tion of Western Australia in the Federal Senate resulted in the election of Charles George Latham, farmer, of Narembeen.

House adjourned at 3.11 p.m.

Legislative Assembly.

Thursday, 8th October, 1942.

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The SPEAKER took the Chair at 2.15 p.m., and read prayers.

QUESTIONS (3).

FORESTS DEPARTMENT.

Cutting Rights.

Hon. W. D. JOHNSON asked the Minister for Forests: 1, Is he aware that the Parliamentary Draftsman advised that the provisions of the Forests Act, 1919, in Section 32, give discretionary powers to make available timber on the Crown lands within a radius of 15 miles of the metropolitan area to the saw-milling plants operating in the metropolitan area? 2, Did the answer to my question on the 17th September last on this subject correctly state the actual position? 3, Having discretionary powers under the Act, will he direct a more equitable distribution of available saw-milling timber by granting areas within the recognised carting distance of the metropolitan saw mills?

The MINISTER replied: 1, I was not aware of the advice. 2, Yes. 3, The distribution of sawmilling areas is governed by the working plan, which has received the approval of the Governor in Executive Council. The distribution is already equitable having regard to all the circumstances. The Act, Section 31, requires the policy of the Department to be set down 10 years in advance under working plans. When a working plan is approved, Section 31 (4), it cannot be altered except on the recommendation of the Conservator.

ASIATICS.

As to Influx and Employment.

Mr. NORTH asked the Minister for Employment: 1, Has there been a large influx of Asiatics into Western Australia since Japan entered the war? 2, Is any protection given to Asiatics regarding wages and conditions of employment in this State?

The MINISTER replied: 1, No. The greater proportion of the coloured people who came to Western Australia as refugees and evacuees have since left the State on vessels proceeding oversea. 2, In any industry which is covered by an award or industrial agreement the wages and conditions would apply to any Asiatic employed therein. Where an industry is not covered by an award or industrial agreement the rate of wages for an Asiatic working in that industry would be protected by the National Security (Economic Organisation) Regulation 76 (15) (1) (b) which fixes the rate of wage that was being paid on the 10th day of February, 1942.

WHEAT ACREAGE RESTRICTION.

As to Agricultural Bank's Claim.

Mr. DONEY asked the Minister for Lands: 1, In regard to the payment (stated by the Assistant Federal Minister to be 12s. per acre) of compensation to wheatgrowers for the area compulsorily excluded from production this year, is there any truth in the alleged intention of the Agricultural Bank to claim against that compensation to the extent of 6s. per acre in the case of properties whereon that institution has a cropping lease? 2, If this allegation is correct can he regard such a claim as fair to those clients of the bank who have, without additional outlay by the Government, ploughed and cultivated their normal area only to have one-third of that area remain unused?

The MINISTER replied: 1, No. Lessees of Agricultural Bank reverted holdings will be required to pay lease rent in accordance with the lease agreement unless such lease rent is varied for any reason by the Commissioners on the application of the lessee. 2, Answered by No. 1.

YORK ELECTORATE.

Seat Declared Vacant.

MR. SPEAKER: I have received a communication dated the 7th October, as follows:—

Dear Mr. Speaker,—I hereby tender my resignation as member for York in the Legis-

lative Assembly, and desire that it be given effect to as from today. Yours faithfully, (Sgd.) C. G. Latham.

The PREMIER: I move—

That owing to the resignation of Hon. C. G. Latham, the seat for the York Electorate be declared vacant.

Question put and passed.

Sitting suspended during the joint sitting of both Houses to elect a Federal Senator (vide report ante) from 2.20 to 3 p.m.

BILL—MAIN ROADS ACT (FUNDS APPROPRIATION).

Introduced by the Minister for Works and read a first time.

BILL—PUBLIC AUTHORITIES (POSTPONEMENT OF ELECTIONS).

Read a third time and transmitted to the Council.

BILL—ADMINISTRATION ACT AMENDMENT.

Second Reading.

THE MINISTER FOR JUSTICE [3.4] in moving the second reading said: This war measure, although brief, is of great importance to our soldiers. The Bill proposes to amend Sections 33, 98A and 138 of the principal Act. Under the Act as it now stands, an executor or an administrator residing outside Western Australia may appoint an attorney to discharge his duties; but should the executor or the administrator reside within the State, he is obliged to carry out his duties personally. Some executors and administrators are now in the Forces and consequently are unable to attend to the estates which they are administering. This Bill will permit them, notwithstanding that they are within the confines of the State, to appoint an attorney to act in their stead. The object is to help such executors and administrators in the conduct of the estates controlled by them.

Even if an executor resides temporarily outside of Western Australia, he may appoint an attorney; and it is considered but right that an executor or an administrator who is serving with the Forces should have that privilege extended to him. If the Bill passes, such an executor or administrator may appoint his mother, his wife, his brother, sister or trusted friend to carry out the estate work for him. I point out that he is not compelled to appoint an attorney; the appointment is left to his discretion. The matter was brought under my notice by the Leader of the Opposition. Requests have also been made by members of the Fighting Forces who find that they cannot attend to estate business. An important amendment deals with concessions in respect to probate duty. Last year the Premier brought down a Bill to amend the principal Act. That measure dealt with concessions respecting probate duty on estates of soldiers killed while on active service. "Active service" was defined as "service outside Australia." Japan's entry into the war has altered the position, and now we find that our soldiers are fighting on our own soil. The estate of a soldier who might be killed on Australian soil while on active service would not be entitled to the concession. Estates up to the value of £1,000 were, under that amendment, free of probate duty, while estates above that value were to be charged one-quarter of the rate.

As the law stands, if a soldier were hurt, injured or wounded outside Australia and returned to Australia, and then died, his estate would not be entitled to the concession. The present amendment is designed to remedy that position; it provides that a soldier's estate shall receive the concession if the soldier is killed or dies in the circumstances I have mentioned. Another aspect is this: The Prime Minister has asked this Parliament to give consideration to the members of the Forces of our ally, the United States. We have also Dutch soldiers in Western Australia and, for all I know, there may be soldiers here of our other Allies. This Bill will extend the benefit to the estates of such soldiers if they are killed while on Australian soil. The Commonwealth, Queensland, Tasmania and New South Wales have provided for this concession to our Allies. I think it is a wonderful gesture. I may state that this particular matter was brought to my notice by the member for Perth after the entry of Japan into the war. I discussed it with my colleagues, who considered the amendment to be reasonable. The measure is worthy of the commendation of members and I hope they will give it favourable consideration. I move—

That the Bill be now read a second time.

On motion by Mr. Watts, debate adjourned.

FEDERAL SENATE—VACANCY FILLED.

Mr. SPEAKER: I have to report that at the joint sitting of members of the two Houses of Parliament held this afternoon, in accordance with the requirements of the Standing Orders, the Hon. Charles George Latham, farmer, of Narembeen, was duly elected as a Senator in place of the late Senator E. B. Johnston.

BILL—COLLIE RECREATION AND PARK LANDS ACT AMENDMENT.

Second Reading.

THE MINISTER FOR LANDS [3.10] in moving the second reading said: This Bill provides for an exchange of land between the Collie Recreation and Park Lands Board and the Forests Department. The proposal is to exclude an area from the reserve under the control of the board and add it to the State forest, while another area will be excluded from the State forest and be added to land under the board's control. The proposal has been agreed to by both the board and the Conservator of Forests. The Town Planning Commissioner has put up a scheme for the development of the reserve by the board, and the exchange arises out of his proposals. Approval has been given for the alteration of the boundaries of the land mentioned in this Bill.

The area to be excluded from the State forest and added to the reserve is a piece of natural timber country. It is described in a report of the Town Planning Commissioner as a natural amphitheatre of trees, well grassed, in a bend of the river, and eminently suitable for a children's playground and picnic ground, as proposed under the development scheme. Particularly will it be suitable for a children's playground and a picnic reserve. If the area is not included in the park lands it is likely, because of its irregular formation, to remain undeveloped for many years. The Forests Department has no use for it and would not clear it, and possibly it would harbour pests and also produce undergrowth that could be a menace to the surrounding park lands. Geographically the area would make an extremely desirable addition to the park lands area, because it would permit of proceeding with the river-side project along the Collie River and facilitate the development of a swimming pool and picnic area.

On the other side of the river is a tract of land almost similar in extent, which will also be deleted from the forest area and be added to the park lands. This contains very little marketable timber. What there is will be removed, and what is now more or less a semi-wilderness will be cleaned up and improved. The area to be excluded from the reserve under the control of the Collie Recreation and Park Lands Board is to be given in exchange and added to the forest area. This is a corner block, as the plan on the Table shows, and will make a more regular area of the forest land. The inclusion of this land in the forest area will make each piece of land much more regular and more suitable for both parties. The steepness of the land and its severance from the park lands by the railway line gives the board very little opportunity of using it. In anticipation of the Bill's being introduced, I tabled a plan, with other plans, earlier in the session. The measure is a simple one. It contains a schedule and, with the plan, is almost self-explanatory. I move—

That the Bill be now read a second time.

On motion by Mr. Thorn, debate adjourned.

BILL—INDUSTRIAL ARBITRATION ACT AMENDMENT.

Second Reading.

Debate resumed from the 6th October.

MR. W. HEGNEY (Pilbara) [3.15]: This short but important amendment has been introduced in consequence of the Arbitration Court's recent refusal to grant increases in the basic wage in accordance with the variation in the cost-of-living figures. The object of the Bill is to remove the discretionary power given to the court by the Act, and make it obligatory on that body to alter the basic wage in accordance with the statistician's figures. On the 26th February last, the Arbitration Court, for the first time since the amendment was introduced in 1930 or 1931, declined to make an appropriate adjustment and, in consequence of its refusal, there was every possibility of an industrial upheaval occurring throughout the length and breadth of the State. An arbitration Bill, which was passed by Parliament 17 or 18 years ago, provided for annual declarations of the basic wage, but in 1930 the then National-Country Party administration introduced an amendment which pro-

vided for quarterly adjustments. If my figures are correct the basic wage for the metropolitan area at the time the Bill was introduced was £4 6s. a week, but the statistician's figures in March, 1931, disclosed when the first adjustment was made that a reduction of 8s. was to be applied under the new arrangement. In consequence of the amendment passed at the instance of the Government of that day, the wages of the workers were reduced from £4 6s. to £3 18s. per week.

