

# Legislative Assembly

Tuesday, 13th April, 1954.

Ayes.	
Hon. C. W. D. Barker	Hon. E. M. Heenan
Hon. G. Bennetts	Hon. F. R. H. Lavery
Hon. E. M. Davies	Hon. R. J. Boylen
Hon. G. Fraser	(Teller.)

Noes.	
Hon. N. E. Baxter	Hon. A. L. Loton
Hon. L. C. Diver	Hon. J. Murray
Hon. Sir Frank Gibson	Hon. H. S. W. Parker
Hon. A. F. Griffith	Hon. H. L. Roche
Hon. C. H. Henning	Hon. C. H. Simpson
Hon. J. G. Hislop	Hon. J. McI. Thomson
Hon. A. R. Jones	Hon. H. K. Watson
Hon. Sir Chas. Latham	Hon. H. Hearn
Hon. L. A. Logan	(Teller.)

Aye.	Pair.	No.
Hon. H. C. Strickland		Hon. J. Cunningham

Clause thus negatived.

Clauses 19 to 21—disagreed to.

Postponed Clauses 14 and 15—disagreed to.

Postponed Clause 16—Section 19 amended.

Hon. H. K. WATSON: I move an amendment—

That paragraph (a) be deleted.

Amendment put and passed; the clause, as amended, agreed to.

Postponed Clause 17—disagreed to.

Title—agreed to.

Bill reported with amendments and the report adopted.

## BILL—INDUSTRIAL ARBITRATION ACT AMENDMENT.

Received from the Assembly and read a first time.

House adjourned at 12.43 a.m. (Wednesday).

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

## QUESTIONS.

### RAILWAYS.

(a) As to Oil-burning and Steam Locomotives.

Mr. MAY asked the Minister for Railways:

(1) How many oil-burning locomotives are operating throughout the W.A.G.R. at the present time?

(2) Is it true that 15 steam locomotives were converted to oil-burning during the coal shortage?

(3) Is it true that the operating cost of oil-burning locomotives is 9s. 6d. per mile as against 6s. per mile for coal burning locomotives?

(4) Will he take such action as is necessary for all oil-burning locomotives to be converted to coal burning, in view of the fact that sufficient coal is now available to enable this to be done?

The MINISTER replied:

(1) Nineteen, comprising five ASG and 14 U Class.

(2) During the coal shortage of 1947, 25 locomotives were converted to oil burning. In addition, there were 14 U Class locomotives which were being operated as oil burners.

(3) It is difficult in present circumstances to make a complete analysis of oil fuel operations by locomotives against coal. Much less weight of oil fuel per mile is burned than coal, the ratio being about 44 lb. oil to 104 lb. coal. There are ancillary costs associated with coal that do not occur when only oil is used at a depot, but as there is no depot using only oil there is no complete comparison. Consideration must also be given to the comparative operating costs at depots of mechanical coaling plants against oil tanks pumped by motors, the comparative costs for freight haulage to the fuelling points, and the investment in coal stages and plant on which interest is payable.

(4) This matter is at present under consideration.

*(b) As to Increasing Freights.*

Mr. HEARMAN asked the Premier:

(1) Does he remember prior to the last elections giving an undertaking in connection with rail freights substantially similar to that given on this matter on Tuesday, the 6th April?

(2) In view of the Government's subsequent action in increasing rail freights by some 35 per cent. within a period of nine months or so, would he be prepared to amplify the answer he gave on Tuesday, the 6th April?

The PREMIER replied:

It is appreciated that these questions are of a friendly character and I hope that the replies are likewise.

(1) The relevant statements made in the Labour Party's policy speech were:—

(a) Labour will make an all-out effort to prevent railway freights rising above existing levels until land settlement, consolidating closer settlement and other efforts allow of a reduction.

(b) Labour will keep freights and fares at the lowest possible levels.

The financial position of the railways deteriorated so badly during the first eight months of 1953 as to leave the Government no option but to increase freights,

and a request strongly put to the Prime Minister (Mr. Menzies) for financial assistance to make an increase in freights unnecessary, was refused.

The member for Blackwood seemed to justify an increase in freights by making the following statement in the Legislative Assembly on the 18th August, 1953—

I have had requests from road boards and such bodies to attend their meetings and discuss the question of freights with a view to giving advice about increases and things of that nature. When I have explained the relationship existing between the State Government and the Grants Commission, I have not found, when the facts have been placed fairly before the farmers, the completely unreasonable attitude that has sometimes been attributed to them. When we are told that it is a matter of reduced disability grant, we know it is something to be pondered, and most reasonable men will ponder it.

(2) The assurance given by me on Tuesday last was that no further increases in railway freights were contemplated. I also offered the opinion that railway freights seemed to be at their maximum, that opinion being related to the economic ability to pay of railway users generally. There appears to be no need to amplify that answer.

**NATIVE WELFARE.**

*As to Activities of D. W. McLeod, etc.*

Hon. Sir ROSS McLARTY asked the Minister for Native Welfare:

(1) Has he seen a letter addressed to the Minister for the North-West, dated the 18th March, 1954, requesting a full and impartial inquiry regarding the activities of D. W. McLeod in the Port Hedland Road Board District, relating to native welfare?

(2) Will he agree to the inquiry being made?

(3) If not, is it proposed to take any action as the result of the letter received from the Port Hedland Road Board?

(4) Is he satisfied that the native hospital at Port Hedland will continue to carry on efficiently?

(5) Has he received any reports that certain natives are being intimidated in regard to accepting employment with previous employers in the pastoral industry in the Port Hedland Road Board area, and that subversive activities are being carried out against previous employers?

(6) Has he received any report in regard to malnutrition of natives in the board's area? If not, will he have inquiries made in this regard?

The MINISTER replied:

(1) Yes.

(2) A full and unbiased inquiry has already been made by two competent legal men in Sir Ross McDonald, Q.C., and Mr. F. E. A. Bateman, R.M. Their report and recommendations have been closely considered by the Government and in so far as the Department of Native Affairs is concerned, fully implemented.

In addition, a close watch is being kept on the position by the department's welfare officers. It is considered, therefore, that further inquiry at this stage is not necessary.

(3) Answered by No. (2).

(4) Yes. I am advised by the Department of Public Health that a complete staff has been engaged for the native hospital at Port Hedland and there is no reason to doubt that the hospital will not continue to function efficiently as it has done in the past.

