therefore, be impossible to alter that position as it affects the Eastern States in regard to revenue due to Western Australia. I interjected that the only means of dealing with the matter of loss of revenue owing to this position would be to amend the Constitution. There might be a chance of getting something if the whole of the revenue so far as taxation was concerned were pooled, although I do not advocate that. Still, there would be a possibility of some of the revenue that creeps into the other States being paid back, though I am doubtful about it. I do not see how it is possible for the State to gain any benefit from incomes that have been charged wrongly to other States. It has been stated that many companies are charging their branches a percentage over and above the cost of manufactures. This has not been done to defraud the revenue of the State, but to prevent the branches knowing what is the cost of manufacture. The same thing applies in Victoria, and to branches established there, as applies to branches established in this State. The dividend duties tax in Western Australia is 1s. 5d., and in Victoria it is 1s. The table that was presented to members in regard to income taxation does not apply so largely when the two taxes on which dividends have to be paid are considered. These are paid under the dividend duties tax and not under the general income tax. Consequently a person in Western Australia who has invested money in a business, the head office of which is in Victoria, would have to pay a dividend duty of 1s. 5d. if the investment was in this State and of 1s. in Victoria. Therefore there is not the same inducement to invest capital in the Eastern States from that point of view as there would be having regard to the Land and Income Tax Assessment Acts of both States, seeing that in the Eastern States only dividend duty could be charged. I do not think it necessary to take up more of the time of hon. members, because I consider I have shown that the member for Guildford (Hon. W. D. Johnson) has not made out a case for the creation of a new organisation to watch the interests of the revenue. I believe the Treasurer will be keener to watch his revenue than would be any other person who could be brought in for that purpose. The Treasurer is responsible to Parliament and to the people. He realises the position, and therefore every effort he can use to obtain revenue will assuredly be used by him. No matter what organisation might be created for watching the interests of the revenue, the person in charge of that organisation would have to depend entirely on the officials in the same way as the Treasurer is compelled to do. No person could examine the accounts individually. No person could ever of his personal knowledge submit to Parliament a detailed statement of outstanding revenue. He would have to rely on the officials of the departments exactly in the same way as the Treasuer has to rely on them. The head of the proposed organisation could function only by close scrutiny of the officials, and possibly by appointing additional inspectors of his own to see that the officials were carrying out their duty with regard to the collection of revenue.

Hon. Sir James Mitchell: That is being done now.

The MINISTER FOR LANDS: Exactly. I feel confident that the protection of the State's revenue can safely be left in the hands of the Treasurer, and that that gentleman will see that amounts due to the Treasury are paid as early as possible.

On motion by Hon. Sir James Mitchell, debate adjourned.

House adjourned at 10.4 p.m.

Legislative Council,

Tuesday, 7th October, 1924.

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

QUESTION—CARETAKER J. H. McDERMOTT.

Hon. H. J. YELLAND (for Hon. G. Potter) asked the Colonial Secretary: Will he lay on the Table of the House all files and papers relating to the proposed transfer of Joseph H. McDermott, caretaker at the Fremantle Central Schools?

The COLONIAL SECRETARY replied: Yes, I now lay the papers on the Table.

NOTICE PAPER AND AMENDMENTS TO BILLS.

Hon. A. LOVEKIN (Metropolitan) [4.34]: I have some amendments drafted in connection with two or three important Bills such as the Arbitration Bill and others. I do not know whether you, Sir, will allow the amendments to be placed on the Notice Paper so that members may see what is proposed, or whether you think they should wait until the second reading stage has been passed.

The PRESIDENT: I think it would be advisable to have the amendments placed on the Notice Paper so that we may see what they are.

Hon. A. LOVEKIN: I will hand them in.

METROPOLITAN SEWERAGE AND DAINAGE DEPARTMENT—SELECT COMMITTEE.

Extension of Time.

Hon. A. LOVEKIN (Metropolitan) [4.35]: I ask the House to give the select committee further extension of time. We have had some difficulty in getting the witnesses that we require. I move—

That the time for bringing up the report of the Select Committee be extended for four weeks.

Question put and passed.

ASSENT TO BILLS.

Message received and read from the Lieutenant-Governor notifying assent to the undermentioned Bills:—

1. Unclaimed Moneys Act Amendment.
2. Road Districts Rates.

BILL—INDUSTRIAL ARBITRATION ACT AMENDMENT.

Second Reading.

The COLONIAL SECRETARY (Hon. J. M. Drew—Central) [4.37] in moving the second reading said: Experience has proved that up-to-date, comprehensive legislation is needed for the maintenance of the industrial peace of the community, and provisions for meeting this necessity will be found in the Bill. Some 22 years have elapsed since the first Arbitration Act was placed on the Statute Book, and 12 more have passed since the last important amendments were made. During this long period the defects in arbitration enactments have manifested themselves to the two parties immediately concerned, namely the employer and the employee. This measure is intended to correct the faults and supply the deficiencies in existing legislation, and generally to improve the machinery by which industrial disputes are brought to a happy termination under process of law. Industrial arbitration is not universally popular. There are on both sides certain extreme elements who are opposed to it, and who would speedily end it if they only had the power to do so. I do not think it can be said that either the large majority of employers or of workmen belong to this class. Men of thought make due allowance for the imperfections of the system, and have realised that this is a human institution and that it would be unreasonable to expect it to give entire satisfaction at all times, and in all circumstances. Fair-minded critics recognise what the prejudiced are apt to overlook, namely that if arbitration laws are sometimes broken by one or other of the parties, the same may be said of other laws, human or divine. There have been strikes; there have been lock-outs, and there have been many breaches of awards on the part of the employers, and it will be so to the end. These unfortunate circumstances, however, do not prove that arbitration is a failure, but they simply remind us that human nature is now what it has been from the creation of the world. It is 12 years since there has been any material alteration in the arbitration law of the State. Other States have made substantial progress in industrial legislation during that period, and this Bill attempts to profit by their experience. It will be observed, on an examination of the Bill, that in it the whole of the arbitration machinery is remodelled. The first essential of any system for the control of industrial troubles, is that the court shall be easy of access, but in that respect the existing tribunal has failed.

