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THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA.

FIFTH PROGRESS REPORT

FROM THE

JOINT COMMITTEE ON RURAL INDUSTRIES.

(SUGAR; DAIRYING; COTTON; TOBACCO; ORGANIZATION OF
MAN-POWER AND PRIMARY PRODUCTION.)

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MEMBERS OF THE COMMONWEALTH PARLIAMENTARY JOINT COMMITTEE
ON RURAL INDUSTRIES.

(Appointed 3rd July, 1941.)

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JOINT COMMITTEE ON RURAL INDUSTRIES.

FIFTH PROGRESS REPORT.

The Joint Committee on Rural Industries, appointed to inquire into the effects of the war on the marketing of Australian primary produce and on the economic condition of the Australian rural industries, has the honour to present the following Progress Report.

INTRODUCTORY.

1. Having in mind the importance of sugar supplies for civilian and defence needs, the Joint Committee on Rural Industries investigated certain phases of the sugar industry, particularly with regard to the effect on production of the shortage of labour and fertilizers, of the impressment of tractors and trucks, and of transport difficulties—all problems arising out of the war.

2. To acquaint itself with the position the Joint Committee visited Queensland and took evidence at Brisbane, Townsville, Ayr, Mackay, Bundaberg and Maryborough. The Committee regretted that time did not permit it to proceed north beyond Townsville, and it is pleased to acknowledge the co-operation it received from representative witnesses from Ingham, Tully, Innisfail, Cairns, Mossman, and the Atherton Tableland, who responded to the invitation to place their problems before the Committee at Townsville.

Whilst in Queensland the Committee took the opportunity of hearing evidence from experts of the Department of Agriculture, growers and representative witnesses with regard to other rural industries in that State, such as dairying, cotton, tobacco, fruit-growing, maize, vegetables, &c.

SUGAR.

3. Valuable and informative evidence was given to the Committee by the Australian Sugar Producers' Association, the Queensland Cane Growers' Council, and by representatives of cane-growers and sugar-millers from all the sugar districts in Queensland north of Brisbane.

The Australian Sugar Producers' Association Ltd., whose membership is voluntary, includes all the proprietors of sugar mills in Queensland and many cane-growers, and the Queensland Cane Growers' Association, an administrative organization, membership of which by all growers of more than 5 acres of cane is compulsory, are the main sugar producers organizations. There is also the Proprietary Sugar Millers' Association comprising a number of sugar mill companies.

4. Under the Sugar Agreement between the Commonwealth and the Queensland Government, the Commonwealth undertakes to continue to prohibit the importation of sugar, whilst the latter undertakes to acquire the Queensland raw sugar, purchase the New South Wales crop and arrange for the refining and distribution. These functions were assumed by the Queensland Government when the Commonwealth relinquished control of sugar in 1923, and the Sugar Board was constituted to act on behalf of the State Government and to negotiate contracts for the financing, refining and distribution of the sugar requirements of the Commonwealth, and to arrange for the disposal of the exportable surplus.

5. The Queensland sugar industry may be regarded as the most highly organized primary industry in Australia, and growers through their organizations are able to exercise a measure of control which ensures stability and provides for a collective approach to the many problems which arise. In common with other primary producing industries, however, the sugar industry is now facing serious problems due to the war and the consequent disorganization and shortage of labour, supplies and transport.

6. To provide the Committee with a background for the proper understanding of the present sugar situation the general secretary to the Australian Sugar Producers' Association (Mr. Curlewis) traced the development of the world's sugar production and distribution from the time of the outbreak of the war of 1914-18, with particular reference to the position of the industry in Australia. Through the assistance given to the sugar industry by the Commonwealth Government in 1920—when it advanced the price of raw sugar to £30 6s. 8d. per ton and the price of refined sugar from 3½d. to 6d. per lb. for a period of three years—the production of sugar in Australia by 1925 had not only become sufficient for home consumption but had provided a margin for export.

Dealing with the more recent position Mr. Curlewis stated—

The year 1939 was extraordinarily favorable for cane production and the total output of sugar reached the record figure of 928,000 tons. The outbreak of war that year enabled the export to be made of 545,000 tons, or about 132,000 tons in excess of the basic quota of the International Agreement, and about 87,000 tons in excess of any previous export.

More or less normal growing conditions prevailed in 1940 and an output of 806,000 tons was recorded, of which 406,000 tons were exported. Shipping difficulties were met in this year and considerable delays occurred in moving exports.

In 1941 the year was marked by an unusually heavy and long continued wet season, followed by an exceptionally dry period in the second half of the year. The output of sugar fell to a total of 745,000 tons, a deficit of 61,000 tons on the previous year. The wet delayed the autumn plantings of cane, and the spring plantings were affected by dry weather. The shortage of fertilizer supplies made its effect on the growth of crops. Shipping difficulties also became acute.

In 1942 the rainfall in practically all the sugar districts has been markedly below average, and the crops in general are backward. The estimate of yield contingent on the whole of the available crops being harvested is 673,000 tons, or a further fall of 72,000 tons. It seems unlikely that this figure will be exceeded. It is possible that it may not be reached, again assuming all available cane is harvested. Planting has been delayed by unfavorable weather and by the shortage of labour, and it is apparent that a substantially smaller proportion of plant cane figures in the general composition of the crop than is desirable to maintain the most favorable plant—ratoon—fallow sequences. Were this due only to unfavorable seasonal effects it would be possible to restore a normal crop routine after, say, a couple of years. In present circumstances, however, the trend undoubtedly is in the direction of a progressive diminution of output.

In the absence of sufficient man-power for planting—and that, of course, implies the preparation of the land as well as the actual planting operation—a proper balance cannot be maintained between plant and ratoon crops and the yield per acre must decline. It is necessary too that cultivation and weed control be carried on to maintain yield levels. It is also necessary that crops be cut when they have matured in order to provide stands of ratoon crops in the ensuing years.

The absence of fertilizers is another serious matter. It is perhaps not generally realized to what extent the cane crops are dependent on fertilizers, more particularly in the northern areas. Here, nature is usually most lavish in her provision of the sunshine, heat and rainfall that are so important in producing good crops, but her prodigality in the matter of rainfall results in the leaching out of the natural plant foods in the soil and these must be replaced by fertilizers if productivity is to be maintained. There are numerous instances of a serious decline in productivity on lands where fertilizers have, for one reason or another, been withheld during the past year or so, and such decline, unless arrested, may, in the course of a few years, bring some areas of economic lands into the marginal class.

Unless the trend towards diminished production is stopped there appears a very definite risk that the output may be reduced below the net requirements for sugar within the Commonwealth in the course of the next few years. Commonwealth consumptive requirements have been increased by large numbers of arrivals in the past several months, and may be still further increased in the immediate future. Requirements for sugar have arisen for the production of power alcohol and solvents during the past year, and it is anticipated that such requirements will be substantially increased during the current year.

Other difficulties arise in consequence of the impressment of tractors and lorries curtailing the plant available for cultivation and the transport of cane. In regard to lorries, growers in the different districts are endeavouring to meet the situation by the co-operative use of the remaining vehicles.

Railway transport also presents difficulties in the way of carrying cane to the mills, and sugar from the mills to the ports.

Mr. Curlewis added—

It is believed that some of the disabilities under which the industry is at present operating are capable of easement, without impairment to the war effort, but rather to the advantage of the war effort. It is believed, too, that with complete organization, keeping sugar production in proper perspective with other essential activities, it will be possible to harvest and process the whole of the available crop in 1942 and start a smaller crop for the 1943 season. If this is done there will be a reasonable assurance of adequate supplies until the 1944 crop is ready for harvest. No reference has been made to the question of overseas shipping, nor has the possibility of enemy action destroying some of the sugar factories been introduced. The contingent risk of the latter would, however, weight the argument for taking every opportunity to harvest and process the whole of the present crop of cane.

SHORTAGE OF LABOUR.

7. It was emphasized throughout the evidence that the first and foremost problem of the sugar industry was man-power. To meet this position it was arranged that the northern mills would commence operations earlier than usual in order to spread the season and to provide for any delay which might arise. Early in the season it was realized that the cane-cutting power was so short and so much less efficient owing to many of the farmers' sons and other experienced men having joined the Services or gone to other industries, that the season would have to be lengthened much beyond its usual period.