(5) Yes, but careful inquiry by the Police Department, the Department of Public Health and the Department of Native Welfare has failed to produce any positive evidence on which appropriate action could be taken against any person or persons guilty in this regard.

"Subversive activities" is a rather loose term, but should any person or persons in the district produce any positive evidence, then the hon. member may be assured appropriate action will be taken by the Government.

(6) I am advised that the Department of Public Health has not received any official reports on the question of malnutrition. In any event, the natives of the McLeod group are not in lawful employment and consequently they have no employer who could be held legally responsible for their health or physical welfare. Legally, they are free to leave the group and seek better conditions of living should they so desire.

#### WATER SUPPLIES.

(a) *As to Expenditure on Works, Kwinana and Country.*

Mr. PERKINS asked the Minister for Water Supplies:

During the last 12 months, what loan funds have been spent on water supply in—

- (a) the metropolitan area;
- (b) Kwinana area;
- (c) on construction under the modified comprehensive water scheme;
- (d) in other country areas?

The MINISTER replied:

Loan payments for the 12 months ended the 31st March, 1954:—

- (a) £892,563.
- (b) £456,266.
- (c) £341,111.
- (d) £311,925.

(b) *As to Provision for Narrogin High School.*

Hon. V. DONEY asked the Minister for Water Supplies:

(1) Is the dam water now said to be available for drinking purposes and other uses by pupils and staff at the Narrogin High School, considered, departmentally, to be fully suitable for drinking purposes; or

(2) Is it intended to supply rain water for drinking uses, and if so, when?

The MINISTER replied:

(1) Yes.

(2) No.

#### "SUNSET" HOME.

*As to Inmates and Hospital Cases.*

Mr. COURT asked the Minister for Health:

(1) What was the number of inmates at "Sunset" Home—

- (a) 31/12/1939;
- (b) 31/12/1945;
- (c) 31/12/1953?

(2) What was the number of hospital beds at "Sunset" Home—

- (a) 31/12/1939;
- (b) 31/12/1945;
- (c) 31/12/1953?

(3) What are the proposed future numbers for "Sunset" Home—

- (a) inmates not in the home hospital;
- (b) hospital beds?

(4) Is the character of "Sunset" Home for aged men in danger of being impaired if the ratio of hospital beds is increased as against the number of inmates not in hospital?

The MINISTER replied:

- (1) (a) Five hundred and thirty-one.
- (b) Four hundred and eighty-five.
- (c) Four hundred and sixty-nine.
- (2) (a) One hundred and eight.
- (b) One hundred and eight.
- (c) One hundred and thirty-four.
- (3) (a) Three hundred and thirty-five.
- (b) One hundred and sixty-two.

(4) No. A larger proportion of men seeking admission are feeble and need nursing attention.

#### INDUSTRIAL.

(a) *As to Decreased Production in U.S.A., and Effect.*

Mr. JOHNSON asked the Treasurer:

(1) Has he seen an article in "The West Australian" of the 7th April indicating that industrial production in U.S.A. has fallen by 10 per cent., that 3,600,000 workers are unemployed and that steel mills are operating at only 65 per cent. of capacity?

(2) Do official sources confirm these approximate figures?

(3) Does this sharp downward trend in U.S.A. economy indicate a strong probability of a reduction of dollar purchases from Australia?

(4) Is a reduction in dollar purchases likely to cause a reduction in internal spending and employment in Western Australia?

(5) What steps have been taken to insulate the people of Western Australia from this probability by—

(a) the Commonwealth Government;

(b) the State Government?

The TREASURER replied:

(1) Yes.

(2) There are no official sources of information readily available to the Government, but from other publications, it would appear that the statement published in "The West Australian" is correct.

(3), (4) and (5) From various published statements, there is apparently a division of opinion in the United States as to whether or not the rise in the numbers of unemployed persons does indicate a sharp downward trend in the economy of that country. It is not thought there will be any substantial reduction of dollar purchases from Australia.

(b) *As to State Representation on Trade Delegations.*

Mr. COURT asked the Premier:

In connection with the Commonwealth proposals to send further trade delegations abroad and particularly to South-East Asia, will he make representations to ensure that Western Australian industry is represented on such delegations?

The PREMIER replied:

Yes.

(c) *As to Waterside Dispute, Carnarvon.*

Hon. Sir ROSS McLARTY (without notice) asked the Premier:

(1) What action is being taken by the Government immediately to end the waterfront dispute at Carnarvon, which is reported in to-day's issue of "The West Australian" as likely detrimentally to affect other northern areas?

(2) Will compensation be paid in the event of financial loss to those persons who have shipped goods on State ships?

(3) Have any arrangements been made to fly perishable and other urgent requirements to the districts adversely affected?

The PREMIER replied:

(1) This matter was considered at the meeting of Cabinet held yesterday when it was decided that the Government would continue to honour the agreement existing between the Australian Workers' Union

and the Harbour and Light Department in relation to the loading and unloading of ships at ports north of Geraldton.

The move now being attempted by the Waterside Workers' Federation of Australia was also considered and Cabinet arrived at the conclusion that the right of the Waterside Workers' Federation to cover the loading and unloading of ships at North-West ports could not be considered until such time as the Waterside Workers' Federation had made application to the Commonwealth Arbitration Court to have its jurisdiction extended to cover North-West ports.

In the event of the union concerned making such an application and succeeding with it, the Waterside Workers' Federation would have legal jurisdiction over North-West ports in the same way as the union now has jurisdiction in the metropolitan ports and in the ports along the southern coast of the State. The Government would then have to look at that situation as it had developed as a result of a decision by the Commonwealth Arbitration Court, supported possibly by the Australian Stevedoring Industry Board. However, the Government's decision in relation to existing circumstances is that it honours the present agreement with the Australian Workers' Union and the Harbour and Light Department concerning the loading and unloading of ships at North-Westports.

I understand that a further attempt will be made at Carnarvon this evening to recruit labour to unload the "Koolinda" which is now at that port. Should that attempt fail, arrangements have already been made for the Minister for the North-West to fly to Carnarvon for the purpose of negotiating with the parties concerned with a view to trying to effect a very early settlement. At the meeting of Cabinet held yesterday the Government authorised the Minister for the North-West to carry on all negotiations which he considered advisable, and commencing at about 10.15 last night the Minister for the North-West had consultations with representatives of the Seamen's Union and the Waterside Workers' Federation at Fremantle. At that conference there were also present representatives of the State Shipping Service and of the Harbour and Light Department.