Since then many increases have been ordered by the court and quite a number of decreases have been effected in accordance with the cost-of-living figures. It had been taken for granted by the State Executive of the A.L.P. and by the industrial movement generally that the adjustments were of an automatic character. This was to a great extent confirmed by the remarks of various members of the court over the years since 1930. Everyone concerned considered that the wages were to be altered in accordance with the cost-of-living figures. The member for Avon, in his remarks yesterday, chided the Government on its long delay in making the necessary alteration. The fact is that there was no necessity to make an alteration until the position arose last February, and it was considered to be of an automatic character. When the court refused to grant the appropriate increase it was found that National Security Regulations had been issued some weeks prior to the declaration of the court. I do not propose to go into the details of the regulations that were issued under the economic organisation section of those regulations.

Suffice it to say that I have it on the best authority that at the time the regulations were introduced it was definitely understood that the cost of living variations would not be affected. In fact, the cost of living variations were to be applied whether they amounted to an increase or a decrease. I believe that the Federal Crown Solicitor in conjunction with the Attorney General, who I understand would be responsible for the drafting of the regulations, thought that the arbitration Act of this State provided for automatic adjustments. When it was found that that was not so, appropriate action was taken to remedy the injustice that had been inflicted on the workers of this State. It may be as well to point out that when the court refused to grant the increase the workers' representatives fought the issue in the Supreme Court. There was a large measure of doubt whether the court had discretionary power but of course the wording of the Act plainly indicated that it had. The workers' organisations took the constitutional view and fought the issue in the Supreme Court with unfavourable results.

Then action was taken through the State Government and I am very pleased to say that the Government, in conjunction with the Federal administration, had the glaring injustice rectified. It may be as well to remark that the history of the industrial organisations in this State over many years is rather creditable from the aspect of industrial peace. I am pleased to say that generally, when disputes were likely to arise, there has been a facility of approach between the workers' and employers' organisations which has been advantageous to the State. As a result of the court's decision on this occasion, however, it was quite evident that there was great possibility of a general industrial dispute as a consequence of the endeavour of the industrial organisations to see that they received ordinary industrial rights. The position was rectified under National Security Regulations, but the Government has introduced this Bill for the purpose of making it compulsory on the part of the Arbitration Court to adjust wages to the cost of living.

After all is said and done, the workers' industrial unions only sought to have wages brought into parity with the increased cost of living. In passing, I may point out that the wages as laid down by the Arbitration Court amount to no more than about 4s. or 5s. over the standard that Judge Higgins laid down in 1907 in the famous Harvester judgment, when he determined that the sum of two guineas was a reasonable wage to enable the average worker to live in a reasonable degree of comfort. That is what the industrial unions of this State sought to have implemented by their action and the Arbitration Court for the first time in its history, in refusing to grant the increase, necessitated action as expeditious as possible to have the injustice remedied.

I do not propose to read at length the remarks made by the President of the court in making his decision but wish to refer briefly to statements made by the member

for West Perth. During his speech the hon. member stated—

I think it needs to be very carefully borne in mind that whatever the view of the President may be under this section in the exercise of his discretion in the three quarters last past, there is a possibility, and I say a probability, that he will exercise his discretion in future quarters or in some of them—perhaps in all of them—in such a way as to grant an increase to the workers that will compensate them for increases that have occurred in the cost of living.

In announcing his decision on the 26th February last the President of the Arbitration Court said—

(2) From a comparison of the figures set out in (1) it is obvious that inflationary forces are at work and to further increase the basic wage would be increasing the momentum of such inflation, while stabilisation even if only of a temporary character may put some brake on the tendency in this direction.

In paragraph (6) of his judgment the President stated—

To make the increased adjustment would result in an increased liability to the Government of the State alone, assuming teachers participated, of an amount on a rough estimate of £50,000 per annum and in addition to that there would be the increase in the cost of coal arising directly and the increase in commodity prices arising indirectly from the adjustment.

The President wound up his statement with this paragraph—

The force of the cumulative effect of the foregoing facts and statements is so great that (and I must confess with some reluctance) I am forced to the conclusion that our present basic wage should not be altered.

That was his judgment on the 26th February. Since then he has further refused to increase the basic wage, and on the 6th August he made other remarks which I shall quote. I consider that he made them in all sincerity. I think we all agree that he is a man of sincere and honest convictions which are not open to question in any way. The remarks to which I refer are as follows:—

It will be found on adjusting the three children of the Royal Commission to the two children that we provide for by deducting a third, that the husband and wife regimen comprises in value about 70 per cent. of the total. I have had inquiries made and have ascertained that to give the husband the regimen laid down by the court would require on an annual basis 221 coupons and the wife would require 208 coupons. As a fact each is allowed only 112. We have to consider what effect this has on the regimen. It cannot be conveniently measured in money because the coupon system applies to articles but it may be possible to make an estimate. There is no doubt it means a reduction and that under a coupon system the strict regimen appointed by the court no longer exists.

In face of those observations by the President of the court, and seeing that since the 26th February he has refused on more than one occasion to grant an increase in the basic wage, workers in this country cannot be blamed if they hold a pessimistic view on the question whether or not the President of the court will increase their basic wage in future. They took, to my mind, the shortest possible cut to see that they got what was rightly due to them, and what they thought they were entitled to under the laws of this country. The member for West Perth made this further statement—

I hardly feel justified in repudiating the discretion that has been exercised responsibly by the Arbitration Court of this State.

Further on he said—

In view of the experience the court has had in all matters affecting the economic structure of the State and the regulation of wages, I do not feel that Parliament should step in and repudiate a decision of the court.

I submit that no act of this Parliament amounts to repudiation of the Arbitration Court. When it is found that an injustice or anomaly exists through any particular piece of legislation the correct thing to do is to take action to have it amended. The argument advanced now by the member for West Perth would have had equal force in 1930 when a National-Country Party Government was in power. The hon. member was not a member of Parliament at the time. The Arbitration Act then provided for annual declarations and an amendment was passed providing for quarterly declarations of the basic wage—and that was at a period of falling prices.

[At this stage an air-raid warning was sounded.]

Mr. SPEAKER: I will leave the Chair until the "all-clear" signal is given.

Sitting suspended from 3.32 to 4.3 p.m.

Mr. W. HEGNEY: I contend that the action of the Government in endeavouring to right an obvious injustice does not amount to repudiation. If repudiation of the Arbitration Court's decisions has ever existed, then the action of the Government in 1930 in introducing what was known as the decisions of the Premiers' Plan, whereby wages were reduced by 20 per cent. below those existing on the 30th June, 1930, was closer to

repudiation than this present effort on the part of the State Government to ensure that the workers of this State, coming under the jurisdiction of the Arbitration Court, shall get their just wages.

Mr. Thorn: You have the wrong idea.

Mr. W. HEGNEY: The remarks concerning inflation are, to my mind, beside the point. When the Economic Organisation Regulation was introduced it not only sought to peg wages, but also referred to the limitations of profits and price-control, and was Commonwealth-wide in its ramifications. Obviously any action on the part of a State tribunal would not be in the direction of stemming inflation. It could not be unless it were Commonwealth-wide in its character. In the final analysis the question of inflation or deflation is one for determination by Federal authorities.

Every court in the Commonwealth, with the exception of Western Australia has, since the regulations under the National Security Act were introduced, granted the increases, or they have been of an automatic nature. The State Government is to be commended for introducing this slight amendment, and undoubtedly the action of the State Executive and the State Government in conjunction with the Commonwealth Government has been responsible for obviating a first-class industrial upheaval in this State. Under the industrial arbitration policy of Western Australia—I am dealing particularly with this State—very few disputes of major importance have occurred over a long period of years. I can say quite honestly that had this injustice not been remedied during the last few months, there is no doubt there would have been industrial chaos in Western Australia. Nothing would have been more calamitous at the present time than an upheaval of that nature.

If arbitration is going to be the guiding principle in regulating industrial matters and industrial relationships between workers and employees then the workers and the trades unions must have complete confidence in the Arbitration Court. Due to the action, or inaction of the Arbitration Court in recent months, that confidence has to a great extent been shaken. From 1930 or 1931 until the present time on each occasion that the statistician's figures have been submitted to the court the amendments have been considered to be more or less of an automatic nature. When decreases were the order of the day they were ordered by the court and, when increases were to be granted according to these cost of living figures, they were given by the court until recent months. If the confidence which has been reposed in the court for many years is to continue, then this amending Bill will assist in that direction.

The workers are not going to allow anyone to toss with a double-headed penny. If the court, in exercising its discretion in 1931, had refused to reduce the basic wage by 8s. from £4 6s. to £3 18s., there would have been some logic in the argument raised by the member for West Perth and the others who are inclined to be against this measure. But when there is an inflationary tendency and the workers suffer, their view and mine is that it is necessary that they should receive any increases to the basic wage in accordance with the cost of living. In the years to come, if this amending Bill is passed and the cost of living decreases, they will suffer. But while the cost of living is on the up-grade—and no one can say that the cost of living is not increasing in greater measure than is disclosed by the statistician's figures—the workers are going to abide by arbitration, and if the cost of living figures continue to ascend they must receive the benefit of such increases. With these few remarks I indicate my support of the measure and hope it will pass both Houses in the near future.

[*The Deputy Speaker took the Chair.*]

HON. N. KEENAN (Nedlands): Under existing circumstances, the introduction of the Bill is wholly unnecessary. That is the outstanding feature of it. What are those circumstances? The State Court of Arbitration, in exercising the discretion vested in it, refused to alter the basic wage, notwithstanding that the figures submitted to the court showed that in the last quarter before that decision was announced there had been a rise of 1s. or more in the cost of living. Nevertheless, despite that rise, the court, exercising the discretion unquestionably vested in it by statute, refused to alter the basic wage. Thereupon the present Government rushed to the Federal authority to seek its aid and intervention, and the Federal authority, with some reluctance, did agree to render the required assistance. Accordingly, it gazetted a regulation, known as Regulation 17A., under the National Security Act, in order to deal with the matter. The power

that is granted under the regulation to the delegate in Western Australia of the Federal authority was found not to be sufficient, and accordingly the State Government once more approached the Commonwealth Government, with the result that the regulation was amended and made all-embracing and entirely sufficient for any purpose for which it could be invoked. That is the position.

