or what happened to it. That is not so, and the proof of that is that I believe every member of the Country Party will support the Bill under discussion, which provides for the continuation of the operations of the Industries Assistance Board. Had the Minister desired to be reasonably fair——

Hon. C. G. Latham: He could not possibly be fair.

Hon. P. D. FERGUSON: I think it is possible for a Minister of the Crown to be fair to members of the Country Party and to the people whom we represent. The Minister's vituperation was not worthy of him or of any Minister of the Crown at any time. Since the Minister delivered that memorable speech, I have had an opportunity to traverse a large section of the farming areas, extending from Dalwallinu in the North to Narrogin in the south. During that time I met many farmers, but I did not come into contact with one who supported the arguments advanced by the Minister.

The Minister for Lands: They do not know the provisions of the Bill.

Hon. P. D. FERGUSON: They do; they have been told the contents of the Bill. During the past six or eight months, they have had opportunities to peruse copies of the Bill as introduced last session.

Mr. SPEAKER: I do not think we can discuss that Bill at this juncture.

Hon. P. D. FERGUSON: No, I am not doing so, but am merely showing that the Minister's statement that Country Party members have no regard for the interests of the Industries Assistance Board or of the Agricultural Bank, was not in accordance with facts. Personally, I support the second reading of the Bill, and I believe every member on the Opposition side of the House intends to do so too.

MR. WARNER (Mt. Marshall) [10.2]: It is impossible to do other than support the second reading of the Bill. When similar legislation was before the House last session I expressed the hope that conditions would so improve that there would soon be no necessity for such an enactment. Unfortunately, we have experienced two disastrous seasons in succession. Last season little crop was grown in the major portion of my electorate, and there is again a feeling of great insecurity in a large portion of that district this year. Assistance will certainly have to be provided for many farmers there, and possibly some will have to receive sustenance and money to enable them to procure spare parts to carry on their operations. Some will have to be supplied with chaff, as I do not think there will be sufficient hay available to meet the requirements of the district. I have reason to believe that the Agricultural Bank Commissioners appreciate the position. They must realise that unless we experience phenomenal rains, we will not be able to cut sufficient hay for all requirements, and, in fact, it is almost too late for benefit to be derived from additional rain. It is a pity that we did not have a good season this year, and my electorate has been most unfortunate during recent seasons.

On motion by Mr. Coverley, debate adjourned.

House adjourned at 10.5 p.m.

Legislative Council,

Wednesday, 22nd September, 1937.

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

QUESTION—ABORIGINES, CARROLUP SETTLEMENT.

Provision of Educational Facilities.

Hon. L. CRAIG asked the Chief Secretary: 1, Is it the intention of the Government to re-open the Carrolup Native Settlement? If so, when? 2, Do the Government intend to provide educational facilities for native children of school age in the southern division? If so, when?

The CHIEF SECRETARY replied: 1, The question of the provision of native settlements in the South-West is under consideration. 2, Yes, at native settlements when established.

BILL—JURY ACT AMENDMENT.

Read a third time and *passed*.

BILL—WORKERS' COMPENSATION ACT AMENDMENT.

Second Reading.

Debate resumed from the previous day.

HON. L. B. BOLTON (Metropolitan) [4.36]: The Bill has been fully discussed by several hon. members and at the outset I shall indicate that I intend to support the second reading of the measure. There are one or two clauses that do not meet with my approval and I propose briefly to touch upon them, particularly as other clauses have been dealt with by other members more conversant with their probable effect. I cannot help feeling that Mr. Angelo voiced my opinion when he suggested that the Government had missed a golden opportunity, when introducing the amending Bill, generally to overhaul the benefits conferred by the provisions of the parent Act. The Act has imposed serious burdens on the industries of the State for a number of years and I agree with Mr. Angelo when he said it was time that industry at least received some consideration. I suppose we could hardly expect the present Government to take sides with the employers but I believe had they done so, the industries of the State would at least have received some benefits instead of it being proposed to impose upon them additional burdens, as many of the clauses of the Bill undoubtedly will do. First of all, I take serious objection to Clause 4 under which it is proposed to delete two provisos to Subsection 6 of Section 11 of the principal Act, the effect of which will be to render primary producers liable to pay compensation to workers employed by contractors in respect of any injuries sustained by those employees during the course of their operations. I listened to the comments of members representing country provinces and I endorse their statements, having had experience myself in that direction. I know of instances where primary producers have let contracts for clearing. The contractors in turn have let subcontracts for the falling of timber. Those sub-contractors in turn have let contracts for burning off and cleaning up the following season. That system has inflicted great hardships on the primary producers and the proposals in the Bill will emphasise that position if they have to follow up the workmen employed by contractors and sub-contractors in order to see that the men are insured. I shall certainly oppose that clause if the Bill reaches the Committee stage. Clause 5, in my opinion, is also likely to impose a heavier burden on the industries of the State. The benefits already conferred under the Act are more than sufficient to meet all needs. In any event, if agreed to they will mean that higher premium rates will have to be charged by the insurance companies. Even under the existing rates we have been quite properly told that the business is unprofitable. Increased premiums will inevitably follow as the result of the passing of the Bill, and that will mean a still further burden upon industry. Recently my attention was drawn to the fact that the benefits conferred under our Act, which naturally have occasioned high premiums, place us in an invidious position compared with that of some of our competitors in the Eastern States. I have definite proof regarding one industry of some standing in regard to which the rates paid in 1935 represented 35s. per cent., and in 1936 those rates were increased to 45s. per cent.

Hon. A. Thomson: Was that in this State?