Hon. J. Duffell: Will this tribunal be final?

The COLONIAL SECRETARY: I think so. In a large number of cases the Government recognise that the growth of work in this State renders it impossible for any single tribunal to cope with all the cases that arise, and finally that the responsibility is too great. It is common knowledge that cases have been listed for months awaiting a hearing, and have not been heard. These delays are a fruitful cause of industrial unrest and disputes would be very much easier of settlement if they were taken in their early stages, before the bitterness of party feeling had crept in and before the leaders of either side had committed themselves to definite lines of action and policy.

Hon. J. Duffell: In other words, set up a wages board.

The COLONIAL SECRETARY: If disputes were grappled with before those conditions arose they would be less difficult of adjustment, and we would get over our industrial troubles much more satisfactorily and speedily.

Hon. J. Cornell: The brand of Government that is in power has a lot to do with it.

The COLONIAL SECRETARY: In many instances, awards have, in effect, been flouted. The offenders know that it will be months before there is likely to be a hearing. The Government have decided to decentralise the Arbitration Court very considerably. They have come to the conclusion that one tribunal is not sufficient to handle the situation.

Hon. J. Duffell: That is very important.

The COLONIAL SECRETARY: Under the Bill the court will remain as at present constituted except that the President need not necessarily be a judge. Someone other than a judge may be chosen to fill that position. It is not admitted that all the ability for this high position is confined to the four gentlemen who occupy the Supreme Court bench, and it is considered that there must be others who can fill the position equally as well as, if not better, than they, by reason of their greater experience. It should be recognised, and I think it is recognised, that the Arbitration Court is easily the most important tribunal in the land. The court transfers more money and affects directly more human lives than all the other courts put together. Frequently we see Supreme Courts occupied in dealing with very trivial cases involving matters of very little moment. Sometimes there are domestic squabbles and such like. On the other hand, the Arbitration Court decides the ownership of hundreds of thousands of pounds as well as fixes the standard of living for the great bulk of the community. The consequences of the exercise of its powers are graver and more widespread than those of any other tribunal vested with authority. Mr. Justice Higgins takes this view of the position—

> The responsibility placed on the president or deputy president is very great —greater as to amounts of money involved, and greater in direct effects on human lives, than that of all the ordinary civil courts.

Hence the necessity to get the most capable man to fill the responsible position of president of the Arbitration Court. If the president be a Supreme Court judge, the Bill provides that he shall be called upon to do no other work than that in connection with the Arbitration Court. In the event of a Supreme Court judge being appointed president, his whole time must be devoted to the work of the Arbitration Court. The President's salary will be the same as that paid to a judge of the Supreme Court and it is provided that the appointment shall be for a term of seven years. That is the longest period for which Government appointments are made in any part of Australia. The Government affirm the principle of employers' and workers' representatives being on the court. In the Bill, power is given to the court to set up industrial boards. They will be constituted by an equal number of representatives of the workers and of the employers. If they can agree among themselves as to the appointment of a chairman, that chairman shall be appointed, but failing an agreement, the court shall recommend a chairman to the Minister and the Minister shall appoint that chairman on the court's recommendation. In the selection of a chairman it is not proposed to leave the appointment to the Minister. It is advisable that that power should not be placed in the hands of a Minister, and therefore he can appoint a chairman only on the recommendation of the court, as I have already explained. The Bill enables the court to set out the jurisdiction of the boards. It can dictate to them as to what their duties shall be. The court can appoint a board in connection with any particular industry, furnish headings for investigation so that the board may carry out inquiries and report subsequently to the court, and thus assist in the framing of an award. The court can go further than that. It may request a board to investigate a matter and to make an award. In the event of the court directing the board to exercise those powers and to give a decision, that decision is to have the full force of a decision given by the court itself. From the decision of that board the court may grant special leave to appeal, but there is no general right of appeal. The court has power to dissolve a board if that board is not proceeding with its work satisfactorily. The court may then set up another board in its place. The court, too, has power to withdraw from a board any case that may have been remitted to it should the court consider it advisable to do so. These boards are mainly on the principle of the wages boards of Victoria, but they will operate only under the control of the court. From being, at first, a rival to the principle of arbitration, the wages boards in the various States have come into co-ordination with arbitration and have become subordinate bodies. The court will be given power to set up boards, whereas in Victoria those boards are set up by the Ministerial head. The Bill also provides for the appointment of industrial magistrates. I said earlier that one of the most fruitful causes of complaint was the delay in hearing cases taken for breaches of awards. It is proposed to appoint industrial magistrates in various centres. It is not to be taken that they will be new magistrates. Any magistrate or justice of the peace can be appointed an industrial magistrate and he will be able to hear cases alleging breaches of awards. These industrial magistrates will be appointed probably in important outside districts.

Hon. J. Duffell: Will they be honorary magistrates?

The COLONIAL SECRETARY: That will be a matter for later consideration. In time they will become used to their work and instead of unions and employers also having to wait many months until the central court can deal with such cases, they will be able to come before the in-

dustrial magistrate in their own district without being subjected to intolerable delays. It is set out that if in course of an application, the question of an interpretation of an award arises, the magistrate must remit that point to the court. It would never do for different tribunals operating in various parts of the State to interpret an award, because in that event we might have a dozen different interpretations of the one award. It is proposed that the only tribunal to interpret an award shall be the Arbitration Court itself. Again, authority is given to the court to establish boards of reference. Such boards exist in respect of practically every award issued by the Commonwealth court. The court shall define the functions of the boards of reference. Generally they are used in dealing with minor disputes arising out of the operations of an award. For instance, under the award controlling the waterside workers, the Commonwealth Arbitration Court have provided that boards of reference shall be set up in each port and any little dispute occurring in a port where the award operates shall be referred to a board of reference consisting of an equal number of representatives of employers and of workers, with a chairman who shall be appointed by the court. That chairman is usually the registrar in each State. Mr. Justice Higgins was a great believer in the advantages of these boards. In his work entitled "A New Sphere of Law and Order" which traverses his experiences during his years of Arbitration Court work, he emphasises the importance of these boards and goes so far as to say that he would extend them, and that, instead of there being merely a board for each port or industry, there should be a board in each shop wherever there is work of any magnitude. He would have a committee set up so that each dispute as it occurred could be considered and dealt with on the spot. Such a board has existed during recent years in connection with the Wyndham Meat Works and the general manager informs me that the smoothness with which the industry has been carried on has been mainly due to the operations of the works committee.