Cane-cutting requires men of skill, but more particularly physical fitness, and in some districts they might have to work through six or eight weeks of wet weather without a break. They have not only to cut the cane, but have to load it, and in certain areas to lift and re-lay the tram lines. It is therefore desirable that experienced men be obtained if possible. With inexperienced and incompetent cane-cutters many more men would be required and the season would be unduly prolonged.

8. Representatives of the industry discussed the question of obtaining labour with the Man Power authorities and it was agreed that every endeavour would be made to obtain cane-cutters and mill hands from civil life by advertising and by the establishment of a seasonal workers' register. If all endeavours failed and it was found, after the sign-on, that there were insufficient cutters to enable the mills to be carried on in an efficient, economical and practical manner, it was decided that, as a last resort, the Government would be approached with a request for the release of men, particularly former cane-cutters, from military service.

Meanwhile efforts were made through all available sources to obtain labour for cutting—in some districts boys of fifteen and men of nearly 70 years of age were tried out, aborigines were brought from Palm Island, and Torres Strait islanders were employed in the far north.

9. Early in the season representatives of the Queensland Cane Growers' Council conferred with the Minister for the Army and other members of the Cabinet and indicated that even when all avenues had been explored they did not think it would be possible to obtain sufficient labour of the right type to meet the industry's requirements unless there were to be some organized military releases.

The Queensland Cane Growers' Council indicated to its members that they should give to men in the Militia whom they desired to employ and who were desirous of employment a declaration to the effect that work was available for them and at the same time they should apply to the Man Power authorities for the release of the man. Up to the end of May, however, farmers received replies from the Man Power authorities that the letters in support of the applications for the release of a man should be addressed to his commanding officer, who had full power. Later it was indicated that such applications should be made to the Man Power authorities and that the Army would act only on the latter's recommendation.

However, early in June, the sugar industry representatives learned that a number of men were to be released from the Army for cane-cutting. Many of these men were immediately absorbed and others, who had gone to areas where mills had not then commenced crushing, were given other employment until the cane was to be cut.

Representatives of the Australian Sugar Producers' Association and of the Queensland Cane Growers' Council indicated that they had not asked for the release of the men from the Army at that particular time. Hence the disorganization which arose through men not being expected in certain areas and finding themselves without working clothes and other requirements for their employment in the industry. Steps have now been taken to prevent a repetition of such an occurrence. Any releases from the Army will be made only on the recommendation of the Man Power authorities and arrangements will be made for the industry to place a man in work immediately he is released.

10. The sugar crushing season extends from about June to December, and proper organization is essential to ensure that any labour released will be used to the best advantage by following the work in the various districts as they come into production.

The principal immediate need is for cane-cutters, but a certain number of key men, such as engine drivers and sugar boilers, will be required in the mills—many of which are only working two shifts—and experienced farm labour for the preparation of next year's crop.

When discussing the labour question with the Committee the general secretary to the Queensland Cane Growers' Council (Mr. Muir) pointed out that in exploring all avenues for man-power men had been absorbed who were not suited to the work and whose daily output was extremely low. He suggested that these men might be substituted for men now in the Labour Battalion in Brisbane who had been previously domiciled in the sugar areas and who are known to be diligent and competent cane-cutters, many of them being farmers or the sons of farmers; subject to there being no security reasons against the proposal, selected men from this battalion might be made available at appropriate times for work on selected farms. The witness quoted the case of a farmer in an isolated centre in the Cairns district who has 4,000 tons of cane to harvest with only three cutters; a number of Albanians now in the alien labour corps had previously cut his cane and are desirous of again assisting in the work.

11. The latest information submitted to the Committee indicated that 1,000 more cane-cutters will be required to enable the crushing to be finished before the wet season sets in, and the Committee was informed that the Man Power authorities had agreed to recommend to the Army that men with previous experience who had definite jobs to go to should be released for the northern districts, but that they proposed to deal with the Mackay and Bundaberg districts when the sign-on of cutters had been completed. In this connexion it was represented to the Committee that considerable delay was experienced on the part of the Army in granting releases after the recommendations of the Man Power authorities have been forwarded. Relief was asked for in this regard, particularly in the case of Mackay and Bundaberg, which were starting later than usual, and any undue delay in obtaining the full complement of cutters may prolong the season beyond its economic effectiveness.

MECHANICAL HARVESTING.

12. In view of the shortage of cane-cutters the Committee inquired from representatives of the sugar industry whether attention had been given to the utilization of mechanical cane-harvesters, and it was informed that at various times experiments had been made with machines in Queensland and although they were effective up to a point it was considered they would not replace cane-cutters, and it was contended that a particular crop would have to be grown to assist the machine and the planting time would have to be regulated.

At different times within the last 30 years many machines—such as the “Hurrey”, the “Falkiner”, the “Miller-Owen”, and the “Howard” have been tried in Queensland, and although each reached an advanced experimental stage none achieved a practical degree of success. The Committee was advised that the “Falkiner” cane-harvester was first successfully demonstrated at Bundaberg in 1925. It was claimed that this particular machine successfully cut, topped and dumped in convenient heaps for loading, straight cane, with the trash burnt off, grown on a level field, at the rate of 40 tons per hour in a 20-ton crop, at an estimated cost of 2s. 6d. per ton. Endeavours to form a co-operative company within the industry to operate this machine failed financially.

Mechanical harvesting has been forced upon the Hawaiian growers by an acute labour shortage and different types of mechanical harvesters have been developed in those islands, and the machines which have found favour in Hawaii conform to two types—the grab and the rake. Owing to the heavy and recumbent nature of the crops grown in the islands, the difficulties of cleaning the cane in the fields, coincident with the harvesting, have not been satisfactorily surmounted. As a result the practice has been adopted of harvesting the whole crop—cane, tops, leaves and generally a substantial amount of extraneous matter in the shape of soil and even rocks—and using machinery on the factory site to clean the cane and fit it for the milling process. Although the field costs, it was claimed, have been reduced to a fraction of those involved in hand cutting, the condition of the cane has created serious factory problems.

The Committee was also informed that after over five years of experiments a cane-harvesting machine known as the “Wurtele” was recently operated in Louisiana with considerable success under the conditions for which it had been specially designed.

IMPRESSMENT OF TRACTORS AND TRUCKS.

13. During recent years most of the larger cane farms have become highly mechanized and are equipped with powerful crawler-type tractors. The impressment and hiring of these tractors, therefore, by the military and main roads authorities for national work has caused considerable embarrassment and disorganization to the growers affected, particularly as it was the higher-powered and best conditioned machines which were impressed.

The early experience in the industry was, according to evidence, that the impressment of tractors and trucks was conducted in rather an autocratic manner, and that whilst one area would be almost depleted, another would be left with numbers of machines. Instances were quoted to the Committee of the immediate impressment of tractors when a few days further use would have enabled a farmer to complete his ploughing; of tractors taken forthwith and left for days at the local railway siding; and of many large tractors on adjoining farms being impressed or hired without regard to the number left for the district to carry on. In the Herbert River district, for example, out of a total of 450 tractors of all types in use, 110 heavy machines have been impressed; no diesels and only a few caterpillars remained in the district.

The cane-growers' organizations had made representations to the authorities that there should be some co-ordination between the impressment officers and representatives of the industry so that a district would be left with sufficient machines to permit of co-operative use being made of them by the local farmers. However, it was still found that the impressment of new tractors or of machines in good working order was given greater consideration than their location, and that the drain on tractors and truck power had been excessive, with individual cases of great hardship.

Following proposals submitted to the Premier of the State of Queensland, regulations have now been issued under the Public Safety Act to deal with this problem by establishing some measure of control in each district, and providing facilities for making the maximum use of the remaining plant.

It is emphasized that, particularly in view of the shortage of man-power, tractor and truck impressment will have an effect on the harvesting of the 1942 crop and a considerable effect on future cultivation.

All the largest types of tractors are being impressed and many of the implements that are worked by them are not suitable for use by smaller tractors or to be horse drawn.