Hon. L. B. BOLTON: Yes. When that firm applied for a renewal of cover as from the 1st July of this year, they were informed that the rates would be 110s. per cent. for the current year. I have in my possession the balance sheet of a firm engaged in the same industry in the Eastern States. That firm does exactly the same type of work under practically the same conditions and the factory employs within 20 or 30 hands of the number employed in the local factory upon exactly the same work. The rates paid, as shown by the balance sheet of the firm in New South Wales, amounted to 27s. per cent. as against 110s. per cent. paid by the local manufacturer. That serves to point out that, despite the doubt expressed yesterday, the remarks of Mr. Angelo regarding the rates paid in the various States in proportion to the population were not so unbelievable as one would think. Those rates were under the

old conditions, and if we are to agree to the additional benefits that will accrue under Clause 5, then it will naturally follow, in my opinion, that premiums chargeable here must be increased. In fact, there is no telling what the quotations will be under the contemplated new conditions.

The Chief Secretary: What is the nature of the industry in Perth?

Hon. L. B. BOLTON: It is one that I know something about, motor body building. I have the balance sheet of the firm in Sydney doing exactly the same type of work. Both firms are doing all the Austin body work.

The Chief Secretary: What does Ford pay?

Hon. L. B. BOLTON: I do not know. I can only quote you those figures I have quoted, as I can vouch for their accuracy in both instances.

Hon. J. Cornell: There may be some differences between the two industries.

Hon. L. B. BOLTON: There is none whatever. The two factories are on all fours. I know quite a little about one of them, and less than a month ago I went through the other one.

Hon. J. Cornell: Well, it's only right to defend your own.

Hon. L. B. BOLTON: One needs to be on his defence of the factories in this State when one has to pay so much more than his competitors in the Eastern States. I hope the House will see from this that probably Mr. Angelo's figures were more nearly correct than the House previously thought. Mr. Parker suggested that the parent Act should be amended in order to make workers' compensation insurance compulsory. Actually the parent Act does provide for that, although as no insurance offices are approved by the Minister under the Act, it is useless. I agree with Mr. Parker that the insurance should be compulsory, but I say that this clause should be reinstated in the parent Act. Subsection (1) of Section 10 of the Act of 1927 reads as follows:—

> Provided that if an employer proves to the satisfaction of the Minister that such employer has established a fund for insurance against such liability, and has deposited at the Treasury securities charged with all payments to become due to such liability, the Governor may by Order in Council exempt such an employer from the operation of this section.

I would support compulsory insurance on those conditions but only on those conditions: because not only the industries I have quoted, but other industries, are often loaded to such an extent that it pays the firm to carry their own insurance. I agree that if they have that protection some provision should be made showing that they are in a position to meet any disaster. By the enforcement of Section 10 that could be brought about.

The Chief Secretary: Do you know the reason for that increase in premium rates?

Hon. L. B. BOLTON: There has been a general increase in rates, but probably not by so much in many industries.

The Chief Secretary: I would have expected you would naturally inquire why there should be such a big increase, and so I thought you might let me know.

Hon. L. B. BOLTON: Unfortunately, there was a major accident during that period, but that would not lead to such a big increase. If we were to increase the benefits already conferred, it is only natural to conclude that the premiums would be further increased for the local industry. Of the other clauses I intend to oppose in Committee, there is Clause 1 of the First Schedule, which confers sufficient benefit under the parent Act. Subsection (2) I agree should be amended to confine payment to dependants of the workers who are wholly resident in Australia. I believe that payment should be made to dependants only if they are resident in the Commonwealth. Several members last night touched on this point, and again I must agree with the remarks of Mr. Angelo in that regard. I will go so far as to say that if we are not willing to do that we should not employ the foreigners, as we do at present. Paragraph (b) of Clause 5 I will also oppose for the same reason. Clause 6, in my opinion, is too high, as the rate should not be more than 25s., as already provided. Clause 7 has been dealt with by several members, and I have listened with interest to their remarks. Although I have sympathy with the shearer, I agree that we are going too far by amending Clause 7. Those are the principal objections I have to the measure before the House. I will support the second reading in the hope that the clauses to which I have referred may be either struck out or amended.

HON. W. J. MANN (South-West) [4.53]: I should not like the Bill to go to the second reading without making one or two remarks upon it. In the main I think

I can give the Bill support to enable it to reach the Committee stage. It is not a long Bill, and most of the clauses have been fully dealt with, so I do not propose to go over the same ground as has been covered by other members. But I wish to indicate that there are several matters we should bear in mind, and one or two that we should carefully consider when the Bill reaches the Committee stage. However, I can hardly see my way clear to supporting Clause 4, which aims at the deletion of two sections in the Act which were put there many years ago, and which, as far as I can ascertain, have been of very great advantage to the people in the rural districts. I can see no reason why those sections should be deleted from the Act. As to Clause 5, I am in accord with part of it. It refers to the amending of the First Schedule. But the question has been raised here as to how far we should go in legislating for now-naturalised people from overseas. While in this case the amount of money that may be sent out of the State by foreigners to their wives is not very great, I think there is a principle behind it about which we should be very careful. Most of the complaints have been levelled at those people who come from Italy. I would ask members whether they could conceive of any such reciprocity being given by the Italian people to Australia.

Hon. E. H. Angelo: Mussolini might send his best friends here.

Hon. W. J. MANN: There is no possibility of that. In my experience Italy is a country of take-all and give-nothing, and so I cannot see any chance of reciprocity from that country. But I realise that so long as our people are prepared to employ non-naturalised foreigners, and so long as our trade unions are agreeable to admitting them as members and taking from them that 25s. we hear so much about——

The Chief Secretary: Is it not a cheap price?