Hon. J. Cornell: You gave them all they wanted. It is easy to get through in that way.

The COLONIAL SECRETARY: The Bill authorises the creation of such boards and that will tend largely to the smooth working of industry. Instead of every little difficulty that arises out of a dispute having to be referred to the court for decision, these boards will meet and deal with the matter on the spot.

Hon. H. Stewart: Are those boards to be appointed by the Minister?

The COLONIAL SECRETARY: No, by the court. When there is a dispute between two different trades or crafts as to which tradesmen certain work belongs, the question for determination shall also be settled by the board. The Bill provides that they shall be known as demarcation boards and it is for the court to set out how they shall be established and what their functions shall be. The Bill also provides for compulsory conferences. Up to the present they have not been used to the extent that could be desired. They are so hampered and restricted under the existing law that they have not much scope. The Bill provides for the appointment of commissioners and the president or the commissioner may convene a compulsory conference and preside over it. The three members of the court will be appointed commissioners and be given power to step in and compel a conference to be held before, and not after, a dispute has occurred. They will have that power whenever there is a threatened or likely dispute. The president or commissioner may compel the attendance of persons at the conference for the purpose of discussing matters. At present if no decision is reached at a compulsory conference, the matter has to be referred to the court, and the parties have to wait for the operation of the law. It is proposed that if all the parties to the conference agree in writing that the commissioner or president, whoever may be presiding, be given power to give a decision he may do so. That can only be done when an agreement in writing is made by all concerned. Under the existing law, even if the parties agree to such a course, there is no power for a decision to be given. Under the Bill a Commissioner may give his decision, however, and that decision shall have the same force as an award of the court. If there be only a partial agreement and two or three points remain in dispute, those outstanding points may be referred to the court and only those points shall be considered and dealt with by the court. The points on which agreement has been reached shall be filed in court and have the full effect of an award. It is hoped that by these provisions disputes will be prevented from reaching a serious stage or developing to the point when parties decline to meet one another and discuss matters with a view to an amicable settlement. It is provided further that the Minister may set up conciliation committees in certain districts. Those committees shall consist of a chairman appointed by the Minister and an equal number of representatives of the parties to the dispute. The powers of such a committee will be purely conciliatory. They will have no power to give a decision. They will merely compel parties to meet and discuss matters in dispute and if the parties can reach an agreement, that agreement can be registered in court and it will then have the full force of an award. In this way we shall decentralise the Arbitration Court. First we set up the head Arbitration Court, then we provide for industrial magistrates, industrial

boards, boards of reference, demarcation boards, compulsory conferences and conciliation committees. But all these tribunals will be under the control and authority of the Arbitration Court itself. This is the machinery that will replace the one tribunal we have to-day, outside of which there is practically no redress in connection with industrial matters. Boiled down, there will be one supreme and six subsidiary bodies. Further definite instructions are given in the Bill to the president, commissioners, and chairman of boards and committees to exert every endeavour to get the parties to disputes to arrive at an agreement. The Bill gives the court power to move of its own volition to prevent a dispute, or a threatened dispute, to bring the parties together and take whatever action under the seven different headings that, in its judgment, will be most effective in the particular case being considered.

Hon. E. H. Harris: Whether those bodies are registered or not.

The COLONIAL SECRETARY: There is power under the Bill to deal with unregistered bodies, but I will come to that later. The Minister is also given power to refer into the court any dispute that he thinks fit to submit in the public interests. Frequently in connection with industrial troubles the responsible Minister is approached and asked to use his influence, and to take a certain course of action. If the parties decline to go to the court, the Minister will have power under the Bill to refer, on his own initiative, any particular dispute for hearing by the court. He shall exercise that right whether there is a strike or not. Even in the event of some of the parties not being registered the Minister will have power to refer that dispute into court.

Hon. E. H. Harris: Then why register any union at all?

The COLONIAL SECRETARY: This has been considered very necessary. Take the building industry. Some of the unions connected with that industry are not registered. One of those unregistered unions may decide to strike, or there may be a lock-out, causing an industrial stoppage which will throw out of employment perhaps thousands of workers who belong to registered bodies. Those workers would have no say in the dispute because they had no connection at all with the origin of the strike or lock-out. They would not be in that position, if some means like this were provided to have the case taken to the court. In such cases the Minister will be given power to refer the dispute to the court and to authorise it to proceed with the case and give a decision. Provision is made that the court shall periodically fix a basic wage. At present each particular application that comes before the court receives a hearing as to the basic wage that should be established. The time of the court is now largely taken up with the hearing of arguments on that point and in practically every case that reaches the court there is the same evidence as to the basic wage that should be fixed, and this occupies a great deal of time. It is provided that the court shall sit periodically to establish a basic wage that shall operate for a specified period. Any interested party can be represented in connection with the matter, and when the decision of the court is given upon the basic wage that decision will operate for a period to be determined by the court. If at the end of 12 months the court does not attempt to alter it, any party interested may apply to the court to reopen the question, but once a decision is given for the basic wage the agreement will be automatically altered in conformity with that basic wage. It will be agreed that it is necessary to set out the principle on which the basic wage shall be fixed. Mr. Justice Higgins, when President of the Arbitration Court, had to determine what was a fair and reasonable wage under the Excise Tariff Act, and he laid down "a standard appropriate to the normal needs of the average employee regarded as a human being living in a civilised community," but he claimed that the definition of what was "fair and reasonable" should be left to the Legislature and not to the Judiciary. He also protested against "the shunting" of legislative responsibility. The Government are not doing this. They have set out in the Bill the basis, and they take the responsibility of saying what the basis should be upon which the wage is to be fixed in the future. The Government say that the basic wage should be fixed having regard to the rent of a 5-roomed house. If a married man has a mixed family and is to live in anything like decency, his house must contain at least three bedrooms. That leaves, besides the three bedrooms, only a living room and a kitchen. There should not be any complaint against the establishment of a 5-roomed house as the basis for rent. That is almost invariably accepted by the different industrial tribunals in the Commonwealth. So far as the allowance for living is concerned, we say that the basis to be taken shall be a man, his wife, and three dependent children. There should be no reasonable objection to that. Later, of course, something in the nature of child endowment may come into operation, and may be placed on the statute-book. That time, however, has not been reached and we must take things as they are. Hence the Government have decided the basis in order that the court may be in a position to determine what should be the basic wage. In connection with this, Mr. Justice Higgins said:—