The delegate of the Federal authority was given, and possesses today and will continue to possess so long as the regulation remains in force, full authority to increase the basic wage in Western Australia and make it accord with the altered cost of living. When this dispute, as I may call it, or at any rate the difference of opinion arose between the Government and the State Arbitration Court, two courses were open to the Administration. Parliament was then sitting and the Government could have introduced the Bill now before the House, or it could have ignored State rights and State jurisdiction over its own matters, and rushed to the Commonwealth Government to invoke the all-embracing authority of the National Security Regulations. The Government preferred the latter course, notwithstanding that Parliament was sitting, and sought Federal assistance, thereby accordingly diminishing the prestige and power of this Parliament. Now we have the Bill before us. For what purpose has it been introduced? As I have already pointed out, the delegate of the Federal authority is completely clothed with power to deal with the position. The introduction of the Bill can only be for some white-washing purpose, just as though there has been at this later date, long after these events took place, some regret for the ignoring of Parliament; and the legislation is presented in order to show at this late stage that the Government is prepared to consult members. There is not much to be said in favour of any such contention. The Bill has also been buttressed by reminiscences of the Minister regarding something that happened in 1930 and 1931, and these have once more been traversed by the member for Pilbara. I happen to have read a short time ago a book written by a gentleman named Adolph Hitler.

Mr. Needham: Who is he?

Hon. N. KEENAN: A friend of the hon. member!

The DEPUTY SPEAKER: Order!

The Minister for Lands: At any rate, you dub him a gentleman!

Hon. N. KEENAN: One can sometimes make use of a term sarcastically. At any rate, in that volume, of which Adolph Hitler is the author, it is asserted—and it is perfectly true—that if one repeats a statement often enough, one will find some people who will believe it. So the Minister for Labour and the member for Pilbara have at any rate been converted by someone who told those credulous individuals something about what happened in 1930. Twice, or perhaps three times before, I have had to correct the utterly wrong version presented by the Minister and the member for Pilbara. What happened in 1930 was this: There was a very grave crisis in Western Australia, and that crisis affected the whole of the Commonwealth. In the Federal sphere there was a Labour Government in power, with the largest majority that any Labour Government ever commanded.

Mr. Cross: It was in office, but not in power.

Hon. N. KEENAN: Of course it was in power.

Mr. Needham: It had not a majority in the Senate.

Hon. N. KEENAN: It had a large majority.

Mr. Needham: But not in the Senate.

The DEPUTY SPEAKER: Order!

Hon. N. KEENAN: Let us suppose it had no majority in the Senate; it had a large majority in the House of Representatives.

Mr. Patrick: And it controlled the finances.

Hon. N. KEENAN: The Government had the right to decide what measures it would introduce, and to refuse to place others before the House. What happened? Mr. Scullin called a conference of State Premiers to consider the position that had arisen in consequence of the grave crisis. Just as happened the other day when Ministers representing the State Government went to Canberra and were told what they were to do, so in 1930 Mr. Theodore came down with a cut-and-dried plan—known as the Plan—and said to the assembled Premiers, "You have got to take this, or you will get nothing."

Mr. Withers: Who told Mr. Theodore to bring down that plan?

Hon. N. KEENAN: Mr. Scullin.

Mr. Withers: No, the bankers.

Hon. N. KEENAN: Mr. Theodore brought down the Plan.

Mr. Cross: He was forced to bring it down.

Hon. N. KEENAN: Mr. Theodore would bring down what Mr. Scullin instructed him to submit?

Mr. Withers: Who sent him there?

Hon. N. KEENAN: The hon. member's Federal leader at that time, Mr. Scullin. The hon. member can see the details for himself. All the facts are on record. The most astonishing thing about it is that we hear repeated these ridiculous assertions, which have again been mentioned by the Minister and the member for Pilbara, with a complete forgetfulness of the details as they are on record. They can find out all the particulars by consulting the appendix to the Commonwealth Year Book for 1931.

Mr. Patrick: And the action has been taken in this State by a Labour Government!

Hon. N. KEENAN: It was the Labour Party's plan, brought to the conference of Premiers with the intimation that if the latter did not adopt it, the States would not get the necessary money without which they could not continue to function. The Commonwealth Government's attitude then was the same as that adopted at the recent conference when State Premiers were told in almost the same language, "You will take this or you will get nothing." On page 762 of the Commonwealth Year Book, if members care to refer to that authoritative publication, they will find particulars of the financial plan, headed "The Plan," which is the one that deals with the reduction of wages by 20 per cent. At the end of the conference—I do not know at whose inspiration, but probably at Mr. Theodore's—a Labour Premier, a Premier representing a Labour Government, moved that the representatives of each Government present at this conference should bind themselves to give effect promptly to the whole of the resolutions agreed to. A motion in that sense was moved by Mr. Hill, the Labour Premier of South Australia, and it was carried.

What was the position then in Western Australia? Alone of all the States, Western Australia had an arbitration Act which did not enable the Arbitration Court to reduce the basic wage, or to reduce wages generally coming within the cognisance of the court. Alone in the whole of Australia! And we had this resolution moved by the Labour Premier of South Australia to give effect to the Plan. Accordingly we had to bring down a Bill to amend the Industrial Arbitration Act, giving the court power, not directing the court, to make reductions—giving our court what every other court in Australia of a similar nature enjoyed, the power to reduce wages. Accordingly a reduction in wages was made here.

The Minister for Labour: Which part of the amending Act authorised that?

Hon. N. KEENAN: I would have to read the Act. If the Minister likes, I will do so.

The Minister for Labour: You are well off the track!

Hon. N. KEENAN: I am off no track, but am trying to put the Minister on a track to which he is deliberately shutting his eyes. I wish finally to put an end to the ridiculous version which has been shoved down the throats of some of the public, that the Government in power in 1930 of its own volition brought in the amending measure empowering the Arbitration Court to reduce wages. The Bill was introduced in pursuance of a resolution passed, the very last resolution passed, at the conference, and Mr. Hill's motion was that effect should be given to the Plan by all the Governments represented at the conference. So let us have no further repetition of that rubbish either here or elsewhere! If members do want to criticise, let them criticise the people who ruled Australia in those days, and not those who were obliged to carry out their orders.

I do not wish to deal with the merits of the Bill, because they have been fully dealt with by the member for West Perth, and it is unnecessary to repeat to what extent I agree with the hon. member. It may, of course, be well argued that if every part of Australia except Western Australia had a variation in the cost of living which was automatically reflected in the basic wage, that should be an excellent reason for Western Australia falling into line. But of course, as rightly pointed out by the member for West Perth, it is a double-edged sword, because the day may come, and we almost hope it will come soon, when the cost of living will fall. Undoubtedly the cost of living will suffer a large and happy reduction when the days of peace return; and then, of course, this power being no longer discretionary, those days will be dangerous

days when men who have charge of the Government will find themselves faced with the gravest problems—the days when the unsettled conditions of war will have been to some extent changed into the settled conditions of peace. In those days there will be extremely grave danger because the Arbitration Court will be forced to reduce wages in consequence of this amendment measure.

Mr. W. Hegney: The court did that in 1931.

Hon. N. KEENAN: I quite admit that; but that does not in any way lessen the danger that will arise, as I have pointed out, when, as we hope early in the future, or at any rate in the near future, peace once more will arrive. I might not have taken any part at all in this discussion, in view of the very fine statement made by my colleague, the member for West Perth, except for the fact that the occasion was made use of, not by the member for Pilbara but by the Minister in charge of the Bill, to associate the President of the Arbitration Court with a deliberate part in doing an injustice.

Mr. W. Hegney: The President has never been impugned.

Hon. N. KEENAN: No man has occupied a position of a semi-judicial character, indeed of a judicial character, on any bench in any part of Australia who has been a more honourable and upright man, or a man more averse to being party to any injustice, than the President of our Industrial Arbitration Court. If a man is associated with a deliberate injustice, his honour is impugned; or if his honour is not impugned, then he is charged with want of appreciation of the true facts, with want of balance. I say all of that was absolutely unjustified in the case of the President of our Arbitration Court. I have known the gentleman filling that position for a great number of years, and I know that he is one of the most honourable and straightforward men to be found in any part of the world. Therefore I say that had it not been so that I wished to take the opportunity to express those sentiments, I might not have taken any part in this debate; because to correct the promulgation of the ridiculous story of 1930 is no longer interesting.

The Minister for Labour: Your statements about what was done then are absolutely incorrect.

Hon. N. KEENAN: Of course the Minister may persuade himself of that.

The Minister for Labour: In a few moments I will quote your Bill.

Hon. N. KEENAN: Perhaps the Minister had better have this volume of Federal Parliamentary Records which I hold in my hand. There is not a shadow of doubt about what happened in 1930. When the Premiers had assembled, they were told by the Commonwealth Government, which alone could find money in those days, when there was no possibility of borrowing and revenue was absolutely at a standstill and there was no possibility of States carrying on except by Federal assistance, and when the power of the purse enabled the Commonwealth Government to dictate what it would, "You must do these things or go without money." That is what happened.

Mr. Withers interjected.

Hon. N. KEENAN: I cannot hear the hon. member. If he wishes to instruct me, he will have to do so a little more loudly and and a little more distinctly; and even then he might produce no result. All the facts are to be found in this volume, and yet we still find some people repeating an absurd version in the hope that persons who have not the same opportunity to correct the statements made will be persuaded that the facts are otherwise. The absurd version is that out of pure wickedness, pure cussedness, the Government of Western Australia took steps to have a reduction made in the basic wage of the workers of this country, entirely of its own volition. It is heartbreaking to have to deal with a statement of that kind.

Mr. W. HEGNEY: Did not your Bill providing for quarterly adjustments in the basic wage result in the reduction of workers' wages five months before the reduction would otherwise have taken place?

Mr. SPEAKER: Order!

Hon. N. KEENAN: Every Government represented at that Premiers' Conference had to give prompt effect to the plan, which contemplated a 20 per cent. reduction in wages. I might once more remind the hon. member of the language used. The representatives of each Government, including Western Australia, present at that meeting, bound themselves to give prompt effect—to give effect promptly is the right wording—to all the resolutions agreed to.

The Minister for Labour: What are the resolutions?

Hon. N. KEENAN: They will be found at page 762—a reduction of 20 per cent.

The Minister for Labour: In what?

Hon. N. KEENAN: In all adjustable Government expenditure—

The Minister for Labour: Exactly!