Hon. W. J. MANN: If that is the unionists' idea of giving them protection, it is cheap. However, I am inclined to reserve my decision on that Clause 5. Clause 6 deals with the question of the worker having to submit himself to examination by a medical practitioner. I do not think there is any real objection to that. That is hardly likely to occur very often, and only where there is no medical practitioner able to make the examination, or where specialist treatment or special examination is required. I have no objection to the 6s. per day, and I think that 30s. to 35s. per week is reasonable enough. A man cannot get satisfactory accommodation for less than 30s. per week. The only other clause I wish to refer to is paragraph (g) of Clause 5, which makes provision that an employee shall have the right to re-open a case if he so desires. If I support that, I will also ask that the same right be given to the employer. That is only fair and reasonable, and I do not think the Minister could object to it. With those reservations I will support the second reading.

HON. A. THOMSON (South-East) [5.0]: The Bill contains several clauses which seem to require further consideration. Whilst it is right that a man working on a farmer's property for a contractor should be insured, to extend the operations of the Act by compelling the farmer to be responsible if the man meets with an accident on his way to the property is anything but right. An employee may be travelling with a chaff-cutting plant from my property to that of the Honorary Minister. An accident may occur between the two places. Who is going to be responsible?

The Honorary Minister: The owner of the chaffcutter will be responsible.

Hon. A. THOMSON: He may not be worth two straws. It would then have to be decided whether I would have to be responsible because the man had just left my property, or the Honorary Minister would have to be responsible, because the man was on his way to his property. The Honorary Minister smiles.

Hon. G. W. Miles: He is only smiling because he does not think he has a farm.

Hon. J. Cornell: Surely the hon. member does not contend that the farmer himself would be liable in that case.

Hon. A. THOMSON: It could be argued in that way.

The Chief Secretary: You can argue in any way.

Hon. J. J. Holmes: If it is desired to protect the man, the contractor should do that.

Hon. A. THOMSON: I have another illustration. I may have a building contract and may have men working on the job. One of my men may be returning to his work and meets with an accident. I may not have insured him, and may not be worth two straws. Can the Honorary Minister show me that the man on whose land the building is being

erected would be responsible for the compensation, or does he contend that I would be responsible? In all contracts it is a condition that the contractor must insure his men. If he fails to do that, where is the compensation to come from? In the case of a building contract, the responsibility goes back to the owner of the building. This matter must be cleared up before I can support the clause.

Hon. H. Tuckey: The contractor would be liable in the first place.

Hon. A. THOMSON: Suppose he is not worth anything?

Hon. H. Tuckey: But the farmer may not be worth anything, either.

Hon. J. Cornell: Then no one would get anything.

Hon. A. THOMSON: That is so. I favour compulsory insurance in the case of workers' compensation. The figures quoted by Mr. Bolton provide food for much thought. To show the unfair competition the local manufacturer has to face, I would point out that in New South Wales in the case of a man drawing £275 a year, and working in the industry referred to by Mr. Bolton, the insurance cost to the employer would be £3 14s. 3d. per annum, whereas for a similar employee in that industry in this State the employer would have to pay £15 2s. 6d.

Hon. J. Nicholson: Is that because of the higher compensation?

Hon. A. THOMSON: That may be so. This means an additional expenditure for the Western Australian employer of £11 8s. 3d. per annum per employee. If the employer has a hundred hands engaged, the cost to him on that count alone would be £1,140 a year above what his fellow competitor in New South Wales would have to pay.

The Chief Secretary: I do not think it right to make that comparison without giving all the facts.

Hon. A. THOMSON: The facts have been given. I do not know what the conditions are that apply particularly in New South Wales. Whilst we all desire to improve the conditions of the worker in this State, we must also remember that every additional impost placed upon local employers in industry represents an additional burden compared with that borne by Eastern States employers.

Hon. G. W. Miles: That will retard the employment of so many workers, because we cannot compete with the other States.

Hon. A. THOMSON: A man may wish to start an industry in Australia. He will take into consideration the cost of the land, the interest, and what he would have to pay by way of workers' compensation insurance.

Hon. G. W. Miles: He will then start in New South Wales instead of in Western Australia.

Hon. A. THOMSON: That is my point. We require a great deal more information on that score.

The Chief Secretary: It requires a lot more information than has yet been given to the House.

Hon. A. THOMSON: Just so. I am glad Mr. Bolton has raised the point. The ex-Minister for Industries (Mr. Kenneally) did his utmost to encourage the establishment of local secondary industries. That is the desire of every section of the community. But in passing legislation like this we shall probably make things more difficult for industry to compete with the Eastern States, because of the additional financial responsibility we may be casting upon the employer. I am inclined to agree with Mr. Angelo that if Western Australia is good enough for a person who is not naturalised to live in and earn his living in, then it is wise to encourage that person to bring his wife and family here also. I hope before the Committee stage is reached, the Honorary Minister will closely examine the point raised by Mr. Bolton, and see whether the House is justified in voting for this increased charge upon employers, in view of the heavy load already placed upon local factories. I support the second reading.

HON. G. FRASER (West) [5.12]: The Workers' Compensation Act has been of great benefit to the State, and we are proud of it. It has been discovered, however, that there are a few points that should be included in the Act to strengthen its provisions. In the experience of administering this legislation in the last 12 or 13 years, these weaknesses have become apparent, with the result that this Bill has been brought down. In the matter of costs, the whole thing is in the air. It is difficult to arrive at what extra cost might be brought about because of these amendments to the Act. The whole argument is based on supposition.

Hon. A. Thomson: There is no supposition in this case, because the figures have been quoted.