> Each worker must have, at the least, his essential human needs satisfied, and among the human needs there must be included the needs of the family. Sobriety, health, efficiency, and proper rearing of the young, morality, humanity, all depend greatly on family life, and family life cannot be maintained without suitable economic conditions.

The fact that the court will deal only with the basic wage every year or so will enormously reduce the time now taken up by the court in the hearing of industrial disputes. This will also provide quicker access to the tribunal and will greatly facilitate the settlement of industrial troubles. At present special meetings have to be held, notices of motion have to be given and ballots taken and delays of weeks and months often ensue. This is the result of the compliance with all the ramifications of the existing law. It is proposed to abolish the necessity for ballots and special meetings and to leave it to the unions to provide in their own rules the methods by which they shall approach the court. Whatever the union sets out in its rules shall be the method by which the dispute shall be referred to the court. A union like the A.W.U. will be able to secure registration. In the past this has not been possible. If the A.W.U. were registered now it would be impossible for it to comply with the existing law. Take the position of shearers. They are spread over every station from the North-West to the Murchison, and even down to the agricultural districts. Under the existing law the A.W.U. have to take a ballot and get an absolute majority of the members to vote in favour of going before the court. Unless they get that authority they are not in a position to submit a case for the consideration of the court.

Hon. J. Cornell: But the A.W.U. has recourse to the Federal court.

The COLONIAL SECRETARY: It is stated that it is almost impossible for the A.W.U. to comply with the conditions that are necessary. There may be instances in which they could get to the court. I am speaking now of the shearers, and I am advised that they are not able to get to the court, but they could, of course, do so by means of the considerable expenditure of money involved in the holding of a special meeting, in the taking of a ballot, etc. The position will be made much simpler by the Bill. It is proposed to strike out the term "specified industry." No industry can be registered under the law as it stands unless its members are members of a "specified industry." No one seems to know the meaning of "specified industry." A navvy, for instance, may be engaged on railway construction to-day, in a quarry to-morrow and in sinking a well next week. Under the existing law that navvy would require to be a member of a union for each different class of work that he happened to be engaged upon from time to time. It is provided in the Bill that any group of 15 persons may register. This is in conformity with that section of our present Act which says that the Registrar shall refuse registration to any union applying for registration if there is in existence a union to which the members of the applicant union can conveniently belong. That has worked well in the past, so I am informed, and we are relying on the court carrying out the principle and thus preventing overlapping of organisations. We are providing further that the measure shall apply to the Government equally with the private employers. The Bill embraces all Government employees with the exception of those under the Public Service Act and railway officers. We are exempting those employees because they are covered by special Acts.

Hon. J. Cornell: Does it include the police?

The COLONIAL SECRETARY: Yes: The definition of "worker" is amended. It includes domestic servants, club employees and insurance canvassers. These three classes of employees are now outside the scope of arbitration and it is proposed to bring them within the statute.

Hon. A. Lovekin: What about nurses?

The COLONIAL SECRETARY: All are included except those I have mentioned. The Bill sets out that cases are to be heard by the court in the order of settlement of issues subject to a case arising where good grounds are furnished for deciding otherwise. If there are grounds for urgency in a particular case the decision as to whether it shall have precedence will rest not with the president, as under existing legislation, but will be dealt with by the whole court. There is another departure from the existing Act, and it is this: the court shall not be limited to the claim, but may deal with matters not in the claim. There are numerous cases, I am told, where the court has been anxious to do something, but has been unable to do it because it was not in the plaint. The result is that the question arises again when there is no real necessity for it, when the court could have acted and set forth conditions giving satisfaction to both sides. Another clause in the Bill provides that the award shall bind employers, whether they are in the industry or not. The difficulty is to get over the case where, say, a merchant employs a painter to paint his house and refuses to pay him the ruling rate of wages. Under the present Act it would be held that the merchant who employed the painter was not engaged in the painting industry and therefore was not bound to pay the award rate. A case has already arisen under this head, and the presiding judge has given a ruling to that effect. We are providing that whether the employer is in the industry or not, if he employs a worker he must pay the worker the standard wage in connection with the particular trade in which he has been engaged.

Hon. E. H. Harris: Would that apply whether the man employed was a tradesman or not?

