before the motion is put I would like to ask the Secretary for Mines, in the absence of the Premier, if he can give us any further information as to what progress has been made in connection with the settlement of the railway strike. The House is now going to adjourn till next Tuesday, and the Opposition are entitled to know what progress has been made.

OPPOSITION MEMBERS: Hear, hear!

Mr. HARTLEY: The Government will handle the position in their own way. We don't want any help from the Opposition.

The SPEAKER: Order!

Mr. KING: All that I am asking is that the Government should take the Opposition into their confidence and let us know the exact position of affairs.

OPPOSITION MEMBERS: Hear, hear!

The SPEAKER: Order! The hon. member is entitled to ask a question on the motion now before the House, but not to debate the matter.

The SECRETARY FOR MINES (Hon. A. J. Jones, *Paddington*): In reply to the hon. member for Logan, I desire to say that the Government are handling this question, and I have no further announcement to make.

Question put and passed.

The House adjourned at 1.2 p.m.