Hon. G. FRASER: Figures can prove anything. It is almost impossible to secure

reliable figures that would give a true idea of the extra cost this Bill will bring about. The amendments contained in the Bill are so trifling that I do not think there need be any great alarm with regard to extra cost from the insurance point of view.

Hon. A. Thomson: Is not the amount raised from £400 to £600?

Hon. G. FRASER: Mr. Thomson's calculations are wrong. If the hon. member builds his case up on the difference between £400 and £600, of course his figures will be wrong. I am pleased that the Bill will have the effect of raising the amount of compensation to be paid from a £400 minimum to £600. I could never understand why there should be any distinction in the amounts to be paid in the case of death. The sum of £400 to my mind is altogether too little to pay to the dependants of a person who has lost his life. There have been instances of persons having worked in the same industry though perhaps occupying positions slightly different in grade, and because of that fact the widow of one would receive £400, while the widow of another would receive £500. It has always appeared to me that that was wrong. I much prefer a flat rate as set out in the Bill, a flat rate of £600. Surely that sum, for the loss of life, is little enough. Another part of the Bill which, from experience, I know is desirable is that which sets out that when the amount of compensation exceeds £50 certain procedure shall be followed to protect the person who is receiving that sum. Whilst it has been said that this amounts to an interference with the liberty of the subject, I point out to those members who made the statement that this has actually been in operation as far as some payments made from the Workers' Compensation Act are concerned. Whenever a widow receives a sum of money, the procedure embodied in the Bill has been followed, and all that the amending Bill will do will be to extend that provision to all. When a person receives a lump sum, it is his or her wish to invest it in the most desirable way, so that it will be possible to earn a living from the investment. In many instances a worker, as the result of an accident, is prevented from following his ordinary occupation, and because of that he has to look to some other avenue. Most people who receive lump-sum settlements generally regard themselves as born publicans or born business people, notwithstanding that right through their life they have not had anything in the nature of business experience.

Hon. G. W. Miles: Would it not be a good scheme to cut out the lump sum and pay so much per month?

Hon. G. FRASER: No. I consider that the protection provided by the Bill will amply safeguard the position. If payment per month were made, that might do an injustice to a person who could make a good investment. There is sufficient safeguard in the Bill. The amount of compensation would in itself not last long if it were not invested, and therefore I welcome the protection afforded by the Bill. I cannot see that any hardship will be placed on the individuals for the reason that, should the investment it is intended to make prove to be sound, no obstacle will be placed in the way of carrying it out. It will be a protection against these people being sold dud businesses, as has happened in the past. In those cases where that has occurred, and the investment has turned out to be worthless, the unfortunate people have had to fall back on the State. There are other points which can be better discussed in Committee, particularly that regarding a contract with a farmer. Instances have been quoted of what might happen to a worker when proceeding to work between farms, but if there should be any doubt, it can easily be removed when the Bill is in Committee. Personally, I have no fear that anything of the nature that has been suggested can happen. I support the second reading.

On motion by Honorary Minister, debate adjourned.

BILL—INDUSTRIAL ARBITRATION ACT AMENDMENT.

Second Reading.

Debate resumed from the 16th September.

HON. J. J. HOLMES (North) [5.23]: I shall be very brief in my remarks concerning this Bill. On previous occasions I have made it quite clear that I cannot be a party to supporting legislation of this type except it be a Bill to repeal the Act. I may stand alone on that question, but I have held that view for many years, and it does not follow that because I am in a minority that I am wrong, or even that I am right. One of my principal objections to amending the Arbitration Act is that I was partially, if not

wholly, responsible for the passing of the parent Act. The former Chief Secretary, Mr. Drew, will remember a conference that took place some years back on a Bill to amend the Arbitration Act, a conference that lasted from noon on Friday until 7 o'clock the following morning, a period of 19 hours.

Hon. J. M. Drew: Yes, a record.

Hon. J. J. HOLMES: And the reason why the Bill on that occasion was allowed to become an Act was that it was agreed that a penalty should be imposed in the case of strikes.

Hon. L. B. Bolton: Of what use is a penalty?

Hon. J. J. HOLMES: That was the only reason why the Bill was allowed to go through—the inflicting of a penalty on those who went on strike. I feel that I have been let down because, having fought so strenuously for it, and having succeeded in getting the penalty clause in the Bill, no attempt has ever since been made to enforce it. We have awards set at defiance by the unions and in some cases—I do not desire to stress this point—the unions have been supported by the Government of the day, in setting the awards of the court at defiance. I will not vouch for the correctness of this, but I understand that a considerable number of miners at Collie were individually or collectively fined a considerable sum of money, but when the Clerk of Courts proceeded to enforce the penalty somebody intervened. I should like to know from the Minister in charge of the Bill whether those fines were ever paid, and if not why they were not paid. The same thing is going on in the Federal courts. Mr. Justice Beeby, who I think, was at one time a Labour man, and who is one of the fairest men on the Arbitration Court bench, recently told a set of strikers in Sydney that he was weary of considering appeals by the employers for the enforcement of awards. To show his weariness, he decreed that if the men did not go back to work by 12 o'clock on a certain night, he would withdraw the 3s. per week extra that he had awarded. Whether they went back or not, I do not know. I blame the Arbitration Act for the lawlessness that has drifted right down to the children. If a father is allowed to defy the Arbitration Court, as he does, why should not the children defy all the other courts? I go further and say that the justice meted out by the courts of the British Empire has done more to keep the British Empire together than the Army and the Navy. But if the decisions of these courts are not to be enforced, where shall we end? I go further and say that in the past foreigners have preferred to be tried by a British Court of Justice than to be tried by any court of justice of their own country. Holding these views I cannot be a party to supporting the second reading of a Bill that is going to hamper a court which cannot or is not allowed to enforce its judgments or awards. I therefore oppose the second reading.