Hon. N. KEENAN: Wait a moment! Let us have it exactly—as compared with the year ended the 30th June, 1930, including all emoluments, all wages, all salaries and all pensions paid.

The Minister for Labour: Exactly!

Hon. N. KEENAN: Exactly! Is that all?

The Minister for Labour: That is enough for me.

Hon. N. KEENAN: It is enough for the Minister, I presume. He now admits it is a Labour plan.

The Minister for Labour: I am not concerned with the plan. I am concerned with this Bill.

Hon. N. KEENAN: Having admitted it is a Labour plan, the Minister says it is enough. It certainly is not enough for me.

Member: That Government was the only one which extended the plant to other than Government employees.

Mr. SPEAKER: Order!

Hon. N. KEENAN: There was not any extension by the then Government. Power was given to our Arbitration Court that was already possessed by every other arbitration court in Australia. If that had not been done then, then—in the language of Mr. Hill, Labour Premier of South Australia—effect would not have been given promptly to the Plan. That shows up the matter in all its hideous nonsense. However, I do not propose to detain the House. As I said, it might well be argued that no ground existed for excepting Western Australia from the general rule. If that had been all that the Minister said, there would have been very little to object to, except the fact that it should have been said at the time, in February last. But he did not stop at that; he dragged in these fallacious references of his to the action of the Government in power in 1930, I suppose on the general principle to which I have already referred and which apparently is prevalent in the world since Hitler dealt with it, that if one keeps on saying something long enough people will believe it.

The Minister for Labour: I think you should have read my speech more carefully.

MR. CROSS (Canning): Many extraordinary statements have been made during the debate on this Bill. Some have been made even by the member for Nedlands.

The Minister for Labour: Extraordinary statements.

Mr. CROSS: The first statement to which I would direct attention is one made by the member for Avon.

Mr. Doney: Pilbara, I think.

Mr. CROSS: The member for Avon said that 70 per cent. of the workers in Western Australia were working under Commonwealth awards. That is not true.

Mr. McDonald: Mr. President Dwyer said that that was so.

Mr. CROSS: Then he was wrong.

Mr. Seward: Of course he was!

Mr. CROSS: Quite wrong, too.

Mr. Seward: What is the percentage?

Mr. CROSS: I am one of those who believe that any attempt to peg wages is stupid and doomed to failure. No Government could prevent the failure.

Mr. McDonald: Send a wire to Mr. Curtin.

Mr. CROSS: The fact that wages were pegged in this State, and that there was no increase in the basic wage for nine or 10 months, did not stop the cost of living from rising. The cost of living would still rise if wages were pegged for an additional two years. During the nine months' period I have mentioned, according to our own statistician's figures, based on the same regimen as that on which the Commonwealth basic wage is based, the cost of living in this State increased to the extent of 4s. 6d. per week. Therefore, increased wages are not the cause of increases in the cost of living. Increase in the cost of living is a natural process and no Government in the world can prevent it, for the reason that it is due to the steady growth of the public debt.

Mr. Marshall: To an extent.

Mr. CROSS: A very large extent.

Mr. Marshall: You are telling me!

Mr. CROSS: One can take this as an illustration: In the year 1913 the Commonwealth owed a little over £5,000,000 oversea and the rate of interest paid was 2.14 per cent. To-day the Commonwealth owes nearly £2,000,000,000. It is but commonsense to say that the Commonwealth Government cannot extract from the people the amount required to pay the interest on that huge debt

if the workers are still receiving the wages they received in 1913. It would be literally impossible for the workers to live on those wages and for the Commonwealth to pay the interest on the public debt.

Mr. Marshall: Do you know what the interest is?

Mr. CROSS: I venture the opinion that the present-day interest on Federal, State and municipal debts amounts to approximately the earnings of the people in 1913. The actions of the Government in power in 1930 were entirely due to its own fault. A sinister scheme was propounded by world financiers who were responsible, and I shall tell members why. I remind members of what happened after the 1914-18 war, when Germany unloaded a large portion of her oversea debts by purchasing securities in America and other countries, and then inflating her own currency and paying off the debts in that inflated currency. France did almost the same thing. She borrowed £50,000,000 from Great Britain in 1915 or 1916 and repaid it ten years later, when the franc—instead of being 18.17 to the pound, was 100.3. Thus England was repaid her £50,000,000 in currency worth about £5,000,000. That is history. Arising out of that, world financiers saw that the huge amount of money which they had invested to carry on the 1914-18 war was greatly depreciating in value.

Mr. North: De-valuation!

Mr. CROSS: Yes! The financiers, therefore, endeavoured to bring about the reverse process, the appreciation of the purchasing value of money. Their aim could only be achieved in one way, by reducing wages and increasing working hours. Thus there was a sinister world-scheme evolved by those financiers to increase the purchasing power of money. The process of appreciation by deflation leaves a trail of ruin and bankruptcy worse than that brought about by inflation. The reason for this is very simple. I will illustrate the difference that occurs. Assume that a man receives £5 a week and that the amount is divided into five equal parts, four of which he retains to live on and the other part is taken by the Government. One-fifth of £5 is £1. If the man's wage is suddenly increased to £10 a week and split into five equal parts, even though the cost of living remains stationary, the Government gets £2 instead of £1 as its share.

This process of depreciation in the purchasing power of money did not begin in our time. It can be traced back through history. In 1605 the British Prime Minister pointed out to the House of Commons the large increase in the national debt and said there would have to be retrenchment. A hundred and fifty years later another statesman made a similar reference and cried out for deflation. William Pitt and Gladstone both told the same story. But as the public debt increases—and war gives that process a fillip in every country—so the purchasing power of money depreciates. As additional taxes are imposed upon the people the cost of living increases, and the workers demand more wages and get them. When they receive the increased pay, they are no better off than they were before but, through the process of depreciation, the Government is able to carry on. After the present war ends, there will be another plan for the reduction of wages.

Mr. Warner: How long do you think that will be?

Mr. CROSS: The Commonwealth Labour Government, in issuing Statutory Rule 76 for economic organisation, made special provision for the exemption of variations on account of the cost of living. It attempted to peg not the wage, but the standard. Paragraph 18 of Rule 76 reads—

> Nothing in this part shall prevent the payment or acceptance of any altered remuneration where the alteration is in consequence of any automatic adjustment which, in pursuance of any law or any award or determination of an industrial authority or of an industrial agreement, follows a variation in the cost of living.

Mr. North: Is that a novel you are reading?

Mr. CROSS: In every State of the Commonwealth, with the exception of Western Australia, the variations were automatic. Since the 10th February last, in every State there has been an increase in the cost of living, and an increase of the basic wage has been granted to the unions. Not all awards in the Eastern States make provision for automatic increases. I have a large file of Eastern States' awards; more than 100 applications have been made to the courts in New South Wales for the adjustment of the basic wage to be applied, and in not one case has it been refused.

Mr. Warner: Wonderful, is it not?

Mr. CROSS: Under most awards in this State, particularly those given by the Arbitration Court, the variation in a wage paid in an industry is automatic on a change in the basic wage being made. Unions do not have to apply to the court for such a variation. When the court makes a variation in the basic wage, it automatically applies to the awards issued by the court. If we desire to secure unity and a full war effort in a State where the unions are not receiving the benefits that unions in the Eastern States are enjoying—hundreds of unions in the Eastern States are receiving war loading, which is not paid here—

Mr. Patrick: New South Wales is running the country at present.

Mr. CROSS: Industries there are paying war loading. Is it commonsense to think that workers in Western Australia, employed in identical industries and doing similar work, knowing that automatic increases are paid in the other States, should be content to forego theirs? How can we expect to get unity with such differentiation? We cannot. It has been said that the basic wage in this State is higher than it is in the other States. The basic wage in South Australia is higher than in Western Australia and so it is in New South Wales. In Victoria it is only 11d. a week less. In New South Wales, where the basic wage is 1d. higher than in Perth, many men are receiving a war loading of 6s. a week. Quite a number of unionists are receiving as high as 5 per cent. of the total wages as war loading, and thousands of them are doing work utterly foreign to any war effort. The courts in New South Wales found that, when they granted war loading to an industry, some men might not be employed on work pertaining to the war. This created grave dissatisfaction, so the principle of war loading was extended to every person in the industry. Employees in similar industries not affected by the war became dissatisfied and the concession had to be granted by the courts. In that case there was no political pressure; the courts granted the increase.

Mr. Watts: Are you annoyed about it?

Mr. CROSS: In New South Wales the courts held that the ramifications of war loading were so great that it would be far better to grant it to the employees in all industries in the State. Members will therefore appreciate the reason for the dissatisfaction that arose in Western Australia. Can any member contend that, when the cost of living rises, the workers should not receive an equivalent benefit by an increase in the basic wage? The amendment contained in this Bill is simply designed to make the increase automatic. The member for Nedlands stated that after the war an attempt would be made to reduce wages and the wage standard, as was done previously. If that happens it would be equally fair that the cost of living should come down to offset the decrease. We contend that it is as fair to grant the increase in the basic wage in Western Australia as it is to do so in any other State. It is only just to amend the Act, place the decision outside the authority of any one man, and make the alteration automatic. Then, whether the trend be in one direction or the other, it will be fair. Therefore I propose to support the Bill.

MR. TRIAT (Mt. Magnet): I am very surprised to think that there is any opposition to this Bill.

Mr. Warner: There is not much.

Mr. Sampson: That last speech was supposed to be in favour of it!

Mr. TRIAT: I am really surprised to think that there should be any opposition to a set procedure in law regarding alterations to the basic wage whether up or down. A lot has been said about what occurred in 1930 and 1931, and perhaps in 1600, but I do not think that has a great deal to do with the question before the House. The position needs clarifying. We have a law stating in effect that one man can decide whether it is right or wrong to increase or decrease a man's wages. The Arbitration Court has probably more far-reaching power than has any other court in Australia. The Supreme Court, or the High Court, may give a decision relating to one group or one individual, perhaps on a matter of life or death. Those courts have the right to say whether or not a certain man shall hang; but the Arbitration Court has the right to control the affairs and interests of every working man and woman in Western Australia. Its powers are exceedingly far-reaching.