14. Associated with this problem also are the difficulties experienced in obtaining tyres and spare parts for tractors and trucks, oxygen gas for repair work and the services of mechanics.

15. The long delays by the authorities in the payment for tractors and trucks impressed and for land taken over for war purposes was a general complaint throughout the industry.

FERTILIZER.

16. Associated with the loss of man-power, which is definitely the dominant factor interfering with the harvesting of the present crop, is the uncertainty of the future. This will doubtless influence many farmers in planning their future programmes. Some planters contend it is unwise to expend much money in the production of a 1943 crop, the harvesting of which may be problematical. But they desire to make the most of the ratoons which can be obtained from the stools already in the ground and to combine this with a minimum of expenditure on cultivation. However, ratoons can be successful only where the correct fertilizer can be obtained, and for sugar complete mixtures of nitrogen, phosphoric acid and potash are needed. In the planting operations green manuring with legumes provides the maximum of economy in fertilizer, but with ratoons, the benefits of green manuring are no longer felt, and the crop must be adequately fed to give normal tonnages.

Some sugar-cane lands have grown crops for more than 40 years and are still in production. Sugar-cane is very exacting on the plant food in the soil and as, in many areas, the soil is leached by excessive rainfalls, it is of vital importance to the fertility and productive capacity of the land that it should be supplied in some form with the plant food which has been consumed by the production of successive crops.

17. Owing to the need for sulphate of ammonia in the manufacture of munitions, however, no sulphate of ammonia, either alone or as an ingredient in mixed fertilizers, is permitted to be used on sugar-cane. The Committee was informed that the quantity of sulphate of ammonia allocated to Queensland was 1,320 tons for the period from July, 1942, to February, 1943, whereas normally about 20,000 tons would be used during that period, or a total of 26,000 tons annually. This quantity together with relatively small stocks on hand would be just about sufficient for priority crops, such as vegetables, tobacco, cotton and potatoes, leaving, of course, none available for sugar-growers.

A certain quantity of meat works fertilizer was available in certain areas but the difficulty was in rail transport.

18. All the potash extracted from sugar cane is concentrated in the molasses, but molasses which were extensively used as a fertilizer are now required for the manufacture of power alcohol and for munitions purposes, so that source is closed. Burning the trash, however, helps to restore potash to the soil, and the practice of burning off standing cane to remove trash is being more extensively adopted this year both with this object in view and also to meet the labour shortage as a higher tonnage of burnt cane could be cut. Burnt cane must, however, be harvested soon after it has been burned.

Unless supplies of fertilizer are made available much of the man-power utilized for cultivation will be wasted.

The Committee was informed by the Director of the Bureau of Sugar Experiment Stations (Dr. Kerr) that—

In recent weeks, the Bureau of Sugar Experiment Stations has completed a ration plan for all cane-growers wishing to obtain fertilizer this year. Some 5,000 individual rations have been calculated, based on our knowledge of soil and crop requirements, coupled with normal farm utilization of fertilizers. In this way, it has been possible to assure that each grower will be able to purchase in accordance with his actual needs. The rations have been calculated on a very moderate basis; many farmers have not applied for an allotment due to the uncertainty of the outlook, while farms owned or occupied by interned aliens are automatically debarred from a share. Even allowing for these circumstances, the quantity of fertilizer available will be substantially short of estimated requirements. The future is even more heavily obscured by the difficulties in effecting delivery of even this reduced tonnage.

As far as the sugar-growers are concerned there has been no relaxation with regard to the transportation of fertilizers. Our only hope lies in obtaining meat works manure from northern meat works when it could be either used in the locality or brought south. In recent weeks a few hundred tons have been railed from Townsville and Rockhampton to districts in the south, but potash must be added to this manure to make it like a mixed manure. No sulphate of ammonia will be available during this year and only 6,000 tons of superphosphate will be available as against 10,000 tons used in 1941. Of muriate of potash, 473 tons will be available as against 4,077 tons used in 1941, and there will be 14,000 tons of mixed fertilizers as against 15,400 tons used last year. Nitrogen in the form of sulphate of ammonia is the fertilizer that puts life into the ratoon crops of cane. Nitrogen contained in green manure is beneficial, but unless sulphate of ammonia can be applied at the rate of 3 or 4 cwt. to the acre the ratoon crop may be scarcely worth harvesting. The total area of ratoon sugar-cane is at least 150,000 acres annually.

TRANSPORT.

19. Owing to the demands of transport for war service the Commissioner of Railways in Queensland had indicated that the number of wagons usually available for cane transport would have to be reduced by 75 per cent. and that no absolute guarantee of availability could be given. Allocations of trucks were being made to each district and representatives of mills and growers had to arrange how to make the best use of the reduced supply. The position is being met partially by concentrating haulage as much as possible to the nearest mill and by utilizing motor transport to a great degree on a more co-ordinated system than had previously been practised; concentration to the nearest mills must of course be qualified by the capacity of the mill to handle this system of delivery on an increased scale. It was stated that it was therefore quite possible that cane at a distance from any mill may not be harvested where motor transport is not available or bad roads render it too costly.

The shortage of railway trucks will also be an obstacle to the normal haulage of sugar to the seaport and overcrowding at the seaport will add to the difficulties, notwithstanding that many mills have recently greatly increased their storage capacity. Facilities for transport to the port and for quick loading on to vessels are imperative as stocks of raw sugar must be quickly renewed at the refineries. If all the storage capacity is filled, harvesting has to cease and all mill and field workers are kept standing still.

20. There were occasions too when the haulage of sugar has been determined, not only by the number of trucks available, but by the supply of tarpaulins. Considerable risk is incurred in railing large quantities of sugar without protection from rain.

21. Strong representations were made to the Committee regarding the lack of facilities for storing and loading sugar at the Townsville wharf. The present congested state of the port is due to abnormal conditions existing on account of the war and its heavy demands on the port facilities, combined with a shortage of labour for working the ships and loading sugar. Priority, of course, is given to Service vessels and all vessels occupying berths must be worked continuously. The only storage accommodation available at present at the wharf is for 3,000 tons of sugar and should vessels to load sugar not arrive on time it would be possible to have many tons of sugar in railway trucks, the use of which may be urgently required for other essential purposes.

To enable the port to handle satisfactorily the transportation and shipping of the 100,000 tons of sugar expected from the mills using this port it was urged that greater facilities and more storage be provided at Townsville. It was also represented that the Dock Unit operating at certain southern ports be transferred to Townsville to assist in relieving the acute labour shortage.

In reply to suggestions that greater use might be made of the port of Bowen to relieve the pressure on Townsville, it was contended that at the height of the sugar season this port too would be found to be congested. Nevertheless it was admitted that as Bowen offered prospects for development not available at Townsville it might be advisable as a war-time measure to use the port of Bowen for mills in the Ayr district.

MILL WHITE SUGAR.

22. It was suggested to the Committee, in evidence, that whilst the carriage of fertilizer presented a problem, it could to some extent be overcome by refraining from transporting refined sugar for use in all districts, say, north of Rockhampton, and making available in those districts mill white sugar. By this means it was contended that the carriage thus made available could be utilized for the transport of fertilizer.

Mill white sugar is raw sugar which has had extra washing in the centrifugal machines and is a light yellow colour. The Committee was informed that its manufacture presents no technical difficulties, but care must be taken that the bagged product is thoroughly dry, with a moisture content of less than 0.1 per cent. With no great alteration to existing factory routine approximately half of the factories' out-turn could be manufactured up to a high standard of purity.

The main objections to the use of mill white sugar for direct domestic consumption are that the public has not been educated to accept a product which may be slightly less attractive than what they have been used to, and also that this sugar will, during lengthy periods of storage, deteriorate. To safeguard the keeping qualities of the sugar it would have to be stored so as to prevent contact with humid atmosphere. It is claimed that it is unsuitable for jam making as the keeping qualities of the preserves are affected by its use.

The distribution of mill white sugar from factories direct to surrounding areas should be quite feasible and providing the bulk sugar is stored under conditions conducive to the protection of quality, it could be carried out successfully both during the crushing and off seasons. The largest section of the consuming public would be the householders who purchase their requirements frequently and in small quantities from retailers who would be able to obtain stocks at frequent intervals from protected bulk supplies.