HON. J. CORNELL (South) [5.31]: I shall be brief because I gather that the second reading of the Bill is not in any doubt. It appears as if the second reading is going to be passed and also that in all probability the Bill will be referred to a select committee. Both courses should be adopted. The second reading should be passed and a select committee appointed to make a number of inquiries into the question of arbitration. Whether we like it or not, Australian people are irrevocably pledged to the settlement of industrial disputes by compulsory arbitration. The system has been in operation for a long time. It has its weaknesses; it has its merits. But if its weaknesses were put up against its benefits, the scale of benefits would be found to outweigh the weaknesses. We have a wrong conception of things when we put the working of the Court of Arbitration up against the workings of other courts of jurisdiction throughout the British Empire. Australia and New Zealand are about the only parts of the British Empire that have accepted laws to settle industrial disputes by compulsory arbitration, and there cannot be any comparison made between the various courts. South Africa, Canada and Newfoundland, and the Home Land itself—none has laws similar to those in Australia and New Zealand relating to the settling of industrial disputes by compulsory arbitration. But it is conceded that all forms of enforced jurisdiction in every part of the British Empire closely follow and are largely modelled on the courts of law which have come down from days immemorial in England itself. I agree that a penalty for a breach of an award is something that can be enforced on the employer quite easily, but it is a totally different proposition to enforce penalties

on employees. Consider the stop-work meeting of the engineers at the Midland shops. That was a breach of the award. It is quite easy to indict the Commissioner of Railways for the action taken, but when the alternative is faced of having to deal with 1,000 engineers——

Hon. G. W. Miles: Why not put the head of the organisation, the union secretary or somebody else "inside"?

Hon. J. CORNELL: We might as well say that if this House does wrong, we will vent our spleen on our Clerk, Mr. Leake, and put him "inside." That is the way I look at that. If there is any shortcoming on the part of the House it is quite an easy matter to say that the clerk is to blame. In the same way the secretary of a union may be blamed for what happens, but the secretary of an organisation is merely carrying out the decisions of the men who elected him to the position. It is unfair to blame him for their decision.

Hon. G. W. Miles: We should amend the law so that the responsibility could be fixed.

Hon. J. CORNELL: The union secretary just carries out the decision of the men who elected him.

Hon. G. Fraser: He might have fought tooth and nail against the decision.

Hon. J. CORNELL: I know that. In my association with industrial affairs my experience has been that with a few exceptions the executive officers of the unions have endeavoured to persuade the men to stand by the law and observe the awards, but they are over-ruled, and it is a question—when a decision has been taken—of "one in, all in."

Hon. J. J. Holmes: Then you approve of an Act which can penalise one section and allow the other section to go?

Hon. J. CORNELL: If the decisions of other courts are analysed it will be found that a fine may be enforced on certain members of the community who are in a position to pay, but it is a different thing when it comes to enforcing a fine on a man who cannot pay, and has no alternative but to go to gaol. The view is taken in many cases, and rightly so, that it is not much good keeping a man in gaol instead of getting something from him. The law does not work out satisfactorily in regard to its enforcement on every section of the community. Certainly we could with advantage amend the law in keeping with what is in vogue in Queensland to-day. If members will turn their attention to the "West Australian" of yesterday, they will find that in Queensland at present there is one of the most calamitous strikes that could happen in any Australian community. It is a sit-down strike of brewery men. At any rate, it would be a great calamity in the hot weather experienced there. The Industrial Court told those men that if they persisted there would be only one alternative and that would be to cancel their registration as an industrial union and the award under which they worked.

Hon. L. B. Bolton: And then reinstate them as soon as they start work again.

Hon. J. CORNELL: That cannot be done here, but it has been done in Queensland. The Act in this State could be amended with some advantage in that direction. I am sorry that my colleague, Mr. Williams, is not here. I hope he will be here later to express his opinion on the second reading of the Bill and on arbitration generally, because I venture to say that in his blunt way he could, better than any man in this House, give a considered opinion regarding the Act in its application to the worker himself. I would say in passing that there is as definite a movement on the part of the workers as there is on the part of the employers to do away with awards of the court because of the difficulty of access to the court, and the delay that occurs in securing interpretations. My experience has been that where a difference of opinion arises between employer and employee on some clause of an award or registered agreement which necessitates an interpretation by the court, whichever side thinks it may lose by the interpretation of the court is likely to hang out as long as possible. That is equally applicable to the employer and the worker. What prompted the stop-work meeting of the Amalgamated Engineers was the delay in their getting to the court so that the court might give them what is really theirs by right and established custom. They have been waiting months and probably will have to wait for months longer. Machinery should be provided to prevent such happenings. There should be some method of preventing any delay. Employers would welcome it because when such cases arise the only logical decision to which the court can come when it does get down to

business is to make the award which it gives retrospective, so that the engineers or any other society similarly affected would receive what they had lost in the months during which they were waiting for the award. I do not think any employer welcomes a retrospective award because it interferes with and upsets his business. I plead for a simplification of the process of industrial arbitration and advocate a drastic enlargement of methods by the appointment of industrial boards.

Hon. A. Thomson: I think we all agree with you.

Hon. J. CORNELL: I have every confidence in my old friend, Mr. President Dwyer, now on well-earned leave, and I have always defended his probity and that of Mr. Somerville. With all due respect to them, however, I venture to suggest that they would not claim and never have claimed that they are Jacks of all trades with a knowledge of all the intricacies of every occupation. There appears to be a general consensus of opinion amongst thinking workers that if a system of industrial boards were introduced to which men were appointed who did know all about the particular occupations being inquired into, they would be able to get down to tintacks as in the case of the Collie agreement and settle disputes more quickly. If any doubt arises once a decision has been reached, let the board give the interpretation.