The COLONIAL SECRETARY: If he is doing a tradesman's work. Then there is a provision that the court shall have power to make awards retrospective. Long delays often take place in the hearing of a case, and the men would work on contentedly if

they could be given an assurance that whatever decision was come to would operate from the day they got their application into court. We are repealing the section which gives leave to retire from an award, and it is stipulated that no one shall have the right to retire from an award. There is great confusion in the clothing industry in the metropolitan area at the present time. A number of employers have broken away from the award and the union have no power to get them before the court. The employers who have retired from the award are in a position to pay just what they like to the men whom they engage. Under the Bill retirement is obtainable only from the court and the award itself shall remain in force until varied by the court. That provision will cover the period between an old award expiring and a new one being given. One great principle is introduced into this Bill: it shall be prescribed in every industrial award and agreement that the working week shall not exceed 44 hours. Much can be said in support of that principle. In the first place it is held that through the introduction of labour-saving appliances industry has been enabled to reap richer awards with the employment of fewer hands and that it is only fair to recognise that those who have given their lives to an industry have such a vested interest in it as entitles them to a share of the benefits which are derived from the newly invented mechanical aids to production.

Hon. J. Duffell: Does overtime apply after the 44 hours?

The COLONIAL SECRETARY: Certainly. As Mr. Justice Higgins said in his finding of the 11th November, 1920, on the question of the 44-hour week—

> The employer is not the inventor, and yet he gets the benefit of any great profit. Why should not the employee share in the benefit by getting some diminution in his hours of work?

Secondly we say that the worker is entitled to eight hours a day without infringing on the universal Australian custom of having Saturday afternoon for the purposes of recreation. The measure of industrial fatigue governs the whole question. It has been proved that it is not wise from a mechanical standpoint to work a man more than eight hours a day for any length of time. If he works 48 hours a week he must work more than eight hours a day unless he foregoes his Saturday afternoon holiday. At one stage of the late war, Mr. Lloyd George told the people of Great Britain that they were not being defeated on the battle-field, but were being defeated in the workshop. The men and women employed in the munition factories had been working 54 hours a week, but after Mr. Lloyd George's statement they accepted 60 to 72 hours per week and there was less production and less effective production. That statement was made by Mr. Justice Higgins in the timber workers' case. Evidence submitted to His Honour showed that during the war repeated experiments were tried with reduction of hours of labour. They were tried in every factory, worshop, mine, and farm, and with surprising results in the way of increased output. After the war a joint committee comprising representatives of labour and capital, and under the chairmanship of Sir Thomas Munro, K.B.E., investigated the subject. The report, which was used in Commonwealth Arbitration proceedings, is marked as an exhibit, and therefore must be authentic. That report states—

> Lord Henry Bentinck, M.P., who was about to introduce a Bill into the English Parliament for the establishment of an eight-hours' day in industry, in a pamphlet on "Industrial Fatigue" and the relations between hours of work and output, summarises the results attained up to the present time as follows: "In every case in which a fair trial has been given to the shorter hours, health is improved, output has increased, and the cost of production has been lowered, so that both employer and work people have benefited." He directs attention to the fact that in each process there is an optimum number of hours which can be worked with the best results. This "optimum" all who have gone carefully into the question have agreed is reached before the onset of fatigue is detectable. An interesting case quoted by Lord Henry Bentinck is one which occurred during a shortage of raw material for the textile trade in Yorkshire during the war. At one big mill the hours were reduced from 55½ per week to 45 (a reduction of about 20 per cent.), and this resulted in an immediate reduction of output of only 10 per cent. After a few weeks on the shorter hours, the reduction in output was lessened to 5 per cent. In Professor Stanley Kent's report to the Home Office on industrial fatigue, much evidence is brought forward on this point. The following is a striking case: "Another group of workers increased their average hourly output from 262 to 276 bobbins as a result of shortening the day from 12 hours to 10 hours, and to 316 on a further shortening of the day to eight hours." The work of Dr. H. M. Vernon on the Health of Munition Workers Committee into the length of hours of work has been extensive and conclusive. He points out that "the rate of production changes gradually. This gradual change appears to nullify the suggestion that the effect upon output of the change of hours was a mere consequence of the desire to earn the same weekly wages as before the hours were shortened. The explanation is rather to be traced in the worker finding unconsciously and gradually by experience that he can work more strenuously and quickly for a short-hour week than for a long-hour week."

Hon. J. Nicholson: Was there any change in the nature of the machinery employed?

The COLONIAL SECRETARY: That has not been suggested.

Hon. E. H. Harris: What class of work does that refer to?

The COLONIAL SECRETARY: Textile manufacture. The British Trade Union Congress recently made inquiry from affiliated organisations with a view to discovering to what extent the eight-hours day exists in Great Britain; and 133 trade unions, with a membership of 4,688,609, sent in replies, from which the following statistics have been compiled:—

		hours per week.
24,300	trade unionists work	40
800,000	" "	42
305,687	" "	44
8,500	" "	46
11,590	" "	46½
964,224	" "	47
1,409,612	" "	48

Hon. V. Hamersley: Are farmers listed in that?

The COLONIAL SECRETARY: The Advisory Council of Science and Industry has also been investigating the subject, and in its Bulletin No. 17, issued during 1920, reports as follows on a scheme initiated by Pelaco Ltd.:—

> Up to five years ago we (Pelaco Ltd.) used to work 48 hours per week, but after careful observation we found that as great an output could be obtained in 45 hours, so shortened our hours accordingly; and we have since put in two rest periods—a quarter of an hour each morning and a quarter of an hour each afternoon—and tea is served during those periods at our expense. And our output under these conditions is greater than it was under the 48-hours system, although now we only actually work 42½ hours weekly.

Hon. H. Stewart: Even so, they cannot sell any of the items they produce in the markets of the world.

The COLONIAL SECRETARY: The report continues—

> We start at 8 o'clock in the morning, carrying on till 10.30, a quarter of an hour's rest period, and then work is resumed at 10.45 until 1 o'clock. From 1 to 1.30 is lunch hour. From 1.30 we carry on till 3.30, then another rest period of a quarter of an hour, after which work is resumed at 3.45 until 5.30. We only work five days per week, as our factories are not open on Saturdays. We found it hardly worth while starting up for half a day, and a little over eight years ago we started working a five-day week. The health of our employees has benefited greatly through these rest periods, and the time lost through sickness, etc., has been greatly reduced. And to further encourage regular and prompt attendance we also offer to every employee who does not lose more than 108 hours from January to December, a fortnight's holiday on full pay at their average rate of earnings during the year.