Consumers in outback areas who would have to carry stocks for lengthy periods would perhaps have difficulty in keeping mill whites in good condition. These consumers would be in a minority, their requirements would be small and to supply them with refined sugar would put no strain on the transport system.

Speaking of mill white sugar, the Director of the Bureau of Sugar Experiment Stations (Dr. Kerr) said—

Normally sugar coming from a raw sugar mill would not have good keeping qualities, but many of the farmers get what is known as ration sugar, or mill whites. That is a high grade raw sugar which has been excessively washed to remove the molasses. This is over 99 per cent. pure and some of the farmers use nothing else. Refining improves the keeping qualities of sugar and also improves its appearance. Consideration might well be given to the subject of marketing more high-grade raw sugar Personally, I think it is superior to the refined article.

23. Under the Sugar Agreement Act provision is made for mill white sugar to be available in limited quantity only, and there has been little demand for it outside certain mill areas.

It must also be remembered that the transport required for refined sugar is spread over twelve months, and distribution is made to many centres, whereas the fertilizer would be required in a short space of time and would be transported in large quantities.

The question is, therefore, whether the saving of such space as would be made available for fertilizers would justify such a change in the industry. Moreover as sulphate of ammonia cannot now be used on sugar-cane, and with meat works fertilizers practically the only ones available it is doubtful whether even additional transport could assist the position.

Apart, however, from the question of making space available for fertilizer, the more general use of mill white sugar appears to offer opportunities for the saving of man-power and transport facilities.

EXCESS SUGAR.

24. It was indicated to the Committee that in one district alone the quantity of sugar-cane available for harvesting this year in excess of the amount required to fill the mills' peaks would be over 70,000 tons—representing 11,000 tons of sugar—which normally would not be harvested. To permit the loss of such a quantity of essential foodstuff would be a serious economic waste, especially as the Committee was informed that in that area the man-power was available to harvest the cane.

The quantity of sugar for human consumption has been further reduced by the substantial quantity now being used in munitions production.

Having regard to the uncertainty of the outlook the Committee considers that every effort should be made to ensure that all growing crops of cane are harvested regardless of ordinary peace-time restrictions or of difficulties of transport.

All the sugar available should be harvested even if the quantity is greater than that permitted under the "peak" system. Any sugar in excess of the peak could be credited to the mill that produced it at what might be known as "export" value, so that the general value of sugar in the pool would not be affected. Similar action was taken by the Queensland Sugar Board some few years ago when a big demand for export sugar warranted a greater proportion than the peak quantity in each mill being taken.

25. The need for Australia to harvest all the sugar available is more apparent when the effect of the entry of Japan into the war is studied in relation to its effect on sugar supplies. The position was put to the Committee by Mr. Curlewis :—

Japan's attack in the Hawaiian Islands seems likely to have indirect consequences. The sugar industry in that territory has suffered for some years from a serious shortage of labour, and, as a very large proportion of the employed labour has been Japanese, it seems probable that the output of 800,000 to 900,000 tons of sugar per annum will be more or less appreciably reduced for the time being.

The overrunning by the Japanese of the Philippine Islands deprives the United States of America of something like 900,000 tons of sugar which she ordinarily obtained from that source.

The capture of Java deprives the world of a production of upwards of 1,600,000 tons per annum, at which figure Javan production had latterly been stabilized. In addition, it is understood that several hundred thousand tons of previous production were at the time in store.

In short, it seems that an annual production of upwards of 2,500,000 tons has come directly under Japanese control, in addition to some indefinite amount of held stocks. All this has become unavailable for its usual markets.

SHORTAGE OF SUPPLIES.

26. Difficulties in regard to the shortage of supplies were also outlined to the Committee ; in many cases they were similar to those confronting all primary industries. Spare parts for tractors and trucks, tyre supplies, the supply of oxygen gas for repair work and the services of mechanics are some of the problems experienced. In many areas in North Queensland cane-cutting proceeds irrespective of wet weather, consequently an adequate supply of flannel shirts is essential to the health of the cutters—these have been difficult to obtain. Sandshoes are preferred to leather footwear, but a pair of these does not last long under prevailing conditions.

Whilst dealing with the question of supplies, the general secretary to the Queensland Cane Growers' Council (Mr. Muir) told the Committee :—

On the subject of tea rationing, it is considered in tropical Queensland that special consideration should be given by the appropriate authorities to those who are actively engaged in harvesting. It is essential that working men and farmers who are cutting cane and carrying out heavy work in the fields during the hot months of the year, at least, be given a more adequate tea ration than is at present available.

27. Another matter of grave concern to the mills arising from labour and transport shortages was the question of fuel supplies. While the bagasse was generally sufficient for the fuel requirements of most mills working continuously at full capacity, large quantities of firewood were necessary when the mills were working below capacity and in broken shifts.

The position was submitted to the Committee by a representative from the Innisfail district as follows :—

The lack of a continuous supply of cane for crushing causes what is termed "broken time" and the mill has to cease crushing, waiting for cane supplies. When this happens, the supply of bagasse to the furnaces ceases, and in order to keep up steam it is necessary to burn firewood in the furnaces. Under normal conditions, the mills use a certain quantity of firewood, which is obtained during what is termed the slack season. However, this year, owing to lack of petrol and the impressment of lorries, the sugar mills were unable to obtain a quantity of firewood equal to their normal requirements. Having in view the likelihood of interruptions of running owing to the possibility of abnormal conditions during the crushing season, the mills gave contracts for a larger quantity of firewood than usual. Despite every effort, these orders were not able to be fulfilled, for the reasons stated. Every effort was made to obtain trucks from the railways for the transport of firewood but they were unable to supply all the wagons required.

DAIRYING.

28. At its meeting in Sydney in August, 1940, the Australian Agricultural Council considered that the long term market prospects justified the adoption of an energetic policy of extensive production in the dairy industry in all States. The British Government placed dairy products high on the priority list and many countries formerly supplying the British market were subject to enemy occupation or control. Take Denmark, for example, it is little bigger than the western district of Victoria, but it had over 3,000,000 dairy cows. These had to be fed on imported grain, and as the grain is not now reaching the country, probably many of these cows have already been slaughtered for human consumption. These were probably the best cows in the world, having 40 years of herd testing behind them. As it takes three years to multiply a dairy animal it will be impossible for Denmark to get back to its old productivity for many years after peace is declared.

Lack of refrigerated shipping space and the requirements in Great Britain, however, necessitated change in the form in which dairy products were to be shipped—more cheese and less butter was in demand for a time, and a greater production of dried and condensed milk desired.

29. Notwithstanding the importance and urgency of the demand for the products of the dairying industry, evidence placed before the Committee was emphatic that the industry was suffering severely from scarcity of labour; normally it was difficult to keep labour in the dairying industry, but owing to enlistments in the fighting forces, military call-ups, the needs of munitions factories, and other war demands, the industry was so depleted of man-power that production was seriously threatened. This industry, too, is badly affected by seasonal conditions and during the recent long dry spell reserve fodder supplies have been exhausted, with little hope of replenishment.

30. Throughout the States evidence was unanimous that the position was becoming acute. For example, in Victoria, the Committee was told by a member of the Australian Dairy Produce Board (Mr. Howey) that—

The effect of the shortage of labour is such that some dairy farmers are switching over to sheep and fattening cattle. Dairy herds are being reduced because it is impossible to handle them.

In South Australia, the Minister for Agriculture (Mr. Blesing) said—

Labour for harvesting crops and dairying was noticeably scanty on farms during the past year The position is rapidly deteriorating and many rural employers of labour will, of necessity, need to reduce their activities to a considerable degree The dairying industry in South Australia has had a very serious setback through the shortage of man-power brought about by enlistments and the large number of rural workers who have migrated to the city for munitions work. As a consequence dairy farmers have been unable to obtain the necessary assistance to enable them to carry on with their usual herds. Numbers have reduced their herds considerably, and some have been forced to dispose of their cows altogether.