Hon. G. W. Miles: Conciliation board.

Hon. J. CORNELL: I remember the time on the goldfields when the representatives of the employers and working miners met at the conference table and evolved an industrial agreement.

Hon. G. W. Miles: A round table conference.

Hon. J. CORNELL: In my experience of the goldmining industry there was never any difficulty in getting an interpretation once an agreement had been reached.

Hon. J. J. Holmes: You are coming around to my way of thinking.

Hon. J. CORNELL: The representatives of the Chamber of Mines were always ready to meet the employees' representatives. We know that when agreements are drawn up, they do not always operate in the manner expected. In those circumstances the parties met again and, without writing anything into the agreement, an understanding was reached by which a different interpretation was adopted for the future. Under that system there was greater facility to discuss differences and a greater degree of satisfaction to all concerned. That phase of arbitration is the most vital and the most pressing. We need facilities to ensure an early settlement of any argument, and this could be achieved by having industrial boards invested with wider powers. If such a system were adopted, many of the difficulties now existing would disappear. If we are going to add further provisions to the law in order to interpret decisions of the court arising through involved wording of the Act, I do not think it will get us very far. We do not want more legislation for the court. What we need is a lot more conciliation and a spirit of give-and-take on the part of the people concerned.

Hon. G. W. Miles: Quite right.

Hon. J. CORNELL: Members might recall that Mr. Williams spoke similarly a year or two ago, and he is senior vice-president of the A.W.U.

Hon. G. W. Miles: He was more emphatic than you have been.

Hon. J. CORNELL: Mr. Williams comes into contact much more than I do with the actual working of awards and the intricate procedure that has to be exhausted before any finality can be reached. In conclusion, let me give an illustration. The engineers at the Kalgoorlie Foundry were striking for an award, not against an award. Anyone with a knowledge of that trouble is perfectly satisfied that the employees did the right thing in not going to the court. They accepted a form of arbitration in the shape of an industrial board, but when they had settled their differences amicably, they found themselves still up against the Arbitration Court, because the court had to run the rule over what the board had agreed to. In cases like that, the decision of the board should be automatically accepted by the court, and the parties should not be subjected to further delay in order to go before the court. I have spoken on the most pressing need of arbitration if the system is to endure, and unless that easement is given, I am afraid it will not be long before there is a general drift from the Arbitration Court, such as is occurring at the Barrier. The Barrier miners have drifted from arbitration and are negotiating with the employers. I do not want to see that happen here, because I am satisfied that the advan-

tages of arbitration outweigh the disadvantages. I support the second reading.

HON. J. M. MACFARLANE (Metropolitan-Suburban) [5.52]: The Arbitration Court system was inaugurated to ensure that proper consideration might be given to the claims of employees, as well as employers, because there was an impression that the employees had not received the consideration to which they were entitled, and there was a succession of strikes on their part to obtain what they desired. "Arbitration" and "conciliation" were words in the mouths of almost all employers during my youth and in my middle age. It represented an ideal, and if the system was effectively applied, was confidently hoped to ensure justice to all. With the progress of time, however, Labour has used it as a weapon to aim at the employer, and the result has been seriously to affect the development of industry. When a close analysis is made of the Bill, one realises that it contains many points on which the Arbitration Court has been approached and on which the court has given an adverse decision. Yet Parliament is now asked to approve of those principles and so give to the unions what they have not succeeded in getting from the court. Being on the employing side, I have two or three unions represented in the men working in my business, and I am also in touch with the union to which I belong to safeguard the interests of employers. One particular union, the Road Transport Union, embraces quite a lot of different trades. It embraces the ironmongery trade and the oil trade, and runs right through a multitude of businesses extending even to the one in which I am engaged. To harmonise the many and varied interests thus represented is very difficult indeed. We endeavoured to compose our differences by conciliation, and we succeeded. The executive of the union in past years proved willing to meet us and discuss matters, and we have had the satisfaction of knowing that full consideration has been given to the questions raised by both sides. Latterly, however, expression has been given to the desire for a shorter working week, and, of course, the weapon of a sit-down strike has come into prominence. We succeeded in arranging a conference and appeared to be on the point of reaching a settlement when the issue of the shorter working week was raised. The 48-hour week evidently did not suit the general body of unions, who were pressing in all directions for a shorter working week. The result was that negotiations broke down and the union approached the court, but many of the workers were not aware that there was a case pending in the court. The union claimed certain conditions which the court refused to concede, and the union then withdrew the case in order to create a dispute. Consequently a new case has now to be taken. I mention this in reply to Mr. Cornell's lament that the hearing of arbitration cases takes such a long time. The union in this instance created a dispute, and goodness knows how long it will be before the case can be heard by the court. That is the reason why so many delays occur; the spirit of conciliation is lacking. When we consider the Bill from the point of view I have just presented, namely, that many of the conditions proposed have been asked of the court and have been refused, we might well say, "Let things rest for a while at any rate." If that were done, employers would have more sympathy with the aspirations of the workers. I have no sympathy with the proposals in the Bill, because the Arbitration Court is the proper tribunal to deal with industrial matters. With Mr. Holmes, I think it would be better to abolish the court and give wages boards or industrial boards a trial.

Hon. G. W. Miles: It would be better.

Hon. J. M. MACFARLANE: Though I am prepared to vote for the second reading of the Bill, I shall oppose those clauses that represent an attempt to drive the wedge a little nearer home than the Arbitration Court has been ready to approve.