Mr. Beeby was appointed by the Fuller Government to investigate industrial conditions in Great Britain and the United States of America. This was the recommendation made by Mr. Beeby—

> That as rapidly as possible what is known as the "clean eight-hour day" should be adopted, i.e., that normal working hours with necessary exceptions shall be eight hours per day on five days, with the Saturday half-holiday. This change could be applied first to all female and child labour, and subsequently extended to other occupations without any serious effect on production.

Mr. Beeby was representing, not a Labour Government, but a Nationalist Government. I have previously said that a joint committee consisting of representatives of labour and capital was appointed under the chairmanship of Sir Thomas Munroe, K.B.E. I will just read a few lines of their report, as follows:—

> In regard to hours, the committee are unanimous in recommending the principle of a legal maximum or normal hours per week for all employed persons. The number of hours they recommend is 48.

You will note that 48 is to be the maximum. But what I wish to stress is that the reduction to 48 hours was a complete revolution of the condition of things that existed before. A reduction from 48 to 44 hours in Western Australia is a small thing in comparison with a reduction from 70 to 48 hours—72 in some instances and 64, 56, 54 and 52 in others—in England. And that great reduction was made at a time when output was one of the first essentials to the winning of the war. All this demonstrates that there is a point beyond which it is economically unsound, from an employers' point of view, to do violence to the doctrine of "industrial fatigue." I have referred to the report of the joint committee that deliberated on this subject in England. That report was presented to Parliament. A sub-committee was appointed by them to go deeply into the hours question. They recommended that a maximum 8-hour day should be enacted by statute, and they added—

> Power should at once be taken to reduce the number of hours below eight by a simple procedure, such as that of provisional order, as soon as the industry has been given time to readjust itself to the new conditions.

In Queensland the great majority of the workers have the 44-hour week. The Queensland timber industry has had the

44 hours for about 15 years, and there never has been any suggestion of a reversion to the 48-hour week. Up to 1920 the 48-hour week obtained largely in Australia, but in 1921 the 44-hour week operated. What do we find? We find that 1921-22, the full year in which the 44-hour week was worked, proved to be the most highly productive. During that year the number of factories working was highest, the number of workers employed was highest, salaries and wages were the highest, and the production per head rose by £20. The value of the production for that year was 81 millions sterling, against 56 millions sterling for the previous year. The output for that year rose by about 45 millions sterling over the output for the year preceding. That shows that the production under the 44-hour week was considerably higher than that under the 48-hour week. These statistics have been taken from the publication issued by the Commonwealth Bureau of Census and Statistics, in March 1923. The total value of timber exported from Western Australia during 1919-20, which was the last year during which the 48-hour week operated, represented £465,734, while for the six months ended December, 1922, under the 44-hour week system, the value of the timber exported rose to £532,353, or considerably more in the six months than during the whole of the previous 12 months. The fact that the timber was exported may, of course, mean merely that better business was done, but it is worth noting all the same. From figures used in the Federal Arbitration Court in connection with the timber workers' case, and taken from official statistics, it was shown that in 1919-20, working 48 hours, the sawmills in the forests of Victoria produced £813,551. In 1921-22, working 44 hours, those mills produced £1,122,102, or an increased value under 44 hours of £308,551, equal to 37.9 per cent. In 1919-20, working 48 hours, the sawmilling, moulding, etc., produced £2,817,902. In 1921-22, working 44 hours, the sawmilling, moulding, etc., produced £3,649,316, or an increased value under the 44 hours of £831,414, equal to 29.5 per cent. These figures certainly call for explanation from the other side. The Bill gives the court power to grant preference to unionists. The unions are entitled to this concession. Under the Arbitration Act, they surrender their right to strike; they bind themselves to abide by the decisions of the court; and they contract to preserve industrial peace. In a word, they make compulsory arbitration possible. Hence they are entitled to preference over those who enter in to no such covenants, and do nothing to perpetuate the settlement of industrial disputes by peaceful means. It is no argument to say that sometimes these covenants are broken. That is the case with every law. There is no law on the statute-book that has not been transgressed from time to time. But the instances in which awards have not been respected by one or the other side are few and far between. If they were many, industrial arbitration would have become a farce. On the whole, however, industrial arbitration has justified itself in Australia, and few thinking people desire to see it abolished. The enforcement of the principle of preference to unionists would have an important effect in so far as unionists are concerned. It would lead them to value more highly the principles of arbitration, and to refrain from any line of conduct that would imperil those principles. The recognition of the justice of preference to unionists should therefore have good results. I commend the Bill to the serious consideration of the House. It represents an earnest and, I believe, a successful effort to deal with a great question. I have little doubt that if the measure becomes law it will remove many of the obstacles that block the path to industrial peace. It has all the machinery necessary to accomplish that end. It has machinery for preventing delay and ensuring expedition. It provides no fewer than seven tribunals, one or other of which will meet any contingency that arises or threatens to arise. It gives an opportunity for almost every section of the community to have its industrial grievances redressed. Moreover, it makes provision for the establishment of a standard of comfort for workers in keeping with the advance of civilsation. No Bill with more effective remedies for preventing or removing industrial disorders has ever been submitted to the House. That this Chamber will give the measure deep consideration, I have not the slightest doubt. But I trust that the result of that consideration will not be such as to alter the principles of the Bill, or interfere with the machinery in a manner calculated to disturb its smooth working, and thus make more difficult of accomplishment the worthy end its authors have in view in desiring that it shall be placed on the statute-book of the State. I move—

That the Bill be now read a second time.

On motion by Hon. A. Lovekin, debate adjourned.

BILL—LEGAL PRACTITIONERS ACT AMENDMENT.

Received from the Assembly and read a first time.

BILLS (3)—RETURNED.

1, High School.

2, Presbyterian Church Act Amendment.

3, Trade Unions Act Amendment.