Some measure of progress was made towards a settlement, but developments today indicated that the basis arrived at last night was not one on which a practical settlement could be effected. Accordingly, up to this moment no settlement has been made. The Government, however, is hopeful that the dispute may be settled at the attempted pick-up to be made this evening at about 7 o'clock. If that fails, then, as I mentioned earlier, the Minister for the North-West will fly to Carnarvon tomorrow morning.

(2) This matter will receive consideration when the event suggested takes practical shape; that is, if it does so. I am sure the hope of all of us is that it will not take practical shape, but that the dispute will be settled to allow perishable goods to be handled whilst still in a good condition.

(3) I would say that tentative arrangements have been made to fly perishable products to North-West ports if the pick-up at Carnarvon fails tonight. Should the Minister for the North-West fly to Carnarvon tomorrow morning and not be able to bring about a settlement, then these tentative arrangements will be pressed forward and perishable, and other essential requirements for the people of the North-West, will be conveyed to those towns either by plane or by road truck to Geraldton, or by a combination of both those methods of transport.

#### TRAFFIC.

##### *As to Danger from Disused Tram Tracks.*

Mr. JOHNSON asked the Minister for Railways:

(1) Because of the danger such obstructions offer to traffic, particularly motorcycles and bicycles, will he cause the disused tramlines in Newcastle, Carr and Oxford-sts., and Woolwich, McCourt and Cambridge-sts., to be taken up, or covered over?

(2) If he cannot deal with all these lines, will he cause the lines at corners, particularly the Carr-st.-Oxford-st. corner, to be removed or covered before the coming winter?

The MINISTER replied:

(1) It is not intended to remove the tram rails or cover them until some later date yet to be determined.

(2) The rails about the intersection of Carr and Newcastle and Newcastle and Oxford-sts. will be covered. It is not intended to cover rails at other points.

#### MIDLAND RAILWAY COY. LTD.

##### *As to Land Grant to Finalise Contract.*

Mr. JAMIESON asked the Minister for Lands:

Subject to the final grant of land to the Midland Railway Coy. in 1953—

(1) Was this acreage not far short of the area estimated by the Surveyor-General to be due to the Midland Railway Coy.?

(2) Was not the Surveyor-General asked by the Minister's predecessor to report on the finalising of the Midland railway contract?

(3) What was the report of the Surveyor-General on this matter?

The MINISTER replied:

(1) The State granted the acreage claimed—41,872 acres—as agreed upon after conference between the Midland Railway Coy. representatives, the Solicitor General, Surveyor-General and Under Secretary for Lands.

(2) No.

(3) Answered by No. (2).

#### LAND SETTLEMENT.

##### *As to Loan Expenditure and Development.*

Mr. PERKINS asked the Minister for Agriculture:

(1) How much loan money was used for land settlement work in each of the last five years?

(2) How many acres have been—

(a) fully developed and settlers placed on them;

(b) partly developed?

The MINISTER replied:

(1) Prior to 1950-51, funds were provided from Commonwealth Consolidated Revenue.

From and including 1950-51, money expended on developmental work from loan funds has been as follows—

	£	s.	d.
1950-51	947,798	12	4
1951-52	1,318,170	6	10
1952-53	1,642,961	13	7
1953-31st March, 1954	1,198,948	6	11
	<b>£5,107,878</b>	<b>19</b>	<b>8</b>

(2) (a) 228,440 acres.

(b) 77,348 acres.

Farms allotted in many instances contain both developed and partly developed areas. The total number of settlers in occupation is 778.

#### AMERICAN CAPITAL.

##### *As to Encouraging Investment.*

Mr. COURT asked the Premier:

With reference to the question asked in the Legislative Assembly on the 26th August, 1953, regarding attracting American capital, and to which the Premier replied in the affirmative ("Hansard," No. 4, page 299), would he inform the House of the approaches made to United States interests and the results of such approaches?

The PREMIER replied:

A discussion took place with the American Vice Consul, as a result of which a small committee of Government officers was established to keep in contact with the Vice Consul. The then occupant of the Vice-Consulship has since been transferred to another post, and when his successor is available, contact will be made and maintained with him.

**HOUSING.**

(a) *As to Dwelling- at Ongerup.*

Hon. A. F. WATTS asked the Minister for Housing:

(1) What is the reason for the delay in commencing the erection of a dwelling for one Rodgers at Ongerup?

(2) Is the work to start soon?

(3) When is it likely to be completed?

The MINISTER replied:

(1) Delay was caused by applicant being unable to effect transfer of the land to the commission.

(2) Yes—within approximately three weeks.

(3) Approximately three months from commencement.

(b) *As to Homes Built at Kwinana.*

Hon. D. BRAND asked the Minister for Housing:

(1) (a) What number of houses has been built at Kwinana under the Oil Refinery Industry (Anglo-Iranian Company Limited) Act;

(b) under any other authority?

(2) How many of the total are occupied?

The MINISTER replied:

(1) (a) Three hundred and ninety completed under the Oil Refinery Industry (Anglo-Iranian Company Limited) Act;

(b) Eighty-nine completed under the Commonwealth and State Housing Agreement.

(2) All houses built for Australasian Petroleum Refinery Ltd. are upon completion taken over by the company, which then allocates the homes. Whilst the State Housing Commission has no official knowledge, it is understood approximately 240 of these houses are occupied.

Of the houses built under the Commonwealth-State Housing Agreement, 83 are occupied, the remaining six are in course of allocation.

(c) *As to Minister's Statement.*

Mr. HEARMAN asked the Minister for Housing:

(1) In the light of the answer given to a question by me on the 8th April last, does he still maintain that his interjection of "That is completely untrue; there were 1,000 more built" during my Address-in-reply speech was justified?

(2) Did his interjection during my Address-in-reply speech seek to suggest to the House that I was misleading the House?

(3) Does he consider that his interjection was in any way misleading?

The MINISTER replied:

(1), (2) and (3) The State Housing Commission completed the following number of houses exclusive of evictee hutments—

(a) for the year ended December, 1952—2,140.

(b) for the year ended December, 1953—3,088.

Increase—948.

Or if the usual periods ending the 30th June are preferred, the respective figures are—

(a) June, 1952—1812;

(b) June, 1953—2,815;

Increase—1,003

**FREMANTLE RAILWAY BRIDGE.**

*As to Reconstruction and Cost.*

Hon. J. B. SLEEMAN asked the Minister for Railways:

In view of the fact that on the 18th August, 1953, I was informed, in answer to a question as to what amount had been spent on the Fremantle railway bridge since the 1st January, 1952, that it was a total of £23,665, whilst on the 7th April, 1954, in answer to a question, I was told an amount of £20,660 only had been expended since March, 1952, at which time reconstruction started—

Will he explain this extraordinary statement in view of the fact that reconstruction of this bridge has been going on all the time, the railways using only one line, the other being out of action?