HON. E. H. ANGELO (North) [5.58]: Though I am much in accord with the views expressed by Mr. Holmes, I intend to vote for the second reading for one reason only; I wish to see this Bill sent to a select committee. However, I should like to see the select committee go further than merely to consider amendments contained in the Bill; I should like them to investigate the whole of the working of the Arbitration Act. I believe that the Standing Orders would permit of the wider inquiry if the terms of reference were enlarged. It is quite time that we made a full investigation of the workings of the Arbitration Act. The whole system needs to be overhauled. Let us ascertain why it is not functioning satisfactorily. Let us find out whether the Arbitration Court is the right means for settling industrial disputes. Ascertain why it is that often when

fines have been inflicted they are not paid. In fact, let us delve into the whole subject. Accordingly I shall vote for the second reading of the Bill, knowing that we cannot get a select committee without first passing the measure through that stage.

THE HONORARY MINISTER (Hon. E. H. Gray—West) [6.2]: I support the second reading of the Bill for the reason that the measure seeks to remedy serious defects in the parent Act which experience has disclosed. Mr. Holmes has left the House in no doubt regarding his attitude. This is the first time I have heard him state that he was one of those responsible for the passing of the original Act. Thus he will go down in history not only as an ex-champion of Labour but also as a prominent mover towards industrial arbitration in Western Australia. I wish to make an observation regarding the attitude of members of the Council towards legislation of this character. In my opinion, it is not a correct attitude for hon. members to hinder such legislation; but if a case is made out for its improvement, and that case cannot be answered, then hon. members should endeavour to remedy defects which have become apparent. This Bill seeks to clarify the position with regard to contracts of service, partnerships and the like. Snide partnerships are a feature with some unscrupulous traders. They are highly prevalent in the baking trade. Having had a long experience of that trade, I wish to impress upon hon. members the undesirable position obtaining in it by reason of illegal partnerships. In fact, I may say that faked relationships between an employer and his employees are rampant in the baking trade. Under this pernicious system bona-fide master bakers have to stand up against unfair competition. To-day the bread industry is undermined by dishonest and corrupt undercutters who manufacture bread in the bakehouse and successfully resist the operation of the bakers award. They also are able to treat with defiance the award governing the operations of the delivery of bread. In the old days there was a standard of conduct among master bakers, and it would have been impossible then to run the trade as it is being run to-day. The average master baker used to stand in with the association, and try as far as possible to compete on even terms. To-day that position is reversed. Frequently by foreigners, and not infrequently by Australians, industrial arbitration is rendered impotent in the baking trade. If hon. members desire to support that kind of trading, they will reject the Bill. In common fairness, and in order to do justice to employers who try to obey the directions of the Arbitration Court, we should pass legislation which will enable them to obtain a fair deal. The Bill provides for the registration of the Australian Workers' Union. There can be no valid reason why this should not be done. It is a tribute to the virility and usefulness of the organisation that it can draw the raking fire of condemnatory criticism from many members of this Chamber. The A.W.U. is the unskilled worker's refuge and strength. It has done more to lift the status of the Australian worker than has any other Labour organisation in the Commonwealth. It has a singularly long, untarnished record of service in upright and fair negotiations with employers. It has championed industrial arbitration legislation, and has stood resolutely by its enactment. Unscrupulous employers fear it like the plague.

Hon. L. Craig: So do other unions.

The HONORARY MINISTER: Only as regards domestic differences. The A.W.U. has differences with small unions, and that is quite understandable. It is only natural that one organisation should resist the encroachments of another organisation. The "One Big Union" idea, I may mention, though in days gone by supported by thousands of Australian workers, to-day is dead. Farmers' representatives do everything possible to misrepresent the A.W.U. and prevent it from spreading in the country, but it will march forward nevertheless. Because of its usefulness in the national economy it is entitled to be registered under the arbitration laws of the State. Now as regards insurance workers. For many years those workers have had no greater champion than the present Chief Secretary. When the principal Act was amended some years ago, Mr. Kitson in this Chamber made out an impressive case for the insurance workers to be covered by the Industrial Arbitration Act, and the late Mr. Lovekin congratulated him on the case he put up. As a result of that legislation, it was thought those workers would be covered. However, that proved not to be the case. As has

been pointed out by the Chief Secretary, practically all insurance canvassers are shut out from the protection and benefits of the Arbitration Act. The Bill proposes to remedy that defect. There have been long debates in this Chamber on the question of industrial workers. However, there is no logical reason why insurance canvassers should be deprived of the advantages of this legislation. As regards vocations in lieu of industries, Mr. Parker says that the proposal in the Bill will mean that industries must go out of existence, or else that the amount of wages paid to workers will have to be reduced. That is an extravagant exaggeration, and has no foundation in fact. What the proposal does mean is that mechanics and craftsmen will receive the same rates of wages and conditions while working in an industry or vocation where their particular trades or callings are made use of, as they would receive in employment where only the one particular trade or calling was the main industry. The provision in the Bill will abolish the intense discontent that is prevalent among various tradesmen and mechanics to-day. One outstanding feature of this amending legislation which I desire especially to stress, is the clause bringing domestic servants under the Arbitration Act. Strong objection to that provision has been forthcoming from several members. An examination of their objection discloses that there is nothing new in it. In the bad old days when organised Labour was striving to obtain a foothold, similar unbalanced excuses were made. It cannot but be admitted that to obtain domestic aid under present conditions is highly difficult. I claim that domestic service is an important vocation. There is no difficulty, I may point out, in securing domestic servants for hospitals. I venture to say that if in tomorrow morning's "West Australian" an advertisement appeared for a domestic servant required in a hospital, there would be scores of applications. That applies not only to hospitals in the metropolitan area, but also to country hospitals hundreds of miles away. The Fremantle Hospital always has a long waiting list of girls willing and anxious to go into domestic service in that institution.