In New South Wales, according to the general president of the Primary Producers' Union (Mr. Gordon)—

The dairying industry has largely depended on family labour to meet its needs. Since the war this type of labour has been seriously depleted, due in the first instance to heavy enlistments and also to the fact that farm labourers, and in some instances farm families, have found other avenues of employment with very much brighter prospects than dairy-farming Hosts of farms have been left without adequate labour. This has resulted in a decrease in production and the neglect in many instances of essential work on the farm.

In his evidence before the Committee the general president of the Agricultural Bureau of New South Wales (Mr. Cavanagh) said that if steps were not taken to offset the shortage of man-power there was a very real danger that we will experience a shortage of foodstuffs. He added—

That is not an over-statement of the position. There will certainly be a shortage of dairy products. The shortage of man-power in the dairying industry is due largely to the fact that because the industry never paid very high wages many young men entered munition factories and the Army The question in regard to fodder conservation is also serious as the result of continued dry seasons which have exhausted reserves, and also because of the shortage of man-power experienced last year have not been made good. On top of that the whole of the State has experienced a severe drought Fodder conservation is an urgent problem, and should be tackled on a national basis in order to build up stocks for the use of the Army as well as for the preservation of our flocks and herds.

On behalf of the Farmers and Settlers' Association of New South Wales, Mr. Nock said—

One of the greatest problems to farmers to-day is labour and the Farmers and Settlers' Association is greatly concerned at the transfer of key men from agriculture Thousands of farmers lost their No. 1 mechanized men in the early stages of the war. They carried on with other sons or substitute labour. Subsequent calls have taken these, and to-day numerous farms are manned by over-age men with perhaps a boy The lure of high pay in munition works has also drawn men from the farms The Farmers and Settlers' Association would approve of the drafting of such men back to the primary industries during the seeding, shearing and harvest periods.

In Queensland, the State Director of Dairying (Mr. Rice) told the Committee—

As with other rural industries the dairying industry is feeling the effect of the loss of man-power in rural areas due to enlistment for war service. Farmers are endeavouring to offset the loss of labour in many cases by the installation of milking machines in the dairy sheds and the utilization of mechanical plant for other farm operations. Production is fast declining because of the inability of farmers to obtain sufficient labour for fodder conservation and the growing of fodder crops.

Rural labour, especially under the low wage conditions of dairying, was early depleted owing to the much higher ratio of voluntary enlistments in country districts and the exodus to the attractive high wage work available in industrial cities and towns. In my travels through dairying districts I have noticed that many farms are unoccupied. In the South Burnett I was told that nine farms had gone out of dairying. On the Darling Downs twenty dairy farms have gone out of production in the last twelve months.

Our estimate for the year ended 30th June, 1942, is that there has been a decline in production in the dairying industry of 20 per cent. I think that the falling off has been fairly general. After February, however, fairly seasonal conditions were experienced. The position in Queensland in the last twelve months has been much the same in all districts. There is a tendency for large herds to be reduced to about 40 milkers, a size which can be handled by the farmer's own family labour without outside help. The position in the dairying industry is also reflected in pork and bacon production. A few months ago we made a survey which showed a decline of pig production varying from 15 per cent. to 30 per cent. and an average decline of over 20 per cent. I do not see any prospect of increasing production, and it will be difficult to maintain the present level of dairy produce output. Many of the productive cows have been destroyed, and many have gone to the abattoirs. It takes two and a half years for a calf to reach the productive stage. Once a man who has worked on a dairy farm takes up military duties, or works in a munitions factory, he does not wish to be released to return to the land.

The butter production will be about 400,000 boxes less this year than last year, or a falling off of nearly 20 per cent. Queensland's production of butter in 1940-41 was 2,090,677 boxes and the estimated production for 1941-42 is 1,686,633 boxes. In the most favorable period the butter production reached 2,600,000 boxes a year, and therefore the estimated production for the year just closed is 1,000,000 boxes less than the output of a peak year.

The general manager of the Port Curtis Co-operative Dairy Association Ltd. (Mr. Wilson) which has seven butter factories situated at Bundaberg, Gladstone, Rockhampton, Mackay, Wowan, Biloela and Monto, and cheese factories at Bracewell and Theodore, said that from February, 1941, when the peak number of suppliers was 3,694 it had dropped to 3,578 by February, 1942—a reduction of 116. Mr. Wilson added—

The shortage of man-power on farms is now becoming more apparent as many people who had share-farmers cannot now get them. As an instance, Mr. Willert, of Berajondo, who has three dairy farms of about 100 cows each run by share farmers, has closed one dairy, is closing another in August and may close the third one later. Mr. A. Dougall, of Miriam Vale, is closing his dairy, and he told me that other people in his district are going to close down and only graze cattle for the meatworks. Many farmers are reducing the number of milking cows in their dairies, owing to members of their families being called up and the scarcity of labour. A Mr. Jensen, Coast-road, Bundaberg, is an example—sons called up reducing from 40 to 10 cows. Mr. G. B. Mouatt, Chairman of Directors of our association, whose farm is at Mungungo, carried 60 dairy cows, and will now reduce to 25 through shortage of labour. Many other instances can be recorded if necessary. The butter price, to a great extent, enters into this question of labour. The dairying industry is noted for the low wages paid to farm workers. Farmers cannot pay good wages on the price they receive for butter. My opinion is that, with a better price for butter, production will increase. If farmers are to receive a price comparable with that paid in other industries, and appropriate to the hours worked, the price of butter should be 2s. per lb.

There have been heavy sales of dairy stock, quite a lot being sold to meatworks for tinning. Mr. Boyle, of Yarwon, recently told me that he had bought in his district over 200 head of lovely young Jersey heifers for the Gladstone meatworks. He stated that it was a sin to see young cattle of that class being slaughtered and going out of production. This state of affairs should be guarded against, for if it assumes serious proportions, it will be difficult later to increase the production of butter.

COTTON.

31. The present production of cotton in Queensland is insufficient to meet the Australian demand which has increased considerably since the outbreak of war due to the requirements of the defence services for this essential material. The Commonwealth Government has agreed to a bounty for a period of five years to encourage production and the Queensland Government on its part has undertaken to embark on a programme of development which aims at stimulating the production of cotton under conditions of supplementary irrigation facilities, and the improvement of the average yield per acre.

The present Queensland production is in the vicinity of 11,000 bales of 500 lb. raw cotton and, moreover, Queensland produces cotton of the type required by the Australian spinners who will require at least 80,000 bales of raw cotton during the coming year. The gravity of the shipping position makes full maintenance of importations doubtful hence the imperative need for Queensland farmers to increase cotton production to the fullest possible extent.

The Queensland Minister for Agriculture (Mr. Bulcock) considered that we should aim at producing 40,000 bales of cotton, and that would represent only half of Australia's requirements, but the maximum expansion of the industry depended on the proper co-relation of labour available for planting and harvesting, and of essential supplies of wire netting, fencing wire, piping, petrol, &c.

32. As a result of urgent appeals from the Commonwealth Government to increase the production of raw cotton which is so vital for Australia's defence efforts and to meet the needs of the civilian population, the Queensland Cotton Board and the Department of Agriculture are aiming at planting 100,000 acres of cotton. As the average acreage per applicant for which cotton seed has been purchased during recent years has ranged from 18 to 20 acres between 5,000 and 6,000 farmers will be required. The general manager of the Queensland Cotton Board (Mr. Young) informed the Committee that given favorable growing conditions and yield the labour requirements for harvesting 100,000 acres of cotton would be 4,700 pickers employed during 85 working days; he estimated that of this total 1,700 pickers would be available on the farms, thus leaving 3,000 pickers to be obtained from outside sources for the harvesting of next year's crop; in addition to this shortage for harvesting there would be a shortage for the preparation and cultivation of the land. For harvesting no trained labour was required, but experienced help would be needed for the preparation of the land and the cultivation of the crop. He suggested to the Committee that men be released from the military forces for short periods for cotton growing and harvesting, or that labour for the work be allotted from the labour corps; failing the obtaining of adequate labour from these sources the only alternative was to secure female labour for the harvesting—an operation which could be successfully and efficiently performed by females.

33. In addition to labour an important factor in cotton growing was an adequate supply of fencing wire as much of the growing is carried on in conjunction with dairying. Certain quantities had already been released but they were considerably below requirements.