Without amendment.

MOTION—STANDING ORDERS AMENDMENT.

Debate resumed from 2nd October on the following motion by Hon. J. W. Kirwan:—

That the revised Standing Orders of the Legislative Council, drafted by the Standing Orders Committee in pursuance of the instruction given to them on the 5th August last, be adopted.

Hon. J. EWING (South-West) [5.45]: I have carefully gone through the Standing Orders and congratulate the Committee upon the excellent work they have done. The Standing Orders have been revised very well and have been placed in good order, and the thanks of the House are due to the committee. There is only one matter I desire to bring before the House. It has already been mentioned by Mr. Kirwan in his opening remarks. I notice that an alteration has been made with regard to the voting power of the Chairman of Committees. He always has had a casting vote, but the new Standing Order will give him a deliberative vote instead of a casting vote. I think this will be all right. It is taken, I understand, from the Standing Orders of the Federal Senate and perhaps it will work well. When the Chairman of Committees is in the Chair, if he desires to vote he can do so. He merely has to state the votes for or against a particular measure that is before the Committee and, in the event of the votes being equal the question passes in the negative. I think we may give the new arrangement a 12 months' trial to see how it works. I hold the old-fashioned view that the Chairman of Committees should not vote unless it be by the use of the casting vote. The proposed arrangement, however, has worked well in the Senate and may work well here. I will reserve anything further that I might have to say upon the matter until the Standing Orders have been in operation for 12 months. We can then see whether anything is wrong with them and, if necessary, we can seek an opportunity to revise them. I support the motion, and wish to extend my congratulations to the committee upon the excellent work they have done.

Question put and passed.

Hon. J. W. KIRWAN (South) [5.47]: I move—

That an Address be transmitted to His Excellency the Governor praying him to approve of the new Standing Orders adopted by this honourable House.

In submitting this motion I may say that the Governor, in the sense in which the term is used in this motion, does not mean the Governor-in-Council. In other statutes when the term Governor is used it means the Governor-in-Council, but under our old Constitution Act there is a clear distinction between Governor and Governor-in-Council. In this case, therefore, the Standing Orders will be submitted to the Governor and not to the Government. I know you, Sir, understand the position fully, and I merely mention this because it is possible there may be other members who understand it less clearly than you do.

Question put and passed.

BILL—FREMANTLE MUNICIPAL TRAMWAYS.

Second Reading.

The HONORARY MINISTER (Hon. J. W. Hickey—Central) [5.55] in moving the second reading said: This is a short Bill, but it is rather an important one so far as Fremantle and East Fremantle are concerned. It is one purely of local application, the title being "An Act to enable the Fremantle Municipal Tramways and Electric Lighting Board to provide and work bus services in connection with the tramways controlled by the Board." The Bill is to give power to the board to institute a bus service. This matter has been under consideration in the two municipalities for some time past, but they have found on investigation that the Act under which they are operating does not give them the powers required. The Fremantle tramways and electric lighting are owned by the Fremantle and East Fremantle municipalities. The operations are managed by a board of five members elected by the ratepayers. One member represents Fremantle and is elected by the property owners, and one is elected by the occupiers of the properties. The same thing applies to East Fremantle. The mayor of Fremantle is an ex-officio member. The voting power is similar to that in connection with the election of mayor. All that the Fremantle people require is permission to run these buses. They are not asking for anything in the nature of a monopoly. They say that at present there is not any great competition within the area, but they anticipate there may be opposition in the future.

Hon. J. Ewing: Other people will be able to run buses?

The HONORARY MINISTER: Probably. The board are the managers of the tramways and electricity supply. The full power to raise loans rests with both councils, with the consent of the owners of the property by vote if demanded in accordance with the Municipalities Act. The councils of Fremantle and East Fremantle have both consented to the power asked for in the Bill to run buses as feeders to the tramways. The amount of loans raised to date for payment of the installation of the scheme is £171,000. The scheme has paid since its inception all interest and depreciation, and has paid towards sinking fund and loan redemption approximately £71,000. Only one rate of 3d.

in the pound has been struck since the scheme was started. This was used to pay interest during the construction in the first year. The interest, depreciation and sinking fund charges under statute are very high, ranging from 11½ per cent. on the first loans to 16 per cent. on the last loan raised. If the traffic on the trams is not maintained, this will be a charge against the rates of the municipalities. It is not the desire of the board that tramway rates should be levied on property owners, but that the scheme should be self-supporting. They want to have this opportunity to run motor buses to act as feeders to the tramway service.

Hon. J. Duffell: In conjunction with the tramways?

The HONORARY MINISTER: Yes.

Hon. J. A. Greig: It is not to be a monopoly?

The HONORARY MINISTER: They do not require a monopoly. This is a redeeming feature of the Bill. If charabanc or motor buses are run in competition with the trams on the outskirts of the Fremantle district, and take passengers into Fremantle, the tramway traffic is bound to be affected and a loss will probably ensue. The board has not at present power to purchase and run motor buses in order to protect the traffic, but the Bill gives that power and places the board on the same footing as private owners of motor buses. No monopoly of any kind is given to the tramway board under this measure. There is very little competition with motors at present, though it is possible it will arise at no distant date. The board are of opinion that if they have the power asked for in the Bill competition will be avoided. At any rate, the board will be enabled to convey passengers by means of motors to the tramways, and retain this traffic. I feel sure the Bill will pass the second reading, for there was no opposition to it in the Legislative Assembly. I move—

That the Bill be now read a second time.