The MINISTER replied:

The figure of £23,665 furnished on the 18th August, 1953, was made up of £15,365 reconstruction, chargeable to Loan Vote, and £8,300 maintenance repairs chargeable to operating expenses.

In the question asked by the hon. member on the 7th April, 1954, the answer given referred to reconstruction costs only (as also did questions 3, 4 and 6). Comparable figures for those given last August are—Reconstruction £20,958, and maintenance repairs £16,700, making a gross total of £37,658.

**FORESTS.**

*As to Cutting at Collier Pine Plantation.*

Mr. YATES asked the Minister for Forests:

(1) When does the Forests Department estimate cutting will commence at the Collier pine plantations, South Perth?

(2) Is it intended to replant when present holdings are used up?

(3) If not, is it the intention of the Government to subdivide the land for the benefit of home builders?

The MINISTER replied:

(1) Cutting in the form of thinning has already commenced in the Collier plantation and supplies are going forward to metropolitan mills at the rate of approximately 1,000 loads per annum. The quantity and quality of timber will im-

prove with each successive thinning, but it is not anticipated that the removal of the final crop will take place for at least another 30 years.

(2) In view of the time factor any statement on this aspect would be purely academic. It is, however, unlikely.

(3) It is too early at this stage to forecast the ultimate use of this land.

#### BRIDGES.

##### *As to Redecking Overhead Way, Cottesloe.*

Mr. HUTCHINSON asked the Minister for Works:

When is it anticipated that the redecking of the Eric-st., Cottesloe, overhead traffic bridge will be commenced?

The MINISTER replied:

Materials have been ordered and delivery is being given a high priority by the supplying firm. As soon as sufficient materials are at the site work will be commenced.

#### COAL TRIBUNAL.

##### *As to Subpoenaing of Ministers.*

Hon. Sir ROSS McLARTY (without notice) asked the Premier:

(1) Did he see a report in "The West Australian" of the 9th April, 1954, in which it was stated that he and the Minister for Mines would be called as witnesses before the coal tribunal?

(2) Does this mean that the Premier and the Minister must appear as witnesses?

(3) Does the Premier consider that in the public interest he or the Minister should tender evidence and be interrogated where industrial decisions have to be made?

(4) Would not the correct procedure be for the Government to be represented by an officer of the Mines Department or other appropriate officer?

The PREMIER replied:

(1) Yes.

(2), (3) and (4). No information other than the report in "The West Australian" newspaper is available to the Government. The question of the course to be followed by any Minister who might be subpoenaed will be considered in the event of a subpoena being served on that Minister.

#### BUILDERS' GUILD.

##### *As to Tabling Papers re Contract.*

Mr. HUTCHINSON (without notice) asked the Minister for Housing:

Will he lay on the Table of the House all papers in connection with the recent contract let to the members of the Builders' Guild?

The MINISTER replied:

I will give the matter consideration after I have perused the papers.

#### RENTS AND TENANCIES LEGISLATION.

##### *As to Letter from Maritime Unions.*

Hon. D. BRAND (without notice) asked the Premier:

In view of the fact that the general secretary of the Labour Party, Mr. F. E. Chamberlain, was quoted as saying, in "The West Australian" of the 9th April, 1954, that the official Labour movement would have nothing to do with an organised waterfront union move at Fremantle to stage a May Day march, and the fact that this same union, known as the Maritime Services Union, supports Mr. Roach, the assistant general secretary of the Waterside Workers' Federation, now in this State, organising industrial strife and creating havoc in Carnarvon and other North-West ports, does he consider—

(a) that any credence or consideration should be given the threatening motion by the Maritime Services Union on rents legislation now circularised to members of the Legislative Council; or

(b) that the Minister for Housing, Hon. H. E. Graham, was justified, when he introduced the Bill on Tuesday last, in quoting the attitude of these unions as supporting public opinion that an emergency existed regarding rents and tenancies?

The PREMIER replied:

The preamble to this question is most interesting.

Hon. D. Brand: It is factual.

Hon. J. B. Sleeman: Did you say "interesting"?

The PREMIER: In connection with the motion carried by the Maritime Services Union regarding the rents and tenancies Bill now before Parliament, I would say that the threat contained in the motion is completely without logic. I say that because the putting into operation of the threat would make far worse the condition of affairs that the union professes to be anxious to help. In other words, the union professes to be anxious to improve housing for the people to prevent evictions; yet if the union, in the circumstances which it envisages as being possible of occurrence, did put this threat into operation, obviously the building industry would be seriously interfered with, and a far lesser number of houses would be built than would otherwise be the case.

Hon. D. Brand: They would realise that.

The PREMIER: Therefore I would say that the motion carried by the union, which contains the threat referred to in the question, is completely lacking in logic and commonsense. Regarding the other portion of the question, I would say that the opinion expressed in regard to an emergency existing in connection with rents and tenancies is correct to a very great

extent. It would have been more correct had reference been made to a developing emergency.

Actually, at the moment, there is no emergency; but there is no doubt that within six or eight weeks from the 28th April, unless the existing Act be amended before that date, an emergency will develop. Therefore I think that the opinion expressed by this union is held by a large number of other people in the community who would not associate themselves in any shape or form with the threat made by the union to Parliament in connection with the legislation that Parliament is now considering.

### **BILL—INDUSTRIAL ARBITRATION ACT AMENDMENT.**

#### *Standing Orders Suspension.*

The MINISTER FOR LABOUR: I move—

That so much of the Standing Orders be suspended as is necessary to enable a Bill for "An Act to amend the Industrial Arbitration Act, 1912-1952" to be introduced, and, if necessary, passed through all its stages in one day; and the aforesaid business to be entered upon and dealt with before the Address-in-reply is adopted.

Question put.

Mr. SPEAKER: I have counted the House, and, there being no dissentient voice, I declare the motion carried by an absolute majority.

Question thus passed.

#### *Message.*

Message from the Governor received and read recommending appropriation for the purposes of the Bill.

#### *First Reading.*

Bill introduced and read a first time.