34. A further factor in the production of cotton was stated to be the necessity for some increase in the price return to the growers so that the relationship between cotton prices and the prices of the primary products should be kept in line. Mr. Young put the position before the Committee as follows:—

A factor which is of considerable importance in regard to this matter of price return to growers is the sale price fixation of Queensland cotton sold to Australian spinners and manufacturers. Under the *Raw Cotton Bounty Act 1940-1941* the Queensland Cotton Board is obliged to sell Queensland raw cotton to Australian manufacturers at the equivalent lowest import parity price of raw cotton obtained from any foreign source. Under pre-war normal conditions, this provision may have been quite in order, but under present war conditions, it is detrimental to the cotton-grower. During the last two years and up to a recent date, raw cotton imported by Australian cotton manufacturers was obtained from India, Africa and South America. The price of cotton in these markets at the present time is below the price ruling in pre-war years. These countries have lost their export market and are obliged to sell their export surplus at sacrifice prices. The Cotton Board, in selling Queensland cotton to Australian manufacturers under the provisions of the *Raw Cotton Bounty Act* has to meet this competition. On the other hand, the price of cotton in the United States of America has more than doubled—from 9 cents per lb. for the two years preceding the outbreak of war, to 20 cents per lb. present day price.

The whole of the production of raw cotton in Queensland for the past six years has been sold on the Australian home market, being manufactured into cotton goods for Australia's domestic consumption. At the present time, the sale price of manufactured cotton goods in Australia is determined by the price of raw cotton and the cost of manufacture and the cost of transportation in and from the United Kingdom and the United States of America, as it is these two countries which supply practically the whole of the imported manufactured cotton goods consumed in Australia. At the present time, the landed price of raw cotton contained in manufactured cotton goods imported into Australia from the United Kingdom is approximately 1s. 9d. per lb. in Australian currency, whilst the price of raw cotton in manufactured cotton goods or the raw cotton itself imported from the United States of America is approximately 1s. 6d. per lb., Australian currency. The price at which we are selling Queensland cotton to-day to Australian spinners is based on the figure of 11½d. Australian currency. Pre-war we were selling on the basis of

7d. to 8d. per lb., Australian currency, which was the import parity price, but the import parity price for the cotton which the spinners had been obtaining in 1941 and early 1942 was as low as 9d. per lb., Australian currency. At present the Commonwealth Government has guaranteed to the growers a net return of 1s. 3d. per lb., equivalent to 5½d. per lb. for seed cotton. The amount of the liability of the Commonwealth Government depends on the sale price of our cotton. These two prices, 18d. and 21d., of the raw materials therefore largely determine the selling price of manufactured cotton goods in Australia for domestic consumption, and it is contended that Queensland raw cotton should be sold to Australian spinners and manufacturers on an equivalent basis value. If this were done the Commonwealth Government would not have any liability with regard to raw cotton bounty payments to growers, and the growers would obtain a slightly increased net return over what they are receiving to-day, and the general line of cotton manufactured goods being sold in the domestic market in Australia would not be increased in price, as they are based on these raw cotton prices at the present time.

35. Detailed figures submitted to the Committee indicated that the increased cost of production of cotton since the outbreak of war was not less than 30s. an acre taking into consideration such factors as increased costs of kerosene, petrol, lubricating oil, bales, bags, twine, &c., higher rates for labour and packing and indirect increases such as fencing and repairs to tractors and implements.

36. It was further stressed that the future of the cotton industry and its stability on a sound agricultural and economic basis depended on the conservation of water and irrigation developments. Research and experimental work has proved that the growing of cotton in Queensland with the aid of irrigation is a sound proposition and offers an avenue for considerable rural development in the post-war years, especially as it is almost the only primary crop in Australia for which there is a considerable home market available.

37. In addition to helping the supply of Australia's war requirements for cotton, it was submitted that there should be considered the uses of the by-products obtained from cotton seed and the effect on the production of other farm products of the growing of cotton.

The Director of Cotton Culture to the Queensland Department of Agriculture (Mr. Wells) submitted to the Committee the following interesting example :—

The case of a farmer growing 10 acres of cotton yielding only 500 lb. of seed cotton an acre, the total yield of 5,000 lb. of seed cotton would consist, on the average, of 35 per cent. fibre, 63 per cent. seed and 2 per cent. waste, or 1,750 lb. fibre, 3,150 lb. seed, and 100 lb. waste. The fibre is required for a multiplicity of purposes, such as the manufacture of uniforms, webbing, tents and various other well-known items made of cotton. From the 3,150 lb. of seed would be obtained 126 lb. of short fibres or linters, which are used in munitions making; 619 lb. of hulls which would be fed to dairy herds held in the suburbs of Brisbane in order to provide warm milk to the population of that city; varying quantities of cotton seed oil, which is used in the manufacture of cooking margarine, by bakers, in processing raisins, and for other purposes; 315 lb. of bran, and 1,417 lb. of cotton seed meal. From a Queensland point of view, the latter two items are the most important by-products obtained from the cotton seed, for a mixture of the cotton seed meal and bran has been the means of saving thousands of stud sheep in droughts, and in recent years has been increasingly fed to dairy cows, not only during the dry winter periods, but also for most of the year in the coastal districts, where pastures are deficient in proteins. A quarter of a pound of cotton seed meal a day, with roughage, will maintain sheep, whilst 3 lb. of meal a day per cow on pasturage will sustain a good flow of milk. Dairy farmers advise that for every £1 worth of cotton seed meal fed to cows, a net profit of approximately £2 is obtained.

Mr. Wells continued—

Where the cotton-grower also engages in dairying, as the majority of them do, extensive investigations conducted by the Queensland Department of Agriculture and Stock have given clear-cut evidence that substantially increased yields of both cotton and milk may be obtained through practising the grassland-cotton rotation recommended in cotton-growing districts. It has been found that where pastures are left established over long periods of grazing, a marked deterioration of both the yield and quality of the feed produced results. By ploughing out the pasture and growing cotton for three successive seasons, sufficient renovation of the soil is obtained through the cultivation operations connected with cotton-growing to restore a balance of plant foods favorable for the profitable production of a re-established pasture. As this rotation also increases the prospects of obtaining gains in cotton yield over those produced on old cultivations, the use of the rotation is increasing annually. To date no other equally suitable crop has been discovered for use in this State in renovating grassland in the cotton-growing districts. It can thus be appreciated that by establishing a new pasture on an old cultivation and growing cotton following the ploughing out of old grassland, the dairy farmer in the districts where cotton can be grown satisfactorily, not only produces cotton as part of this war effort but also increases the output of his dairy herd, and in many cases also improves the quality thereof through the elimination of the weed-tainted milk and cream that are frequently produced where cows graze on deteriorated pastures. It is, therefore, highly important that the use of the grassland-cotton rotation be increased to the fullest possible extent during the coming season. Not only will the production of cotton be greatly increased, but in addition the ploughing out of a substantial acreage of old pasture for cotton-growing on each dairy farm will enable the dairyman to establish fresh pastures following two or three seasons of cotton cultivation, and thus increase the efficiency of dairy production during the difficult post-war period that is ahead of us. Undoubtedly, without a marked improvement being effected in a substantial portion of the pasturage on many of the dairy farms in the cotton-growing districts of this State, the owners are going to have difficulty in producing butter under post-war conditions.

38. Farmers as a whole appreciate the necessity for growing all possible cotton to meet the country's requirements and dairy farmers are increasingly realizing the value of the grassland-cotton rotation as the cultivation for cotton not only rests the land, but also increases the fertility of the soil for the growing of grasses. They have, however, been worried by the

difficulties encountered this season in obtaining sufficient labour to harvest approximately 47,000 acres which produced only moderate yield owing to adverse climatic conditions. Had the weather allowed of the planting of the 73,000 acres of cotton for which seed had been purchased a labour shortage of serious magnitude would have occurred. Realizing the position many farmers are either limiting their acreage to what they and their families can harvest, with the possible help of two or three pickers, or are delaying in deciding what area to plant until announcement is made of a definite scheme to harvest next season's crop. The following proposals were placed before the Committee which, it was claimed, would, if put into force at an early date, definitely improve the prospects of obtaining the objective of 100,000 acres of cotton—no further call-up of man-power on farms where cotton is grown as the major crop or in conjunction with other crops; the temporary release from military camps of experienced cotton-growers at time of planting; the release from military training during the harvesting period of bona fide cotton-pickers; and an early pronouncement by the Commonwealth Government that sufficient labour will be provided to harvest all cotton produced next season.