The Court does not say to one man but to everybody who works for a living that he shall live a little better or a little worse. As the Act stands today, the President of the court, whether he be fair-minded

and honest or whatever he may be, has too much power for any one man. Under the Commonwealth provisions, the Premier of Western Australia has too much power for any one man. This Parliament should establish that no man shall have such power, but that the court shall automatically increase or decrease the cost of living in accordance with figures produced to the court by independent people, such as the Government Statistician. What we are asked to decide is whether it shall be left to one man to regulate the basic wage, or whether the court shall be compelled to adjust the basic wage in accordance with the cost of living.

Mr. Sampson: You are prepared to leave it to one man.

Mr. TRIAT: To whom?

Mr. Sampson: The Government Statistician!

Mr. TRIAT: The Government Statistician co-ordinates sets of figures provided by storekeepers and business people who provide statutory declarations each month. The figures are checked with those of organisations and other people, to ensure their correctness. The compilation of the figures is a far-reaching process. It is not the Government Statistician's own work, but the work of a number of people. I am given to understand by those in authority that the figures are authentic, and I would not like to challenge them. No one man should have the power to say yea or nay in the matter of adjustments of the basic wage, and all the Bill proposes to do is to prevent that practice. Stories have been told of what occurred in 1930.

At the risk of encroaching on the valuable time of the House, I desire to relate one instance which, in my opinion, has an important bearing on this discussion. In 1931, when the basic wage fell by 8s. in one hit, I happened to be organiser of the Australian Workers' Union, and was residing in Wiluna. The Wiluna Gold Mine had just commenced producing and crushing. The first time the plant had been in operation was that particular week. On the Saturday afternoon, word was received that wages would have to be reduced by 8s. on the Monday morning. Everybody knew perfectly well that the cost of living had increased by leaps and bounds. On account of the great influx of people, rents had gone up, as had the prices of vegetables, some of which were almost unprocurable. The price of certain commodities had increased by 1s. a pound. Everybody knew that it was unfair, in view of the increased cost of living, that wages should be reduced by 8s. in Wiluna.

We approached the manager, Mr. Pryor, who was employing 1,400 people. His payroll was about £2,000 a day. We explained the position to him and pointed out that our people felt disposed to refuse to work under the new conditions, because they thought that a reduction in wages was unfair when applied to Wiluna. After a discussion, Mr. Pryor said he was of the same opinion, and stated that he was not going to reduce the basic wage. That was an instance in which the reduction of the basic wage was totally unfair, and was recognised as being so by the biggest employer in the district. His decision caused the whole of the goldfields to realise the position, and no mine reduced the basic wage. Everyone paid the full rate.

Neither the Premier nor the Arbitration Court has the right to reduce or increase wages at will. The law should provide for automatic increases in accordance with the cost of living. I do not see anything wrong with substituting the word "shall" for the word "may." I remember the House discussed a Bill on one occasion, and I asked what the word "may" meant. I was told it meant "shall." During the whole time the Arbitration Court made quarterly adjustments, everybody thought that "may" meant "shall," because decreases occurred. The moment the cost of living increased and increased wages should have been granted, we found that "may" meant "may" and not "shall," and the court took advantage of that.

It is not right for the court to deal with economics, whether a question is right or wrong. Its job is to say whether an increase is or is not due in accordance with the findings of the Government Statistician. This Bill seeks to bring about that position. I am surprised at anyone objecting. The proposal is fair and decent, and quite aboveboard. We say that if the cost of living is increased, the basic wage must be increased. I am prepared to support the measure on those grounds. Never mind economic conditions, or anything else. Under the basic wage declaration for a man, his wife and two children, people are not receiving sufficient on which to live, even on the highest rates. They have never been given enough.

If a man is unfortunate enough to have three or four children, he suffers a disability.

Mrs. Cardell-Oliver: What about the man without a wife and two children?

Mr. TRIAT: He has to make provision for the future.

Mrs. Cardell-Oliver: He does not do so.

Mr. TRIAT: He is a potential husband and father, and has the right to an opportunity to provide for the future. A single girl is entitled to the same right. Single girls cannot live properly on the money they are getting.

Mrs. Cardell-Oliver: I quite agree.

Mr. TRIAT: But the court, receiving £2,000 a year, considers that the single girl does get sufficient when she receives 30s. a week. No man with three or four children can get sufficient to live on, under a basic wage providing for a man with only two children. Under such conditions, workers are not prepared to do a fair day's work. They are always looking for some way to secure a little betterment. In 99 cases out of a hundred, they are forced to strike for better conditions. For the last two or three years, this State has had no serious industrial disturbances, but this question of the basic wage adjustment was on the point of creating the greatest disturbance in the history of Western Australia. It was about to upset the equilibrium between employers and employees. Were the men anxious to strike? Of course not; but they were anxious to stand up for their right to get 4s. 6d. more in their wages than the court said they were entitled to. That 4s. 6d. is an enormous amount of money to people on the basic wage. I hope the measure will be carried, and that we shall take away from the court the right to say that thousands of people are not going to have their wages increased.

MR. NORTH (Claremont): I do not think the member for West Perth was trying to attack the principle of arbitration or to attack the workers. He was forced into the position of deciding whether he should agree to endorse or oppose an alteration of the machinery of the Arbitration Act to provide for automatic adjustments of the basic wage. Whatever we may say, it is certain this Bill will go through, but I do not think either the employers or employees will be satisfied, whatever happens. I want to use the short time at my disposal to consider whether the Arbitration Court is constituted on the right lines. We all know that a bad workman blames his tools. That may be true, but after all a good workman adjusts or mends his tools if they are not in order. We are very foolish to wrangle in this Chamber over the court as it is now constituted. Many of my electors have requested me to direct my attention to the tremendous advances in arbitration and the returns gained in other countries. I have been urged by wealthy citizens in Claremont and Cottesloe to read the work of the Dean of Canterbury on the U.S.S.R. I did that, and all I learned, so far as this measure is concerned, was that in Russia, whereas we are fighting to see that the cost of living will be chased so that wages will meet it, they are raising wages and reducing prices. I do not say whether the Dean is right or wrong.

Mr. SPEAKER: I hope the hon. member will connect that up with the Bill.

Mr. NORTH: This Bill asks us to endorse a principle which will force the President, at the moment, to raise the wages with the costs, but later he may be forced to reduce wages in accordance with costs. That will be the time when the workers will be dissatisfied. Therefore we should, if we can, by altering the constitution of the court a little, improve the position not only for the workers but for industry generally. What I complain about in our present Act is that we do not attempt to wring from industry or from nature a better return for those engaged, both employers and employees. We merely try to maintain the existing state of living year by year. Why, if you, Sir, and I came back here 100 years from now and this law was still in force, there would be another Mr. Hawke, or Minister, bringing forward another measure of this kind, when all the time progress and science had been going ahead by leaps and bounds.

What is this principle which enables the people of Russia to reduce prices and increase wages? I do not know it. It is exasperating to have works sent round to be read, and not be able to find out.

The Minister for Labour: It sounds rather like the A plus B theorem.

Mr. NORTH: In order to correct the Minister on that subject, over the national stations here during the last two weeks there were two addresses given, I think, with the approval of the Government of Australia. One of them showed how in the Fas-

cist State the wages chased prices, as in Western Australia, and how in the Russian State the wages rose and the prices fell. Let us have an inquiry. This side of the House cannot produce Bills like rabbits out of a hat to improve the court, because the Governor's Message is necessary. I will give two concrete proposals which, if adopted, would make this measure more useful. The first is that the President should have the power to order in any industry, where the plant is out-of-date and the employer is fighting high wages because he has to use dud plant, the introduction of modern processes and better machinery.

Mr. J. Hegney: What will we use for money?

Mr. NORTH: What, with a Labour Government in office? We cannot blame Menzies this time! If the President had that power he could improve the processes of any industry by using money at 1 per cent. from the Commonwealth. Let us leave the private employers and deal with the railway system. The railway authorities must be interested in this measure. In thinking of our railways I am almost ashamed to say, "W.A.G.R." They are using plant and engines 50 years old.

Mr. SPEAKER: Order! I do not think engines 50 years old come into this Bill. Such a measure as this cannot improve them.

The Minister for Labour: How old is your engine?

Mr. NORTH: If there were provision in the Act to enable the President to say that the machinery of the Western Australian railways is absolutely out-of-date and that we must have modern services here, and the money will be provided by Mr. Curtin at 1 per cent., we could then wring for our railway workers better wages and conditions, and leave the fares where they are or even reduce them. Also, the railway travellers would not be complaining. I do not say that the Minister is to be blamed for all this. He is handling an Act designed years ago in the days of horses and carts, and before we ever heard of cars or planes. We have to realise that both the workers and employers in industry are entitled to a far better return, but they will never get it so long as old-fashioned processes are allowed to remain. If a man went through Western Australia with a note-book and made a list of the obsolete plant of all kinds, both in State concerns and private industry, it would show a need for the expenditure of millions of pounds so that we could compete with the world and make everybody contented, and wring from industry a decent return for those engaged in it. This afternoon we have heard speeches for the worker and speeches for the boss. Where do they get us? Why, in Russia, where they have this system——

Mr. SPEAKER: Order! I do not think the Russian system has anything to do with the Bill.

Mr. NORTH: I am glad to know that because I hear they get a better result from industry. Nevertheless, if I were asked to vote "Yes" for this measure I would not do so because I thought the present Arbitration Court was giving a fair deal either to the workers or to the boss, but because it is a good idea to have arbitration.

The Minister for Labour: Which way are you going?

Mr. NORTH: Anybody who does not want to hamper progress will vote against this Bill in a historical sense, but he might on principle vote for it and say he meant something else if the law could be altered. We have to fall in line with the cost of living, but it is not the system which is going to give satisfaction. I trust that when the elections come—and I do not want to see them too soon, although I do not want to stand in anybody's way—there will be some arguments about arbitration on the hustings. Both the Government and the Opposition should look into this question and realise that a measure such as this is not the way to satisfy either the worker or the boss. The Bill is inevitable in itself, but it will not give back any money to the employee. The Minister is merely bringing into line something which conforms with something else that has already happened so far as the present is concerned. But do not let him bring in the A plus B theorem as that is far too intellectual and delicate to be bandied about in public life. As far as I am concerned it is under lock and key. I would only deal with that in very aesthetic conditions and very select circumstances.

The Minister for Labour: In the air-raid shelter!