#### *Second Reading.*

**THE MINISTER FOR LABOUR** (Hon. W. Hegney—Mt. Hawthorn) [5.8] in moving the second reading said: As will be noted, the Bill is not of any magnitude. There is only one clause, which seeks to amend Section 127 of the Act to provide, in effect, that it shall be obligatory on the court automatically to declare the variations in the basic wage as shown by the index figures supplied quarterly by the Government Statistician.

It may be interesting to relate the history of the quarterly adjustments of the basic wage. In 1925, a comprehensive industrial arbitration measure was introduced, which provided for the first time in the industrial history of Western Australia for a declaration of the basic wage by the Arbitration Court. That was to be made on an annual basis. The first president of the court, after that Act was passed in 1925, was Judge Dwyer; and,

after an inquiry, a basic wage for the metropolitan area of £4 5s. was decided upon.

That operated from the 1st July, 1926, to the 30th June, 1929, when the basic wage was increased by 2s. per week, in accordance with figures supplied at the inquiry then held. From the 1st July, 1929, the basic wage was set at £4 6s. It will be seen that over a period of approximately four years the fluctuation was of a comparatively minor character. In 1930 the then Liberal-Country Party Government introduced an amending Bill that provided for quarterly adjustments. I have no doubt it was found at the time that the trend of prices was downward. Actually, after the passing of the Bill, and after the first series of figures had been supplied to the court by the Government Statistician, the workers of this country suffered a reduction—I am speaking of the metropolis—of 8s. per week, the wage going from £4 6s. to £3 18s.

That operated from the 1st March, 1931; and if any member will look at the figures for the following few years, he will find that there was more or less a progressive reduction, until the basic wage reached the very low figure of £3 8s. on the 1st July, 1933. In those days the court did not make any halt in regard to the downward trend of wages. Every time the statistician provided figures, the court automatically adjusted the basic wage in accordance with those figures.

From 1933, when the basic wage started to rise, the court has never, before it did so recently, declined to vary the basic wage in accordance with the Government Statistician's figures, which register as nearly as may be the cost of living in any particular quarter. It is true that the court has power of its own motion to determine and declare a basic wage at any time, or may do so at the request of a majority of the industrial unions of employees of Western Australia or of the Employers' Federation. But the action of the court—and I am not criticising the personnel in any way—in declining to adjust the basic wage recently, is an indication that it would be more or less futile for either of the bodies I have mentioned to approach the court for a further declaration of the basic wage.

The basic wage has been pegged, and the workers of Western Australia have suffered a considerable reduction as a consequence of the action of the court in this State. There is not a lot to be said in regard to the amending Bill, other than what I have already mentioned. All that the trade union movement wants, and all that the workers of Western Australia who are subject to industrial determinations desire, is to receive the benefit of an increased basic wage, when that is shown to be justified; and I suppose that, in



due course, if there is any reduction in the cost of living figures, as determined by the Government Statistician, then the workers will suffer a reduction.

The object of the court, insofar as the determination of the basic wage is concerned, is to set down a basic wage, having regard not only to the needs of the average worker with domestic obligations, but also with respect to the economic capacity of industry to pay and other factors that the court may take into account. If the court decides upon a set figure and, in the following quarter, the authorised official of the Government—the Government Statistician—discloses a variation in the cost of living of 2s. or 4s. or other given sum, it is contended that the people subject to arbitration awards or agreements should be entitled to the benefit of such variation. Of course, if there happened to be a reduction, they would suffer the reduction. That position obtained until last September, when the court decided to peg the basic wage, or rather declined to make any variation.

I know that comparisons will be drawn with some of the other States, if not all of them, and so I shall refer to them in advance. In Queensland, the variations have continued to apply. The Victorian Government went so far as to introduce amending legislation a few months ago making it obligatory on the wages boards to apply the variation. The wages boards in Tasmania have pegged wages there, but I have information from the Chief Secretary and Minister for Labour that, if the present trend continues, it is likely that legislation will be introduced at an early date. In New South Wales and South Australia, no alteration has been made. That is a picture of the position in the other States.

All I desire to say in conclusion is that Parliament removed from the statute book legislation dealing with price-control. It seems probable that in the near future there will be an increase in rents. Is it fair and proper that a worker who has his wages fixed by a tribunal should not receive the benefit of any increase in the cost of living consequent on an increase in rents or prices? That is the question to be decided. In view of the circumstances, it was felt that this measure should be introduced and the proposal is re-submitted for the consideration of members. I hope that it will be passed not only by this House but also by another place.

Mr. Ackland: Before you sit down, you stated that the worker had been penalised through the pegging of the wage, but you did not produce any arguments to support that contention. You told us what might happen.

The MINISTER FOR LABOUR: Had the hon. member followed me closely, he would have realised that, in accordance

with the figures supplied by the Government Statistician, the workers are receiving 2s. 7d. a week less than they would have been getting had the court adopted its old-time policy of declaring variations according to the cost of living figures. I move—

That the Bill be now read a second time.

HON. A. V. R. ABBOTT (Mt. Lawley) [5.19]: The Minister has introduced a Bill of major importance with very little data, and my view is that the measure has been brought forward with reckless disregard of the interests of the worker and purely by way of political expediency owing to the two elections that are about to take place.

If we trace the history of the basic wage, it is necessary to start a long way back. It originated out of what was known as the Harvester award many years ago, and was based on the minimum needs of a worker and his family. This continued for many years. In 1921, Mr. Justice Powers, in concluding the annual inquiry in the Commonwealth Court of Arbitration, stated that he proposed to allow, not only the increase that was shown on the previous year by the figures of the statistician, but also an additional 3s. to allow for price increases. He also said that from then on there would be automatic quarterly adjustments. That is how the quarterly adjustments arose. At that time, the whole basis of the inquiry was the minimum amount that could be justifiably paid as a minimum wage. Everything was a minimum. What was the minimum a worker could justifiably be paid for his needs? The basis was known as the needs basis.

This principle was followed by the States. Admittedly, it at times resulted in a diminution and sometimes in an increase in the basic wage, but that was the system followed by the State as well as the Federal authorities. I think it must be generally admitted that there must be co-ordination between State and Federal awards when people work in the one State in allied industries, some of which are under Federal awards and some of which are under State awards. Most workers in Victoria are under Federal awards, whereas in Western Australia I believe that a majority remain under State awards. Some encouragement has been given workers to remain under State awards because, for many years, the State basic wage has been, as it is today, higher for Western Australia than the Federal basic wage is for this State.

Mr. Moir: What is the reason for that?