As investigations over a number of years have demonstrated that autumn and early winter ploughing of seed beds for cotton-growing increases the chances of obtaining satisfactory yields of cotton, an early assurance was urged so that the preparation of seed beds may be proceeded with without delay.

TOBACCO.

39. The main tobacco growing districts in Queensland are Dimbulah and Mareeba in the north, and the south-western areas comprising Texas, Glenarvon, Yelarvon and Inglewood. The man-power problem is causing much concern and the Committee was informed that unless growers were assured at an early date that ample labour would be available to produce and harvest their crops production would be considerably below normal this season. The tobacco crop is a most expensive one to produce and consequently growers cannot be expected to proceed unless they are certain labour will be available when required. In the production of flue-cured tobacco it is important that labour be available immediately it is required as it is imperative that the leaf be harvested as soon as it has reached the correct stage for curing, otherwise its value will be greatly reduced.

Last season the labour position was so acute in the Dimbulah and Mareeba areas, which produce some of the finest leaf in the Commonwealth, that the Minister for Agriculture (Mr. Bulcock) made available the services of several departmental field officers to cure leaf and supervise harvesting which was carried out by labour gangs organized by these officers. As a result of this action the value of the leaf saved amounted to several thousands of pounds.

Many of the tobacco farms in Queensland are owned by, and are being worked by, foreigners, and a majority of the casual labourers previously engaged were of foreign extraction. During last harvesting season large numbers of these men were placed in internment camps or in labour gangs; consequently much of the skilled and casual labour previously used will not be available this season.

All reports reaching the State Department of Agriculture indicate that many growers are preparing areas much smaller than usual, whilst many others have not yet commenced to prepare the land.

40. Tobacco growing certainly offers opportunities for the use of female labour. Women have already been used on tobacco farms and there is no reason why women should not make better pickers and graders than men. Grading is a skilled operation and a matter of texture, colour and size of leaf.

41. The representative of the Dimbulah-Mareeba Tobacco Growers' Executive told the Committee that it was estimated that from 600 to 800 men, including share-farmers, would have to be brought into the industry to maintain production at the level of the 1941-42 season.

Although women could be used in many phases of tobacco-growing such as cultivation, picking, stringing, breaking down and grading, much of the work has to be performed by experienced male labour, and the Growers' Executive suggested this should be drawn from—

- (a) release of men from the army;
- (b) release of men from the labour corps;
- (c) men employed in sugar cane areas to be allowed to go into tobacco districts at termination of sugar season;
- (d) organization of such local labour as may be available; and
- (e) coloured labour, if available.

In the case of female employment, organization would be necessary, safeguards would need to be adequate, conditions of employment would have to be settled, and transport and accommodation problems would have to be met.

The Executive considered that many of the difficulties could be overcome to some degree; growers should be appealed to and given every encouragement to keep their farms in production, to prepare the soil and provide seedlings for their usual acreage.

42. The prospects of tobacco growing in North Queensland were bright particularly in the production of usable flue-cured leaf, but although it was claimed that Dimbulah grew the best tobacco in Australia, as indicated by its bringing the highest price, yet it receives the lowest average price to the acre because of the small yield. Moreover, the growers in that district were of opinion that, although there was a keen demand for their leaf, they were not sufficiently recompensed considering its quality. Farmers would be quite willing to increase production if assured of help, but, if not, they visualized a decrease of production by at least 50 per cent.

43. Recognizing the need for every encouragement to be given to the production of Australian leaf tobacco to meet the enforced dwindling of imports of leaf and manufactured tobacco, the Australian Tobacco Board has given full consideration to growers' problems in an endeavour to expand the industry. Representations to the Man Power authorities resulted in the exemption of all growers and permanent hands who were occupied throughout the year in tobacco-growing. The additional seasonal labour necessary for the production of the anticipated crop of 6,000,000 lb. was estimated at about 800 for harvesting and over 600 for grading—of which 60 per cent. could be females. The Man Power authorities have announced that this seasonal labour would be made available when required. Tobacco has been granted a No. 1 priority for fertilizer supplies so that no grower should have difficulty in obtaining his requirements. The Board has also made arrangements for essential supplies—such as calico to cover seed beds, benzol, &c.—to be made available. To meet additional production expenses an increase of 10 per cent. above the average price for 1940–41 crop was agreed to, and it has been announced that prices for the 1942–43 crop would not be lower than those for 1941–42.

The Australian Tobacco Board recognizes that the industry cannot be allowed to expand without control; only certain types of leaf are suitable for tobacco manufacturing and these require suitable soil and climatic conditions, and the present aim is to increase production to the maximum with existing plant and materials. The Commonwealth Council for Scientific and Industrial Research and the State Agricultural Departments have co-operated and generally there is evidence that production should steadily increase.

WAR DAMAGE INSURANCE.

44. Certain aspects of the war damage insurance scheme, as affecting rural industries, were brought to the attention of the Committee during its investigations.

So far as the sugar industry is concerned the position was submitted to the Committee by a representative witness as follows:—

Cane-growers are concerned at the refusal of the War Damage Commission to recognize their claims for consequential war damage insurance. If enemy action succeeded in destroying one or all of the mills in the district, the growers contend, they are entitled to insure their crops against such a contingency. It cannot be emphasized too frequently that a crop of cane and a sugar mill are complementary to each other. A crop of cane without a mill to crush it would be practically valueless. A sugar mill with no cane to crush would be a financial liability to the owner. Therefore, if a grower has borne the cost of producing a crop to be crushed by a given mill, and that mill is put out of action by the enemy, and the miller is entitled to insure against such damage, it is contended that the producer is also entitled to insure against the consequential damage thus caused, as under these circumstances his crop will have become valueless, because he will have lost his market.

45. Fruit-growers in a coastal district submitted that some insurance cover should be available to primary producers who might be called upon at short notice to evacuate their farms on a threat of invasion. It was claimed that in such circumstances the removal of the civilian population would mean that all the farms in the area would be seriously affected, and in a few months would become derelict; disease would spread and the crops would become a total loss.

ALIENS' FARMS.

46. Another matter which came to the notice of the Committee whilst in Queensland was the fact that in cases where alien farmers had been interned often no one was left to attend to their properties and to harvest the crops. In some cases where the control and management had been delegated to others, the latter had been subsequently interned. As many of these aliens had been engaged in sugar and tobacco-growing these neglected farms represent a substantial economic loss and it was submitted that some organization should be set up to deal with this question.

COMMITTEE'S OBSERVATIONS AND RECOMMENDATIONS.

ORGANIZATION OF MAN-POWER.

47. Many factors are mitigating against the primary producer in keeping up supplies to Great Britain, to our own and Allied fighting forces and to our civilian population. Owing to enlistments in the fighting forces, call-up of men to serve in home defences and the requirements of munitions works and secondary industries, the scarcity of labour for rural industries is daily becoming more pronounced.

48. Tribute must be paid to the rural districts for the extraordinarily large number of voluntary enlistments and their contribution to the war effort. Although exemption has been granted to many of those engaged in rural pursuits, and in some instances men have been released from the Militia to assist in planting and harvesting—the help has been inadequate if production is to be maintained, let alone increased.

49. The calling-up of key-men associated with power farming has necessitated the employment of less experienced men, mainly elderly men and juveniles. This has added to the producers' difficulties and has been reflected in reduced production. With the help of the female members of their families and organized assistance by scholars, teachers, boy scouts, girl guides, and others, farmers are endeavouring to carry on. But key-men in rural industries are vital to food production and are as entitled to exemption from service as are munition workers, because food supplies must be grown.

50. The farm must be maintained as an effective unit of production during the war period and be able to function effectively as soon as markets become available on the cessation of hostilities.

Before it is too late the remaining man-power must be organized. The production of foodstuffs is vital.