Mr. NORTH: We have to deal here with the hard practice of public affairs and cannot go into delicate watch-like instruments of this sort. I repeat that we are not on the right lines. Let us say to ourselves that we will wring from nature everything possible

by the latest mechanical processes that money can buy. The money is there; Mr. Curtin has it! If the President had the power to make that order against those industrialists —I am not giving names—who today are opposing this Bill and this clause because they perhaps have not the latest machinery or processes, or plans or designs, or have the wrong advertising ratio then very many people who are engaged in certain avenues of production would, if they knew they could have new machinery put in, certainly not oppose the Bill. That is one direction in which the position of the court could be improved. There is another reason why the workers may wish the legislation to be passed. They do not want unemployment to be created. It must be recognised that unemployment is another of the uncertainties that characterise the modern world. The court should have power to deal with that phase. Naturally we must realise that if the court is empowered to order the installation of improved processes in industry, men will be sacked and then the fight will be on.

Mr. Patrick: Do you say you would give the court power to order new machinery to be put in?

Mr. NORTH: No, I say the court should have power to order the modernising of industry—and I would include our State railways—but concurrently should make necessary financial provisions guaranteeing the setting aside of funds to cope with the modernising process and the industrial situation that would arise when, inevitably, the services of men were dispensed with If the court had the power I propose, possibly half the railway employees would be sacked and they should be cared for until they were able to be placed in some lucrative form of employment. The men who would lose their positions would have to be protected, and the provision made for them should not be in the form of a pension or some cheap starvation rates but, rather, full pay until again absorbed. If some such procedure were adopted throughout the Commonwealth, it should be such as would guarantee better wages to the workers and a better return to the employers. I shall not oppose the Bill. I do not wish employers to gain the impression that I would agree to jeopardise their interests. My contention is that if we can improve the position of the Arbitration Court along the lines I have suggested, benefit will accrue to both employer and worker.

MR. SEWARD (Pingelly): When he moved the second reading of the Bill, the Minister attempted to justify the amendments sought to the parent Act as though we were legislating for industry under ordinary conditions. He traced the history of the various amendments to the Act and pointed out that everyone thought "may" meant "shall" until the Arbitration Court said it did not, and thereupon proceeded to act in accordance with the power vested in that body. If conditions were normal and if we were not engaged in waging the greatest war in history, I have not the slightest doubt the Arbitration Court would have granted an increase in the basic wage on account of the rise in the cost of living. The outstanding fact is that conditions today are not normal but abnormal, and that is entirely due to the war. The Minister dealt with the legislation as though conditions were normal, and with the proposed further amendments to the industrial legislation as a mere continuation of a process that has been going on ever since 1920. I maintain that he dealt with the matter right out of its proper perspective.

Nobody, at least no member of the Country Party, has any desire to prevent the workers—perhaps I should say, the industrialists—from securing a return for their labour that will permit them to enjoy a standard of living that will provide them with a reasonable degree of comfort and enable them to bring up their families in such a way that the rising generation will have opportunities to attain the highest positions in the community. They are entitled to have that advantage, and I support that view. On the other hand, as the member for Avon pointed out—I think he is the only member who has so far alluded to the fact—the Bill does not apply only to the worker in receipt of £4 10s. or £5 a week. Not one of the supporters of the Bill drew attention to the fact that men in receipt of £1,000, £1,200 or £1,500 a year also had increases granted to them due to the rise in the cost of living. Many people held the opinion—I confess I was one of them—that civil servants receiving salaries up to £700 a year were entitled to receive cost of living allowances; but when it comes to officials in receipt of upwards of £1,500 a year also receiving that allowance, I would like those who support the Bill to avail themselves of the opportunity to refer to the highly paid Govern-

ment officials concerned to illustrate the reason for their favouring the legislation. Not one attempted to do so. Rather did each speaker refer to the workers who received £4 or £5 a week and, naturally, everyone is entirely in sympathy with the consideration extended to men in that category.

The Bill has been introduced in consequence of a decision of the State Arbitration Court which was prompted by wartime conditions. Apart from the war, no necessity would arise for the introduction of the Bill for in those circumstances the Arbitration Court would not have departed from the procedure adopted previously. The powers that the Government possesses now provide the necessary authority to increase the basic wage and that provision has been due solely to the war. As a matter of fact, the action of the State Government in granting the rise in the basic wage was possible only because of the powers secured from the Commonwealth, which powers enjoined the Government to take such action, "when the Premier is satisfied that it is desirable to do so in the interests of the defence of the Commonwealth or the more effective prosecution of the war." Consequently I anticipated that the Minister, when placing the Bill before members, would have dwelt upon that phase as justification of the legislation. He did not attempt to do that, and did not deal with that phase of the question at all in the Press controversy in which he indulged a few months ago. During the course of his speech the Minister made what appeared to me to be a most extraordinary statement. He was the only one to take the point. In referring to one of the reasons advanced by the court for its decision not to grant any increase in the basic wage he mentioned the following statement by the President—

> After giving much thought and study to the financial position of the country the court had concluded that a process of inflation was developing which threatened the economic and financial stability of the nation.

The Minister described that statement as having reference to a phase that constituted part of the monetary policy of Australia and so was no concern of the State Arbitration Court. To my mind that was a most extraordinary statement. The consideration regarding any increase in wages or variation in an Arbitration Court award should be the ability of industry to meet the augmented cost. To my mind the Arbitration Court was in duty bound to take notice of the effect an increase or decrease in the basic wage would have on the economic life of the community. That should be one of the first duties of the court, and it is in keeping with the policy of the National Government. The member for Avon in his speech on the Bill drew attention to the necessity for providing some check against inflation. It is only by means of such a check that inflation can be controlled. Unless we are to proceed gaily ahead, granting an increased wage with each rise in the cost of living until we have consequential inflation, then, in my opinion, the Arbitration Court had no alternative but to act in the way it did. Obviously the court should take note of the possible effect of its decision.

The Minister also stated that unless the Bill was passed and the Act amended by the substitution of "shall" for "may," the workers would have to continue until some time after the war had ended without any increase in their wages. The Minister has no authority for making such a statement. The President of the court did not give any such indication. All the President said was that there would be no immediate alteration in the basic wage. In view of the court's announcement the only conclusion I could come to was that it considered it would not be wise to make any alteration in the basic wage at the present juncture, and decided to let the matter rest. The court intended to study the effect the decision had on the cost of living. If in course of time, be it long or short, the court found that the cost of living continued to rise, it could take steps to relieve the situation and grant an increase in the basic wage. If, on the other hand, the court found that by not granting an increase a halt had been called, totally or partially, in the increase in the cost of living, then its action would be justified and an increase in wages would not be given. But to suggest that because the increase was not granted on this occasion the court would never grant it at any time during the course of the war or for some time after it, was a conclusion to which the Minister was not justified in coming. It has been said by several members during the course of the debate that this is the only Australian State which has refused to grant an increase in the basic wage commensurate with the increase in the cost of living. That may be so, but I point out that in the early part of this

year an exactly similar decision was given by the New Zealand Arbitration Court. That court, in giving judgment, stated—

> As a result of the war a reduction in the standard of living as a whole is inevitable.

We do not need the court to tell us that. We have evidence of it all round, in the way of rationing.

Mr. Patrick: The Prime Minister has stated that.

Mr. SEWARD: It is the policy of Australia that there must be a reduction in the standard of living at present, owing entirely to the necessity for reducing expenditure on consumer goods because of the war.

The Premier: The reduction applies more to luxuries than to the requirements of the ordinary standard of living.

Mr. SEWARD: We must reduce our production of consumer goods in order to make available adequate labour for the production of munitions. The labour that in the past has been used in production of consumer goods is now being applied to munitions production. Savings Bank funds have reached a record level, showing that the people are now putting into the bank money which otherwise, in times of peace, they would have applied to the purchase of consumer goods. We are compelled to reduce the production of particular lines. Consequently we must inevitably have a reduced standard of living. The Arbitration Court should not go on increasing wages to enable people to buy consumer goods. I draw attention to another passage in the decision of the New Zealand Arbitration Court—

> Consequently, if an application for a general increase in wages is granted, the present proportional distribution of available goods and services between the different sections of the community must be varied, and the share of the workers must be increased. This means inevitably that the share of the other sections of the community would require to be reduced, including the share of pensioners and other individuals with fixed incomes.

I with other members on these benches represent that section of this community whose proportional share must inevitably be reduced. Therefore, on that ground alone, the Minister cannot expect any support for his Bill from me.

The Minister for Labour: I never anticipated any.

Mr. SEWARD: I am glad the Minister is not disappointed. I commend that judgment of the New Zealand Arbitration Court to his special attention. Though the difficulty facing our Arbitration Court was brought about entirely by war-time conditions and had nothing whatever to do with ordinary conditions, yet unfortunately we are debating the measure as if conditions were absolutely normal. We have to bear in mind the fact that our Governments have placed on the Arbitration Court bench men who can weigh evidence and give reasonable decisions. No Government appoints to the Arbitration Court anyone who is not thoroughly fitted for the position. But if we are simply to alter the law and direct the Arbitration Court to do this or that because some set of figures indicates that the court ought to do so, then money could be saved by removing the present members of the Arbitration Court bench and replacing them by men who would not require half their present salaries by reason of the fact that they need not be so highly qualified as are the present members.

The member for Nedlands drew attention to one other aspect of the Bill that I had in mind—the result of the passing of the measure. As the hon. member pointed out, the Premier has power to raise the basic wage if he so desires. That power is granted to him by the National Security Regulation which has been referred to, and he has already exercised the power. Therefore, the industrialist is not going to get anything as the result of this Bill at the present time.

The Minister for Labour: This Bill is for the future.

Mr. SEWARD: I know that undoubtedly it is for the future, because, as has been pointed out, when the war ends and the cost of living begins to fall—how great the fall will be we do not know, nor how long after the cessation of the war—the Arbitration Court will not have any discretion, but must automatically reduce wages, whether for the benefit of the wage-earner or otherwise.

The Minister for Labour: The court would do that, whether it had discretion or not.

Mr. SEWARD: The Minister proposes to make certain that the court will do it. When that time comes, the workers will not have any reason to thank the Minister for introducing this legislation. On that ground also I cannot support the Bill.