Hon. A. V. R. ABBOTT: At present, the difference is about 10s. 6d., so it would be unlikely that workers in Western Australia would be registered for industrial purposes under the Federal court, although many of them are affiliated with Federal organisations.

In 1950, increased remuneration as a basic wage was sought by the unions and the Federal court held an inquiry. The advocate for the unions made it quite clear that they were not satisfied to retain the principle of the needs determination. They said there was no reason why this principle should any longer dominate the Federal Arbitration Court, and contended that the economic capacity of industry to pay the highest possible wage to the basic wage-earner should be the basis. That principle was accepted by the court, and since then has been the one on which the Commonwealth court has decided this issue.

We know that there is a prosperity or economic loading of something like £2 10s. This has no relation to the needs of the workers. It is a sum that the Commonwealth court has decided, so far as Federal industries are concerned, may be paid. There is not the slightest doubt that the automatic adjustments of the basic wage have done more to increase the costs spiral and the inflationary tendency in Australia than anything else. We all know that the costs spiral has been the major problem in recent years, not only for Western Australia but also all over the world. In Australia, it was assuming alarming proportions.

The matter of considering what is a proper attitude to adopt to the basic wage and to the cost of production is a highly technical one. It is not something that can be automatic. It is a serious problem because it affects the standard of living of every Australian. It is one that should be determined only after the greatest consideration has been given to the matter, not only by technical experts but also on the higher judicial basis, because people must have faith in the principle of the basic wage. They must have faith that they are being reasonably treated. I think the Australian people have the greatest faith in the judiciary, both Federal and State, for determining such a question. So far as I know, there has never been any suggestion in this House that the judiciary is not the best possible authority when any difficult determination has to be made, because a court could have available to it the whole of the necessary facts, and nobody would suggest that there would be any partiality on its part.

On this difficult problem it is right, not only on a Federal but also on a State basis, that a determination should be made. That is what our Act provides for at present. It provides for a judicial determination on a quarterly basis of adjustment and also an inquiry at which the full facts can be ascertained. Members will appreciate that, if the costs structure of Australia got out of hand, the result would be economic disorganisation and probably very wide unemployment.

Mr. Brady: Considerations other than the basic wage could cause that.

Hon. A. V. R. ABBOTT: But that is one of the most important factors. We have not the population or the economic development to exist as a single economic unit. We are dependent to a large extent upon our exports to give us the high standard of living we enjoy. What would our standard of living be without wool, wheat and other primary products that we export? The costs of producing some of these commodities have risen so greatly as to be rapidly overtaking the overseas price received for them. One might mention butter, wheat and eggs by way of example. The production of some of our export commodities is already subsidised directly by the Government, while others are indirectly subsidised by an Australian price which is higher than that received for the portion exported.

Mr. Brady: Profiteering could be a cause of some of it.

Hon. A. V. R. ABBOTT: It could help. The Tariff Board has considered this problem deeply and is most concerned. Speaking of the inflationary trend, the rising cost structure and so on, the Tariff Board, at page 9 of its annual report for 1952, says—

Should present trends continue and be fully protected by tariff assistance, a number of disadvantages must be faced, including the danger to export industries unless the currency be depreciated, hardship to persons on fixed incomes and the possibility of unemployment because of buyer resistance. A number of remedies for the present position have been suggested by various interests, including extension of the working week, a variation in the automatic adjustment of the basic wage to price increases and a holiday for a period as regards rises in wages and prices.

It was not the function of the Tariff Board to comment on any of these. In any case it is possible that the repercussions of recent inflationary influences are lessening and present trends may be reversed. Nevertheless the board registers its concern at the effect of the rises in costs over the year under review on the competitive position of Australian producers. Some industries have already had to curtail their activities because of their inability to operate under the present costs or to forecast future cost trends. The threat of diminishing production overshadows industry generally and unless the position can be rectified the result must inevitably be unemployment. The board urges on all concerned the necessity for every effort to check the existing spiral of costs and prices.

The board refers to it again in the latest report, for the year ended June, 1953, where at page 4, dealing with the cost spirals, appears the following—

The continued increases in costs and the development of what is known as the cost-price spiral have created subsidiary spirals, each of which is in the same direction as and adds to the impetus and volume of the main one. There is, for example, our basic wage system, which is largely responsible for the current spiral of prices, wages, costs and prices again. Another movement is created when rising prices increase costs of Government and require increased charges for services or alternatively require higher taxation which sooner or later finds its way into prices. A similar pattern is seen when higher prices affect capital expenditure in industry, increasing trading risks and calling for higher profits which again increase prices. These subsidiary spirals are numerous and must be arrested individually or collectively before the present adverse movement can be brought under control.

Nevertheless there are limits to which rising costs can be passed on in prices. Even in a closed economy one such limit is reached when consumer resistance begins to assert itself effectively. Valuable as it is as a brake on prices and costs, consumer resistance is essentially a lowering of the standard of living. People simply decide to do without things they cannot afford to purchase. One result of reduced demand could be reduced output, possibly unemployment and a possible further lowering of living standards.

Another limit is reached when the cost of competitive imports establishes a level beyond which local prices may not rise. The most generally recognised function of the protective tariff is that of raising the level of costs of competitive imports. It has another and probably more important function—that of setting a limit to excess costs. It is the final barrier against disruptive cost and price rises. The height of the tariff barrier is not so much an indication of the domestic cost level as a measure of the maximum permissible margin between domestic costs and costs in other countries.

There is no escape from a recognition of the level of costs in other countries so long as we have to buy from them and sell to them. Australia is dependent on other countries for a large part of its income—the proceeds from exports. Export income which is derived principally from primary products depends firstly upon our having exports to sell and secondly on our being able to secure a general

level of prices that match costs of production. A succession of bad seasons, or a substantial reduction in world prices—neither of which is within our own control—would at present be disastrous. Within our own control is a capacity to establish a cost and price level that will encourage maximum export production, enable us to hold existing or expanded markets and provide a reserve against adversity.

Those quotations are from people highly trained, to whom is readily available the best economic advice possible, and they say there is not the slightest doubt that the quarterly adjustments of the basic wage have done more than anything else to increase costs, prices and so on. It is therefore a matter of the greatest importance that any adjustment of the basic wage should be made only as and when the economy of the country can afford them.

The Minister for Health: And the worker must carry the extra cost in the meantime.

Hon. A. V. R. ABBOTT: We all carry it.

Mr. O'Brien: We are all workers.