51. There should be three groups in our national man-power organization—first, the group providing the men for the fighting services; second, the technicians required for munitions production and essential services; and third, the food producers to ensure adequate supplies of essential foodstuffs for all in Australia and to help to meet our obligations to Great Britain.

In the third group, especially, greater use can be made of our women folk. Many women and girls are already helping on the farms and more are being trained to assist.

Action is now being taken to officially recognize these efforts. The Women's Land Army is to be organized on an Australia wide national basis and all voluntary organizations are to be incorporated.

The first and second groups cannot function without the services of the third. The army of food producers should have some recognition of their essential service, and if an eligible young man is prevented from joining the Services because he is needed on the "food front" he should receive some evidence of it by means of a badge or certificate.

52. In reports already presented to Parliament the Joint Committee has expressed the need for organization of labour to permit rural industries to continue the production of adequate supplies of food, and for some relief from military call-ups at certain seasons of the year. Following these recommendations instructions were issued by the Government in May last that, as a temporary measure, all persons bona fide engaged full time in the production of certain specified primary products, including sugar, dairy produce, cotton and tobacco, should be exempted from call-up until further notice. This provision was found to be inadequate, and release of men from the Army is being urged more strongly. Naturally the Army is reluctant to release men, but it has now been arranged that subject to certain conditions releases for seasonal work may be granted on the request of the Deputy Director-General of Man Power. The conditions are that no men would be released unless they have had three months' training; no officers or non-commissioned officers or specialists would be released; no travel cost against the Army; leave to be without pay, and all personnel to be subject to recall at 24 hours' notice.

53. From the names of the men appearing on the seasonal workers' register, it is urged that a mobile labour corps be established in each State to be used for carrying out, on a properly organized basis, seasonal work where large bodies of men are needed at short notice. The responsibility of maintaining such a corps when not in action should be borne by the Commonwealth, but when the services of the corps are required by an industry, the responsibility for payment should devolve upon that industry.

The members of the corps could be utilized for such tasks as cane-cutting, shearing, potato digging, cotton harvesting, tobacco harvesting, fruit and hop picking, &c.

SUGAR.

54. In the sugar industry shortage of man-power is the first and foremost problem: cane-cutting is so short handed and so much less efficient that the season will certainly have to be extended as adequate supplies to mills cannot be maintained. Associated with this difficulty is the further problem of preparing for future planting operations—preparation of land, disease and weed control and so on. Unless the trend towards diminished production is stopped there is a very definite risk that output may be reduced below requirements.

55. Cane-cutting requires young and vigorous men—just the type required in the Army—but if the position worsens and competent labour cannot be obtained the Committee is of opinion that the sugar industry will then have to look towards mechanical handling as a means of harvesting the cane crops. Australia has given the world a lead in many agricultural machines, and it is not too much to anticipate that, given sufficient incentive, a mechanical sugar-cane harvester could be devised which would meet our local conditions.

56. The immediate problems of the sugar industry are the labour and transport of the 1942 crop and labour for the preparation and cultivation of the 1943 crop. Owing to the shortage of man-power the planting and cultivation of cane for 1943 may not be so effective as formerly and combined with the lack of fertilizers there is a danger of a decline in production of sugar, which in some districts may amount to 25 or 30 per cent. Provided the present crop can be harvested and stored or sent south, the effect of the lack of man-power and fertilizer on production will not have a serious result immediately.

57. The wharfage facilities at Townsville are certainly inadequate to meet the present demands on the port and additional facilities for the prompt shipment of sugar to the south are urgently needed. Meanwhile, the question of directing to Bowen for shipment some of the sugar usually loaded at Townsville should be examined.

58. It is considered that the more general use of mill white sugar, however, offers opportunities for saving man-power and relieving transport problems, and it is recommended that this proposal should be further investigated.

59. The fact, however, that it has been found necessary to ration sugar supplies within Australia emphasizes the need for every effort to harvest all crops of sugar cane available, and to ensure that adequate labour is provided for cultivation and that whatever fertilizers can be secured shall be used to the best advantage to maintain production of this essential commodity.

DAIRYING.

60. In the dairying industry herds are being considerably reduced and in many cases no more cows have been retained than can be handled by the farmer and the help available from his own family. Dairy cows and brood sows are being slaughtered instead of being used to build up food supplies and other dairy herds are being dispersed and sold.

61. The excessive drain on man-power in the dairying and pig producing industries has created a position where it is physically impossible to produce the amount of hand feed necessary to maintain production during certain seasons of the year. The shortage of labour needed to attend to normal maintenance operations on farms is resulting in deterioration in stock and productive capacity.

62. Meanwhile the industry is in the main being carried on by the older men and women and by juveniles, with a consequence that production is steadily declining. But it is difficult to see how labour is to be induced to leave other activities to return to dairy farming with its long hours and almost full-time demands, coupled with low wages.

63. But the man-power difficulty will not end with exemption of farm labour from military service. More congenial and better paid employment is obtainable in other industries, and consequently conditions in the dairying industry must be made more attractive to retain on the farm even the sons and daughters of the farmer at an age when they would seek employment elsewhere. The dairying industry is not receiving remuneration commensurate with the service it is rendering the nation, and the Committee is unanimously of opinion that a substantial increase in the price of dairy products is essential.

COTTON.

64. The labour shortage in harvesting the cotton crop in Queensland will have a detrimental effect on efforts being made to obtain increased acreages of this vital and urgently needed product. Considerable damage and loss have resulted from the delay in harvesting cotton crops; large areas yet remain unharvested and the cotton has been open and exposed to the weather. Man-power is required for cultivation and planting, but, as the harvesting is not arduous work, this can be done successfully and efficiently by female labour.

65. Every effort must be made to harvest all cotton crops. To encourage the extension of this essential crop, growers must be assured early that the requisite labour will be available for harvesting and that they will receive adequate remuneration for their crops based on the increased costs due to war conditions.

TOBACCO.

66. The man-power problem is causing concern in the main tobacco-producing districts and, unless growers are assured at an early date that labour will be available to produce, harvest and grade their crops, production will be considerably below normal. The tobacco crop is an expensive one to produce and growers cannot be expected to plant normal acreages without being certain that ample suitable labour will be available when required. Harvesting and curing must be attended to immediately and skilled labour must be ready. Many growers intimated that they would not attempt to plant a crop unless the labour position were clarified.

The recent assurance given by the Man Power authorities, through the Australian Tobacco Board, that the labour will be made available should do much to relieve the anxiety of the growers and induce them to plant increased areas.

ORGANIZATION OF PRIMARY PRODUCTION.

67. To enable Australia to meet with confidence the demands for food supplies which will assuredly be made on her in the next few years it is imperative to evolve and direct a plan which will cover all Australian agricultural and pastoral activities, and the Joint Committee is unanimously of opinion that such a plan can be achieved best by the creation of a Commonwealth Directorate of Primary Production, as recommended in its Fourth Progress Report presented to Parliament on 28th May last. Evidence heard since that date has served to further impress the Committee with the urgent need for such an appointment.

68. Planning primary production for the Commonwealth can readily and undoubtedly be much more effectively achieved by one central controlling authority rather than by six separate States. A Commonwealth Director would be in the position to co-ordinate all efforts throughout Australia, pool resources of man-power and machinery, and generally to see that production was maintained in accordance with the fixed quotas. Whilst the State Agricultural Departments are giving excellent service, it is felt that even better results would be achieved by having a Commonwealth directing hand.

Aided by a staff of practical, technical and scientific men such a central authority could devise and direct the policy which would lead to an adequate supply of essential products. The recently appointed Australian Food Council whilst serving a useful purpose is representative of the consuming and distributing interests and has no direct representative of the primary producers.

District War Agricultural Committees are now being set up mainly to deal with man-power questions, but the Joint Committee visualizes a much wider scope for such Committees. They should, if necessary, be clothed with statutory powers and deal with matters affecting production quotas and man-power problems, such as forming labour pools and using to the greatest advantage casual surplus or juvenile labour in the towns, arrange for the most efficient use of the mechanical power available by co-operative effort, and generally organize sowings and plantings to ensure the maximum output with a minimum of labour.

JOS. FRANCIS,
Chairman.

Parliament House,
Canberra,
16th September, 1942.