MR. SAMPSON (Swan): I have no objection to the proposal brought forward by the Minister. The regret I have is that

his work appears to be limited to the industrialist. Why is no consideration to be given to the farm worker, and to the farm-owner? Why do the Minister's efforts stop short at one section only of the community? All men of the State are citizens of the State, and all should receive consideration. It seems to be an obsession of the Minister and his supporters that in doing what the Bill proposes, they are doing everything necessary. However, they are not doing what they should do; because all people engaged in rural industry, as well as people engaged in industrial pursuits, should receive consideration; the small farmer, for instance. This is a continual problem, and the outlook is very disappointing. The small farmer, in addition to having money invested in his property, is in very many cases indeed unable to earn the basic wage; but nothing is done as far as he is concerned. I do not want it to be implied that because nothing is done for him, no action should be taken in regard to all. We should make it our ambition to ensure that all workers shall receive award rates and be protected by the Arbitration Court.

Mr. Warner: Including farmers.

Mr. SAMPSON: Particularly farmers. Primary industries are the basis of our future prosperity. If our State is to be developed, we must make the lot of the man on the land sufficiently attractive to induce him to remain there. We do nothing of the sort. We encourage him to come to the city, and thus primary production is gradually allowed to be carried on by men of other nationalities. I listened to what the member for Canning had to say. He made no comment about the dairymen in his district. What consideration do they receive? Do they receive any consideration?

Mr. Cross: Surely you did not want me to talk all night?

Mr. SAMPSON: No. However little the hon. member said, it would be quite enough for me.

[*Mr. Withers took the Chair.*]

Mr. J. Hegney: The Commonwealth Government is making £2,000,000 available to help the dairy farmers.

Mr. SAMPSON: The dairy farmers are not receiving proper consideration. Time after time they have appealed for better prices for their whole milk. Have they received better prices? No! These men should receive proper consideration; they should be treated equitably.

The DEPUTY SPEAKER: Is the hon. member going to connect this with the Bill?

Mr. SAMPSON: I hope so; it has some association with it. It is our bounden duty not to limit the Bill to only one section of the community, but to extend it to those who are dragging out a mere living from their particular industries.

Mr. Fox: How are we to do it?

Mr. SAMPSON: I hope the primary producers will not be overlooked; but unfortunately, only too often is such the case.

THE MINISTER FOR LABOUR (in reply): I was interested indeed to hear the speech of the member for Pingelly. He did not attempt to soften in any way his outright and powerful advocacy of reduced wages and reduced standards of living for the workers of this State and their dependants. He agreed whole-heartedly with the decision of the Court of Arbitration in refusing to grant to our workers the recent cost of living increases to which they were, in justice, entitled. The member for Nedlands made a strange sort of speech.

Mr. Marshall: Weird!

Mrs. Cardell-Oliver: A good one!

The MINISTER FOR LABOUR: I am sure he made it more or less on the spur of the moment. It was ill-prepared and, as a result, had very little relationship, in the direct sense, to the Bill. So ill-prepared was the hon. member to make a speech upon the Bill that he drew from the cupboard the skeleton of the Premiers' Plan, and dragged that around the Chamber in a most excitable way for quite a few moments. In doing so, he sought to prove that the Mitchell-Latham Government of 1930-33, of which for part of that time he was a distinguished member, was bound to amend the Industrial Arbitration Act in 1930 by virtue of the provisions of the Premiers' Plan. By a weird kind of reasoning, in which he allowed his always fertile imagination full play, he placed upon the shoulders of Mr. Lionel Hill, an ex-Premier of South Australia, almost the entire responsibility for the fact that the hon. member's own Government at the end of 1930 amended the State Industrial Arbitration Act. That is a kind of reasoning it would be difficult to parallel. I am positive it is impossible to beat that kind of reasoning.

What are the facts about that phase of the question? The member for Nedlands quoted part of Mr. Hill's resolution at the conference which adopted the Premiers' Plan. Under pressure of interjection he quoted the whole of it. His first quotation was that the representatives of the Governments pledged themselves to reduce by 20 per cent. all expenditure within the States. When by interjection he was pressed to quote the whole resolution, he had to disclose the fact that the reduction of 20 per cent. in all forms of expenditure within the States applied to Government expenditure. That was the only expenditure which the Premiers' Plan bound the Government of this and the other States to reduce by at least 20 per cent., or an average of 20 per cent. Would the member for Nedlands say now that the Premiers' Plan bound the Government, of which he was a member, to amend the Industrial Arbitration Act in the manner in which it was amended towards the end of 1930?

Hon. N. Keenan: The Constitution would not allow us to do otherwise. How does the Minister suggest any reduction could have been made in the wages of this State's Government employees, who have an award, except by the Arbitration Court?

The MINISTER FOR LABOUR: You will note, Mr. Deputy Speaker, as will also other members of the House, that the member for Nedlands does not answer the question I put to him. He seeks to escape its consequences by asking another question of me.

Hon. N. Keenan: I ask the Minister now, how could the Government effect a reduction in the wages of Government employees, who had an award, except by the Arbitration Court?

The MINISTER FOR LABOUR: I will tell the hon. member. The Government of which he was a member introduced special legislation to effect a reduction in the remuneration of Government employees of the State.

Mr. Needham: That was not in the Premiers' Plan.

The MINISTER FOR LABOUR: This was the only State in Australia where action was taken by a Government to reduce the wages of other than Government employees. There was nothing in the Premiers' Plan to call upon the hon. member's Government of 1930-31 to do that. It is therefore quite clear that the member for Nedlands was hopelessly wrong when he tried to place upon the shoulders of Mr. Lionel Hill and other Premiers at that conference responsibility for the alteration that was made to the Industrial Arbitration Act of this State in 1930.

The hon. member also suggested that this Bill is wholly unnecessary. He pointed out that the Premier of the State had all the powers required to adjust the basic wage from time to time in accordance with variations in the cost of living. Are we to take it from that statement that the member for Nedlands desires that the Premier of the State shall continue, during the whole period of the present war, to make adjustments to the State basic wage in accordance with quarterly variations in the cost of living? Is that a desirable situation? Does any other member want such a situation to be continued? Surely it is a responsibility of Parliament to decide that this very important duty of adjusting the basic wage in accordance with the cost-of-living variations shall be removed from the shoulders of the Premier and placed upon the shoulders of the proper tribunal, which is the State Court of Arbitration. I was astounded to hear the member for Nedlands advocate so strongly that Parliament should not take any action in the matter on the ground that action was not necessary. I was astounded to hear him advocate strongly that the Premier himself should be the one individual in the State to adjust the basic wage whenever adjustment was proved to be justified by a change in the cost of living. I am positive there is not one other member who would agree with the member for Nedlands in his advocacy in that direction. It is because the Government does not want the Premier to have to continue to be the authority on this matter that we have brought down this Bill so that Parliament may take the responsibility and decide that the Court of Arbitration, which is the proper tribunal, shall make the necessary adjustments in future in accordance with cost-of-living alterations.

The Leader of the National Party, the member for West Perth, appeared to me to misinterpret the real meaning of the National Security Regulations, which operate in respect to the pegging of wages and the cost-of-living variations that may be allowed under those regulations. He told us that the Commonwealth Government, by bringing into effect Regulation 76, had crystallised or stabilised the wage contracts

existing on the 10th February between employers and employees in Australia. It stabilised them to the extent of laying down that the wage or salary being paid on that date should be the pegged wage or salary, but added a provision that the pegged wage or salary could and should be altered where any change in the cost of living warranted an alteration.

Mr. McDonald: It reserved discretion to every tribunal that had discretion.

The MINISTER FOR LABOUR: And how many tribunals had discretion?

Mr. McDonald: Three or four.

The MINISTER FOR LABOUR: The hon. member does not seem to be very sure of the number.

Mr. McDonald: Yes, three or four.

The MINISTER FOR LABOUR: Say there were four! Does the hon. member suggest that the Commonwealth Government would introduce regulations to stabilise wage contracts in three States out of seven and, under the selfsame regulations, not stabilise the wage contracts in the other States? Would that be a desirable situation? Does the hon. member believe that the wage contracts in three States should be stabilised on the basis that no alteration whatever should be made irrespective of changes in the cost of living, while in the other four States the wages should be altered upwards or downwards in accordance with the changes in the cost of living? That would be no wage system at all. It would be a horrible mix-up, and would undoubtedly lead to industrial chaos in the four States where wages could not be altered as changes in the cost of living warranted an alteration. There may have been a discretion in some of the States, but the alterations brought about by the cost of living were in fact automatically applied to the wage rates in those States. Therefore, in actual practice, apart from all the technical aspects involved, the basic wage rates in all the other States were altered in accordance with changes in the cost of living.

The member for West Perth stated that the Commonwealth Government had clearly refrained from altering the State law in Western Australia, which law gave discretion to our court to grant or refuse a variation in accordance with the cost of living. The Commonwealth Government did not carefully refrain from altering the law in this State. Commonwealth Ministers and Crown Law officers have assured the State Government that, when these regulations were originally drawn, it was thought that the cost-of-living variations would apply in Western Australia as they applied in the other States.

[*The Speaker resumed the Chair.*]

Mr. Marshall: Automatically!

The MINISTER FOR LABOUR: Is it conceivable for a single second that the Commonwealth Government would ensure to the workers in, say, four of the States, cost-of-living variations beyond the slightest possible shadow of any legal or other doubt and at the same time leave the workers in, say, three States at the mercy or discretion that some State court had the power to exercise?

Mr. McDonald: That is what the Commonwealth did in the end; it merely gave the Premier discretion.

The MINISTER FOR LABOUR: That was the effect of the regulations when they were first issued, but when the position was clearly explained to the Prime Minister and his colleagues, they did not hesitate for a second to say they were prepared to alter the regulations to enable the workers of Western Australia to be given the benefit of cost-of-living increases. It was not the question of whether the Commonwealth would alter the regulations to give that right to the workers in this State that caused a good deal of delay in the matter. It was the question of just how the regulations should be altered, and who would operate the power under the altered regulations to make the cost-of-living variations applicable. So it is clear beyond a shadow of doubt that the Commonwealth Government agrees entirely with the idea that the workers of Western Australia are entitled to and should be granted the cost-of-living variations that occur here from quarter to quarter.

Mr. McDonald: I beg to differ.

The MINISTER FOR LABOUR: Then the hon. member is more difficult to convince than I had ever previously imagined. He is becoming almost as stubborn as is his colleague, the member for Nedlands.

Hon. N. Keenan: Oh, I am past all possible conversion.