Hon. G. POTTER (West) [6.0]: I second the motion for the second reading of the Bill. The members of the Fremantle Tramways Board are elected by the ratepayers of the Fremantle district, which includes East Fremantle, Fremantle, and South Fremantle. There is a working arrangement with the North Fremantle municipality controlling the running of a tramway service to North Fremantle. The Tramways Board are to be congratulated upon their foresight in getting in early. We have had instances lately illustrating the competition of motor buses with the tramway service in the metropolitan area. It is not the intention of the Fremantle board to eliminate competition, but it is desired to extend the powers of the board to operate motor buses in connection with the tramway service. At present the operations of the board are hampered inasmuch as they cannot run motor buses. The members of the board are alive to the fact that, bearing in mind the geographical position and contour of the district under their control, the establishment of tramway facilities to areas that have become thickly populated, would be very expensive. In order to get over that difficulty the board desire legislative power to enable them to purchase and run motor buses to act as feeders to the present tramway services. During the course of recent debates we have heard hon. members refer to the effects of motor bus transport. The Fremantle Tramways Board desire to enter the field early so that, as time goes on, there will not be in the Fremantle area such an exhibition as we have witnessed in the recent past when a Minister of the Crown sought to prohibit certain motor bus transport. I do not think there is anything in the Bill to which I can take exception. During the Committee stage it may be found advisable to amend Clause 2 slightly with reference to the words "to run on any roads," which might be altered to give the reference a somewhat wider application. I cannot see that there can be any objection whatever to enlarging the powers of the board to give the necessary authority to purchase and operate motor buses as feeders for the present tramway services. The Tramways Board have contributed largely to the funds of the municipalities concerned. It is the practice to distribute the profits at the end of the financial year. Should authority be given to the board to purchase and operate motor buses in conjunction with the tramways it will enable the requirements of the growing suburbs of Fremantle to be met more adequately. Time is the essence of the contract, for the board desire to get to work immediately.

Hon. J. Duffell: Is it the intention to run the buses through Fremantle itself?

Hon. G. POTTER: No. It is not intended to cover a larger area than is necessary. The board desire to tap the residential areas around Fremantle and to carry the passengers by motor buses to various points along the tramway routes. Thus, the buses are to be used entirely as feeders for the existing tramway services.

Hon. J. M. Macfarlane: Are there any buses operating there now?

Hon. G. POTTER: There is one running from the Fremantle Post Office to Perth. It is usually filled to its utmost capacity, but it does not enter into competition with the Fremantle tramways. There is another motor bus running from the Leopold Hotel to the old G.P.O. in Perth. After many months of negotiating, a subsidy was arranged for that service, and something like £200 a year is provided by way of subsidy by the residents along the route. The money paid by the passengers is regulated so that there is an inducement for people to use the bus. If we consider the position

of a man with a family of five, of whom three children are going to school, it will be interesting to note that prior to the inauguration of the motor bus service along the Canning-road, those children had to trudge many miles to school. Now they can proceed by motor bus for a penny fare.

Hon. J. Duffell: How many miles for a penny?

Hon. G. POTTER: They are conveyed four miles for one penny. When taking a certain stand against the present Minister for Railways owing to the proposal to cut out certain motor bus routes, I demonstrated that, whereas it would cost something like 5s. 3d. to go from East Fremantle to Applecross, it now costs 1s. by motor bus. As I indicated in my Press statement, I am quite sure the Minister for Railways was not aware that that motor bus service was operating, because we did not blazon it forth to the public.

Hon. J. Duffell: What are the roads like?

Hon. G. POTTER: They are such that I would not hold up as the acme of road construction, but I would remind hon. members that that district has not been treated in the past in the same way as the Peppermint Grove Road Board, respecting the distribution of traffic fees.

Hon. J. M. Macfarlane: How many motor bus services are running in the Fremantle area?

Hon. G. POTTER: We are not concerned with the present motor bus services, but with the efficiency of the Fremantle Tramways Board's operations. I implore the House to pass the Bill as speedily as possible and to allow the Tramways Board to function in their usual vigorous fashion.

Hon. W. H. KITSON (West) [6.10]: I support the Bill. Throughout the Commonwealth at the present time various tramway systems are feeling the effects of competition by motor buses. The desire of the Fremantle Tramways Board is that they shall have the right to run motor buses as feeders to the existing tramway services. There is no desire to enter into competition with other motor bus services, but solely to give necessary facilities to people who are at present living at some distance from the existing tramway routes.

Hon. J. Duffell: Is it the intention to have a through fare to enable passengers to travel by motor bus and tram to Fremantle?

Hon. W. H. KITSON: Yes. Some of the suburbs of Fremantle have grown rapidly recently, but have no travelling facilities. The board have no power to purchase or to build motor buses, and it is desired to have that power so that the people in the outlying districts may have the facilities they require without the necessity for heavy expenditure in laying down tramway lines, and in purchasing additional tramcars for that purpose. The House should not place any obstacle in the way of the board having their desires granted. The Fremantle Tramways Board have always paid their way and contributed a fair amount of money to the municipalities through which the trams are run. I have not the actual figures before me, but I think the return to the municipalities is at the rate of about £75 per car per annum. I trust the House will give the board the powers desired, and I congratulate the board on having a little more foresight than some other tramway concerns in catering for the requirements of the public.

On motion by Hon. J. Duffell, debate adjourned.

ADJOURNMENT—ROYAL SHOW.

The COLONIAL SECRETARY (Hon. J. M. Drew—Central) [5.13]: I had hoped to be able to go on with the consideration of the Inspection of Scaffolding Bill in Committee, and I had arranged for copies of the Bill, together with the amendments, to be distributed among members. The necessary papers were delivered in due course, but subsequently the Parliamentary draftsman submitted a number of amendments, and I could not see the wisdom of distributing them as they would not have been in the form to appear in the Bill. The Crown Solicitor intended to make further amendments in the proposed schedule. I am not in a position to distribute the amendments and consequently members will not, at this sitting, have all the information I intended to place before them. I also wish to adjourn the consideration in Committee of the Noxious Weeds Bill as Mr. Holmes desires to discuss one or two matters. We could proceed with the debate on the Closer Settlement Bill, but I do not know that the progress we could make would justify me in asking members to sit after tea. In the circumstances I move—

That the House at its rising adjourn to 4.30 p.m. on Thursday next.

Question put and passed.

House adjourned at 6.15 p.m.