Hon. A. V. R. ABBOTT: Yes, I will include myself. Since 1950 the basic wage has been decided not on the basis of the needs of the worker but on the highest amount which, in the opinion of the court, it is within the economic capacity of industry to pay. That, I think, is entirely right, but the court has an additional responsibility, as it has to say what award each classification in industry shall receive; and by that I refer to margins. It must be admitted that in the economic life of the community the national income has to be shared, and if more is given to certain categories it can be done only at the expense of other categories. If that were not so, the millenium would have arrived.

If the basic wage earner is given rapid increases, that can be done only at the expense of others, and that is just what happened. The margin of various skilled workers and others in the community has suffered in order to enable the less skilled worker to be paid something more. How great the effect has been I am not able to say, but surely it should be left in the hands of the impartial experts, appointed for that purpose and who make their decisions only after careful investigation and the hearing of the views of all concerned!

I say it is impossible to justify the system of automatic adjustments. In December last Mr. Justice Jackson set out the position very clearly when he said—

The Commonwealth Arbitration Court has recently decided to abandon its previous system of quarterly basic wage adjustments. Its principal

reason for doing so is that its basic wage is now fixed not, as previously, on the so-called needs of the basic wage worker but at the highest amount which in the court's opinion it is within the economic capacity of industry to pay. The court held that it is impossible to justify the continuance of an automatic adjustment system whose purpose is to maintain the purchasing power of a particular wage (assessed with regard to the capacity of industry to pay such a wage in 1950). There is no ground for assuming that the capacity to pay will be maintained at the same level or that it will rise or fall coincidentally with the purchasing power of money. In other words, the principle or basic assessment having been economic capacity at the time of assessment, it seems to the court altogether inappropriate to assume that the economy will continue at all times thereafter to be able to bear the equivalent of that wage, whatever may be its money terms. In my opinion the Commonwealth court's decision is plainly right and should be followed and adopted by this court. The reasons given apply with equal force to our State basic wage which has long since departed from mere "needs".

That was the considered opinion of Mr. Justice Jackson after hearing the representatives of both sides and considering all the expert evidence that could be put before him. Is it not essential, from the standpoint of consistency, that the State and Federal courts should have similar points of view? There is quite a large prosperity loading in our State basic wage at present.

Mr. Johnson: Are we not reasonably prosperous?

Hon. A. V. R. ABBOTT: I think so, and I do not object to it; but if we decide that the wage should be fixed on the capacity to pay, the mere fact that the costs may rise does not help in deciding what is the capacity of industry to pay more. We cannot have it both ways. We must either have the needs system and cut out the prosperity loading, or have the wage fixed on the capacity of industry to pay.

Mr. O'Brien: We only want value put back in the £.

Hon. A. V. R. ABBOTT: That cannot be done by nominal increases, which mean nothing. I believe the worker in Western Australia was becoming tired of such increases because when I was Minister for Prices most of the recommendations made to me by the commissioner immediately after every basic wage rise were for increased allowances to traders to cover the basic wage rise. It merely meant that the value of goods was increased because overhead charges and other relevant costs went up. As members know, a rise in the basic wage also affects Government institutions. If the spiral continued, the cost

of electricity, tram fares, etc., would have to be increased, and I think I would be correct in saying that the cost of government itself would be increased.

Mr. Moir: Has the pegging of the basic wage prevented costs from rising?

Hon. A. V. R. ABBOTT: I think the pegging of the basic wage had a very material effect in preventing costs from increasing, but I will deal with that later. In Queensland, as the Minister said, the decision given by the Federal court was not followed by the local court and, as a result, the inflationary spiral has continued in that State. On that occasion the basic wage went up 3s. and it has since been again increased by 3s. This has resulted in an inquiry being made, which is now before the Queensland court, into the capacity of industry to pay these increases. As against that, in not one State, where the Federal decision has been adhered to, has the inflationary spiral continued and in this State costs have not increased. The cost of goods under the "C" series index in this State went down last quarter which would have resulted in a reduction of 1s. 6d. in the basic wage if the quarterly adjustments were still being made.

Mr. Moir: You are not serious when you say that costs have not increased in this State?

Hon. A. V. R. ABBOTT: I am serious when I say that for the last quarter, if automatic adjustments had been made to the basic wage, there would have been a decrease of 1s. 6d.

The Minister for Labour: In the previous quarterly adjustment made, the basic wage increased by 4s. 2d.

Hon. A. V. R. ABBOTT: I admit that, but at least the cost spiral has been stopped in relation to goods that come under the "C" series index.

Mr. Moir: Have you had a look at the price of commodities around the city?

Hon. A. V. R. ABBOTT: I am going on the Government Statistician's figures. A further inquiry has been made respecting a large number of items and according to Mr. Carver, it has confirmed the figures he issued with regard to items that are included in the "C" series index. Inflation affects the worker more than anyone else, and it always has done. He is the man who has his money invested in bonds and in the savings bank. It is of no advantage to him to gain a small rise in the basic wage if the value of his money is to be depreciated, as has occurred in the past.

Mr. O'Brien: You must put value back in the £.

Hon. A. V. R. ABBOTT: I agree that that is essential.

Mr. O'Brien: You promised to do that.

Hon. A. V. R. ABBOTT: Only recently the Australian Council of Trade Unions held a conference. It is at such conferences that the representatives discuss all matters considered vital to the workers' interests and that body makes decisions accordingly. However, at the last conference there was no resolution passed in relation to the quarterly basic wage adjustments. If it were the vital question that the Minister would have us believe, one would think that some resolutions would have been carried at that conference of trade unions.

Mr. Brady: You would not know whether it was discussed or not.

Hon. A. V. R. ABBOTT: Yes, I do. I took the trouble to inquire.

Mr. Moir: They told you, did they?

Hon. A. V. R. ABBOTT: That clearly shows the view that is held by industrial labour in regard to this matter on an Australia-wide basis. The representatives of trade unions realise, as any sensible man must appreciate, that these quarterly adjustments are largely responsible for the inflationary tendency and, as the Tariff Board pointed out, one of the greatest factors that caused the inflationary spiral was the quarterly adjustment. For that reason—and very sensibly, too—it accepted the reports on the situation which resulted from the inquiries that are made from time to time to decide what is the maximum amount that industry can afford to pay. Similar inquiries were made in this State and the decision of the Federal Arbitration Court had, and always has had, a great impact on the local decision.