The MINISTER FOR LABOUR: The only other speech with which I wish to deal is the one delivered by the member for East Perth. I am sorry he is not here. His speech was, even for him, a most extraordinary one. First of all he launched out in a tirade of

abuse against me personally, and made the astounding claim that in my second reading speech I had abused him. I think every member who heard the speech I delivered, and every member who has cared to read it since, will know for sure that I did not deal with the hon. member in any shape or form in the speech I made. The only time I referred to him was when he came in with what I suppose he considered a stunning interjection, and I replied with an interjection which appeared to have a more stunning effect on him than the one he made had on me. I suppose that for doing that I immediately became the object for a full charge of the extreme vindictiveness to which he referred in his speech yesterday, and which he confessed himself as having indulged in against, I think, Sir Walter James.

The member for East Perth said that this Bill should have been introduced in March or April last, with retrospective provisions. When he made that statement there were seated in this Chamber two members from the Legislative Council—Hon. G. B. Wood and Hon. G. W. Miles. When the member for East Perth declared that this Bill should have been introduced in March or April of this year with retrospective provisions Mr. Wood gave Mr. Miles a great wink as much as to say, "He's telling us!" We can imagine without any trouble what would have happened to a Bill introduced in March or April last with retrospective provisions, when that Bill reached another place. We can easily imagine now what would happen to this Bill if there were in it a clause making it retrospective over the last six or nine months.

Mr. Watts: We can imagine what would happen to it if there were no retrospective provisions.

The MINISTER FOR LABOUR: It would be condemned to defeat at the second reading stage. We have never at any time thought of introducing a Bill of this sort with retrospective provisions. This is a Bill for the future, and is to ensure that the cost of living variations will be applied to the basic wage by the Court on receipt of official figures from the Government Statistician. It is interesting to hear the member for East Perth declaring so strongly that a Bill should have been introduced in March or April last for the purpose of dealing with this injustice to the workers of Western Australia, because on the 21st April of this year the member for East Perth himself gave notice of his intention to introduce a Bill for the purpose of dealing with this injustice, and of moving it from the shoulders of the workers of Western Australia, and he proposed to make the Bill retrospective to July, 1941. That is what the member for East Perth did. He even told us that he would be prepared to have copies of the Bill run off by his own staff on the typewriters down in his own office, so that the Bill would be available and we would be able to deal quickly and easily with it. That was on the 21st April, 1942.

What happened afterwards? This House granted leave for the Bill to be introduced. There was no objection of any kind. When the day and the time came for the Bill to be read a second time, where was the member for East Perth? Was he in his place in this House when the Bill was called on for the second reading? No! Was he concerned about the welfare of thousands of workers and their dependants in this State at that time? He was not! Where was he? He might have been trying to defend the interests of one worker. As a matter of fact he was in the Northam Police Court defending a motorist on a charge launched against him by the police under some Act or other. So this Bill that the member for East Perth declares the Government should have introduced in March or April last year, and which he introduced himself and piloted brilliantly through the first reading stage, did not get any further because he was not here to assist it to get any further. So the Bill died in what might be called an almost still-born condition, because the father of it did not come good at the all-important moment.

There are two other statements made by the member for East Perth to which I must refer before concluding. They were real gems, absolute gems! I took these statements down as he made them. They are not taken from "Hansard." He said—

> The Government will be no better off with this measure, for which there is no need.

About two minutes later—and members can study it in "Hansard"; it is all there, every word of it—he said—

> I say advisedly that the measure is not only justifiable but necessary. In fact it is more necessary at a time like the present than at any other period.

Am I unfair in suggesting that the member for East Perth takes up an attitude in this matter which it is difficult if not impossible to interpret in such a way as to know just

what he wants, just what he is aiming at, and just what is his real motive in the whole thing?

Hon. N. Keenan: Are you not criticising "Hansard" for making a ridiculous report?

The MINISTER FOR LABOUR: The report is absolutely accurate. I took down the statements at the time they were made and "Hansard" has reported the statements with absolute accuracy.

Hon. N. Keenan: You did not take the statements from "Hansard"?

The MINISTER FOR LABOUR: No.

Mr. Marshall: How do you know they are in "Hansard"?

The MINISTER FOR LABOUR: Because I have read them in "Hansard," and the "Hansard" report compares accurately with what I took down at the time. The member for East Perth gave expression to those words.

Mr. Sampson: That amounts to a testimonial to "Hansard."

The MINISTER FOR LABOUR: I think the greatest testimonial "Hansard" has is the fact that it exercises such marvellous patience as to take down fully and accurately the many and long speeches made by the member for Swan.

Mr. Sampson: He is not the only one.

The MINISTER FOR LABOUR: I am sure this Bill is the only one possible in the circumstances. Parliament will be making a very grave mistake, and one which it will have great cause to regret, if it does not allow the Bill to be passed into law so that the proper tribunal in the State can make whatever adjustments are necessary to basic wage rates in accordance with cost of living variations.

Question put and passed.

Bill read a second time.

In Committee.

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

Clause 1—agreed to.

Clause 2—Amendment of Section 124A.

Mr. SEWARD: I move an amendment—

That at the end of the clause the following words be added:—"and by adding the following proviso at the end of the section, 'Provided further that no such increase shall be paid to any person in receipt of wages and allowances in excess of the rate of £699 per annum.'"

As I indicated when speaking to the measure these increases are applicable to officers drawing salaries up to £1,500 a year. Whilst nobody lacks sympathy for a man on the basic wage, or down in the lower wage scales, it must be contended that it is not necessary or fair that officers receiving these higher rates should also get an increase commensurate with the increase in the basic wage rate of pay. It was my belief that these increases applied only to officers receiving £699 a year and that those receiving beyond that amount would not be affected. But as pointed out in my second reading speech, officers drawing over £699 a year also receive the benefit of basic wage increases. When a man receives £699 a year he should not be dependent on an increase by reason of the fact that an increase in the cost of living has made an additional amount necessary to the man on the basic wage.

The MINISTER FOR LABOUR: I have no strong objection to this amendment. I would, however, point out that it may quite easily cause complications. For instance, if a man on £698 is to get the basic wage increase at the rate of £40 a year, when justified by the cost of living alterations, he will go above an officer senior to him who may be on a set salary of £710.

Mr. Doney: The same objection would apply no matter where the figure was fixed.

The MINISTER FOR LABOUR: Yes. I point out that possible complication. Apart from that I have no objection to the amendment.

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

Ayes	26
Noes	3
Majority for	23

AYES.

Mrs. Cardell-Oliver	Mr. Patrick
Mr. Coverley	Mr. Sampson
Mr. Doney	Mr. Seward
Mr. Fox	Mr. Thorn
Mr. Hawke	Mr. Tonkin
Mr. W. Hegney	Mr. Triat
Mr. Leahy	Mr. Warner
Mr. Mann	Mr. Watts
Mr. McDonald	Mr. Willcock
Mr. Millington	Mr. Willmott
Mr. Needham	Mr. Wise
Mr. North	Mr. Withers
Mr. Nulsen	Mr. Cross (*Teller.*)

NOES.

Mr. J. Hegney	Mr. Johnson (*Teller.*)
Mr. Tonkin	

Amendment thus passed; the clause, as amended, agreed to.

Clause 3—agreed to.

Title—agreed to.

Bill reported with an amendment.

House adjourned at 6.9 p.m.

Legislative Council.

Tuesday, 13th October, 1942.

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The PRESIDENT took the Chair at 2.15 p.m., and read prayers.

QUESTIONS (2).

PERTH TRAMS.

As to Damage by Military Vehicles.

Hon. A. THOMSON asked the Chief Secretary: 1, How many bogie trams have been put out of action through accidents caused by drivers of military vehicles? 2, Is it correct that the travelling public in the metropolitan area are suffering serious inconvenience through the department's inability to secure the necessary men to repair the trams and put them on the track? 3, If so, has the department made any claim on the Federal Minister for the Army for compensation to cover the cost of necessary repairs and loss on passenger fares?

The CHIEF SECRETARY replied: 1, Trams, 12; trolley buses, 2; motor buses, 1. Total, 15. 2, No. 3, Claims are made against the defence authorities for cost of repairs.

GRASSHOPPERS.

As to Measures for Eradication.

Hon. G. B. WOOD asked the Chief Secretary: 1, What amount has been spent by the Government in the north-eastern wheat belt for the eradication of grasshoppers in the years—(a) 1941; (b) 1942? 2, How much has been spent in 1941-42 on—(a) poisoning; (b) breaking up of abandoned farms? 3, What has been the cost to the Government of free petrol supplies to farmers who could not afford transport in combating the grasshopper pest in 1941-42? 4, What has been the cost to the Government in providing labour to farmers for spreading poisoned bait in 1941-42? 5, Has any action been taken against farmers or road boards under the Vermin Act that have neglected the eradication of grasshoppers?

The CHIEF SECRETARY replied: 1, 2, 3 and 4, There has been a tapering off in requests for poison bait and expenditure for the eradication of grasshoppers in the past two years; for example, the vote for 1940-41 was £4,000, and although no case for poison bait and petrol recoup was refused and every road board claiming was recouped for mixing costs, the expenditure was about £300. In some cases, unused bait was on hand with the various road boards at the end of the season although available free to farmers. An undertaking was also made that road boards would be recouped for the cost of mixing bait prior to issue. Figures for the current year are incomplete because some claims from road boards are still outstanding. Every inducement was given to farmers to break up infested areas and specific instructions were given to Agricultural Bank inspectors to foster such arrangements. During the last two years it has been extremely difficult to arrange either contract ploughing or for farmers to do this work owing to the labour position. Under £100 was spent this year in this connection. 5, No action has been taken by the Government against farmers or road boards under the Vermin Act.

MOTION—INDUSTRIES ASSISTANCE ACT.

To Disallow Drought Relief Regulation.

HON. A. THOMSON (South-East) [2.20]: I move—

That Regulation 9, as shown in the schedule of regulations, made under the Industries Assistance Act, 1915-1940, as published in the "Government Gazette" on the 5th June, 1942, and laid on the Table of the House on the 4th August, 1942, be and is hereby disallowed.

This will be what may be termed the third attempt to get the Government to carry out the intention of the Commonwealth Government when it made available to the State a grant of £570,000 for drought relief. If we may judge by the attitude of the State Government, that grant was not provided for the purpose of drought relief at all, because the Government definitely laid down rules and regulations providing, in effect,