I am led to believe that this legislation was brought forward purely on political grounds because I think the Minister knows the facts that I have related to the House. He is the Minister for Labour and he has his advisers to guide him. After considering all the facts that I have put before members, he must realise that automatic quarterly adjustments are not wise. The judge has power to make quarterly adjustments if, in his opinion, he considers that such an adjustment in the basic wage can be borne by industry. If, after considering all the facts, he decides that any rise, even if only nominal, would create an inflationary spiral and would not be advantageous to the worker, why should he be compelled because of some law, to do what he thinks is unwise in the interests of the people? I oppose the Bill.

The Minister for Lands: You did not make a very good job of that, you know.

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

Ayes	.....	20
Noes	.....	18
Majority for	.....	2

Ayes.

Mr. Brady	Mr. McCulloch
Mr. Graham	Mr. Moir
Mr. Hawke	Mr. Norton
Mr. Heal	Mr. Nulsen
Mr. W. Hegney	Mr. O'Brien
Mr. Hoar	Mr. Rhatigan
Mr. Jamieson	Mr. Sleeman
Mr. Johnson	Mr. Styant
Mr. Kelly	Mr. Tonkin
Mr. Lawrence	Mr. May

(Teller.)

Noes.

Mr. Abbott	Mr. Hutchinson
Mr. Ackland	Mr. Manning
Mr. Brand	Sir Ross McLarty
Dame F. Cardell-Oliver	Mr. Nimmo
Mr. Cornell	Mr. Oldfield
Mr. Court	Mr. Perkins
Mr. Donev	Mr. Watts
Mr. Hearman	Mr. Wild
Mr. Hill	Mr. Bovell

(Teller.)

Pairs.

Ayes.	Noes.
Mr. Sewell	Mr. Yates
Mr. J. Hegney	Mr. Mann
Mr. Guthrie	Mr. Owen
Mr. Andrew	Mr. Nalder
Mr. Lapham	Mr. North

Question thus passed.

Bill read a second time.

*In Committee.*

Mr. Moir in the Chair; the Minister for Labour in charge of the Bill.

Clause 1—agreed to.

Clause 2—Section 127 amended:

The MINISTER FOR LABOUR: I must admit that the member for Mt. Lawley gave a well-studied speech during the second reading. I would point out to the hon. member that I also have studied the reports by both the Arbitration Court and the Tariff Board. However, the viewpoint of the Government on the question of whether prices follow wages or wages follow prices, is that the Government Statistician obtains his figures in regard to prices from the field officers and he has stated that the price of commodities has increased, so it must follow that wages must be increased.

Personally, I believe, and I think the members of the Opposition believe also, that in future there will be a tendency for rents to increase. I am not quibbling in any way, but the State Arbitration Court decided that it would peg the basic wage. In my opinion, it is for Parliament to decide what it should do in this matter. There is no guarantee that rents will not increase if there is to be no increase in the basic wage. There is only one other point. I take the strongest objection to the member for Mt. Lawley accusing the Government of introducing this Bill for a political motive. Nothing is further from the truth.

Hon. A. V. R. Abbott: I said it appeared that way.

The MINISTER FOR LABOUR: That was the inference. The same statement was made last year. I refuted it, and I repeat that the Bill last year was drafted

quite a time before the Commonwealth court discontinued declaration of the quarterly adjustments, and certainly long before the State court discontinued them. The Government is imbued with the sincerest motives in introducing the Bill, so as to indicate to the State Arbitration Court that when the figures as supplied by the statistician show a variation in the cost of living, then the workers should either get the benefit or suffer a loss as a result of that variation.

Hon. Sir ROSS McLARTY: This clause is the Bill, and contains an amendment similar to the one which the Minister introduced last session. He has given no additional information as to why the amendment should be passed. He gave a lengthy speech last session dealing with the reasons why the amendments should be agreed to. We are all aware of those reasons and there was no need for him to cover the same ground. We are entitled to know what additional costs have been incurred during the parliamentary recess.

I hold the view that the the action of the Commonwealth Arbitration Court should be given a fair trial. We have not had sufficient time to see the results brought about by the suspension of the quarterly adjustments. As was pointed out, if there is a rise in the basic wage it must have an effect on every person. It must seriously affect the cost of government. We should ask ourselves this question: If an increase in the basic wage is made, is it going to result in a benefit to the people generally? When I refer to the people generally I mean the workers, industry and business of all kinds.

During the last few months there has been more confidence engendered throughout this country because costs have to a very considerable extent been stabilised. Take the goldmining industry which is operating on fixed costs. Everyone desires that industry to flourish, but if it is to be saddled with additional costs, will that not have a detrimental effect on a large section of the people? In other directions one could also indicate where rising costs at present would be detrimental. It is certain that if the basic wage were to rise, there would be an immediate clamour from a number of industries, including those covered by the "C" series index, for price rises. Of course, this would result in the spiral moving again, and we would fall into the inflationary spiral which we are all trying to avoid.

The Minister for Housing: Do you not agree that probable rent increases will introduce an entirely new side to this question?

Hon. Sir ROSS McLARTY: That remains to be proved. I do not know what effect rent increases will have, but that is something which will have to be considered. If it can be shown over the next quarter

that costs have risen to such an extent that a quarterly adjustment should be made, then I will agree in all fairness that an increase should be granted. But for the present it would be well to leave things as they are.

The basic wage was not fixed on a needs basis, but on the capacity of industry to pay. In respect of some industries the court fixed a wage which we must all admit was well above the cost of living. I have no objection to that basis of fixation. I agree that if an industry is prosperous and continues to gather great prosperity, then those who are engaged in it are entitled to share the prosperity.

We must take account of the geographical position of Western Australia. The fact that we are in the main an exporting State must add to our costs, and those considerations should weigh with us. We should be prepared to see how costs pan out during the next few months. I believe that living costs in Western Australia are still the lowest in Australia.

Recently the Minister for Labour in the Queensland Government or a Government spokesman said that Queensland costs compared favourably with those in other States, with the exception of Western Australia, where, he indicated, living costs were the lowest, despite the fact that we have done away with price-fixing. Under those circumstances we should allow the Arbitration Court to function as it is; that is, agree to the suspension of the basic wage until Parliament meets again. Then if it can be shown that living costs have risen, Parliament should take some action. I support the view as expressed in the main by the member for Mt. Lawley.

Clause put and passed.

Title—agreed to.

Bill reported without amendment and the report adopted.

### *Third Reading.*

Bill read a third time and transmitted to the Council.

*House adjourned at 6.12 p.m.*