Hon. J. Nicholson: But you would not compare a position in an institution such as that with a position in a household?

The HONORARY MINISTER: In the absence of properly organised conditions, domestic service in a hospital would be much more laborious and uncomfortable than domestic service in a home.

Members: No!

Hon. H. S. W. Parker: What do you call a domestic servant in a hospital?

The HONORARY MINISTER: A girl who does domestic service in a hospital.

Hon. H. S. W. Parker: What domestic service?

The HONORARY MINISTER: Looking after the quarters, doing housework and kitchen work, and generally working for the matron.

Hon. J. Nicholson: When does the poor mother's chance come? There are no mothers in the hospitals.

The HONORARY MINISTER: There are many mothers in hospitals requiring assistance.

Hon. J. Nicholson: That is another thing altogether.

The HONORARY MINISTER: The reason why it is difficult for private employers to obtain domestic servants nowadays is to be found in the bad conditions under which domestic servants in private houses have to work. The community should be in a better position now to supply domestic servants because of the specialist teaching of domestic science in our public schools. Years ago there was no such teaching. In the metropolis and in Fremantle girls are now taught domestic work under the education system. If such workers were placed on a proper footing, there would be no difficulty in supplying any employer requiring domestic aid. Another reason is the supposed inferiority of the position. An employer's wife calling at her husband's office would be horrified to hear him addressing his typiste or a woman clerk by a christian name. On the other hand, it is a common thing and the recognised practice for employers, their children, and their friends to address the domestic servant by her christian name.

Hon. J. J. Holmes: Will the Arbitration Court alter that?

The HONORARY MINISTER: The bringing of domestic servants under the Arbitration Court would improve their status.

Hon. G. W. Miles: It is a sign of friendship to call people by their christian names.

The HONORARY MINISTER: In this instance it is a sign of snobbery.

Hon. G. W. Miles: We call you Harry!

The HONORARY MINISTER: One of the reasons why domestic servants cannot be obtained is that that particular inferior social line is drawn. That may sound foolish, but it is absolutely true.

Sitting suspended from 6.15 to 7.30 p.m.

The HONORARY MINISTER: I reiterate what I said before the tea adjournment, and I must express surprise that some members treated my remarks with levity. We must recognise the fact that economic conditions have altered, and the outlook on life has been changed for most young women. They are better educated than they were 30 or 40 years ago, and they have greater opportunities to enter commercial houses, in which sphere they are proving successful. The line of demarcation between those entering commercial and factory life and those engaged in domestic service is sharply drawn, and girls will not enter domestic service because of their treatment as inferiors and the snobbish disregard for their general well-being.

Hon. L. Craig: You should not use that word "snobbish."

The HONORARY MINISTER: That is the correct interpretation to place upon the treatment accorded them.

Hon. J. Nicholson: That is not fair.

The HONORARY MINISTER: Of course, my remarks do not apply to all employers, but they furnish one reason why it is difficult to get domestic servants. In every calling men and women concerned have had to be organised before their status was recognised. In the early days before labour was organised, the working man was kept strictly in his place. The unskilled labourer was treated as an inferior 40 years ago. Those conditions have been altered. Education and organisation have changed the outlook until to-day domestic servants are practically the only section still regarded as comprising inferior beings, so that it is difficult, and almost impossible, to get girls to accept domestic service as a calling.

Hon. L. Craig: The social status of the domestic is just as high as that of the manual worker.

The HONORARY MINISTER: But it is not recognised.

Hon. L. Craig: I think it is.

The HONORARY MINISTER: We must endeavour to overcome that tendency.

Hon. J. Nicholson: And that cannot be done by an Act of Parliament.

The HONORARY MINISTER: If we are to attract hundreds of girls to domestic service, it must be overcome, and if that end is achieved, then we will be able to extend our schemes for the social uplift of the people. In times of sickness or of maternity in the homes of the working man, the mother is assisted by infant welfare and social service sisters. When domestic servants are organised, we will be able to go further because there will be sufficient girls available to enable assistance to be provided for the wives of working men during times of emergency, when they cannot attend to their ordinary household duties. The real reason why young women will not go into domestic employment is because of the generally bad working conditions, long hours, low wages, and inferior status. In the majority of places, girls are treated as inferiors. Their food standard too often is shockingly insufficient, and no regard is paid to the individual requirements of this class of employee for leisure or privacy.

Hon. H. S. W. Parker: How can that be rectified if domestic servants are brought within the scope of the Arbitration Act? Will inspectors go round and visit private homes to ascertain if the food is satisfactory?

The HONORARY MINISTER: I will deal with that in a moment. In short, the average domestic servant has to abandon all her leisure time when required, to be at the beck and call of her employer 24 hours out of the 24.

Hon. J. M. Macfarlane: Nonsense!

The HONORARY MINISTER: This is the real reason why domestics are hard to obtain.

Hon. J. M. Macfarlane: But it is not a fact.

The HONORARY MINISTER: The effect of the provisions of the Bill will be to improve the status of the domestic servant, give dignity and protection to her, protect the good employer by making domestic service attractive, and divert an increasing number of young women to a profession that is the most valuable in our social economy. The idea expressed by several members that homes will be invaded by irate and infuriated secretaries or organisers is sheer

bunkum. There have been no unseemly happenings owing to the organisation of nurses under the Arbitration Act. Nursing sisters in private houses come into closer contact with home life than do the domestics, yet there has not been one instance of complaints from any private home. I interjected while Mr. Nicholson was speaking and pointed out that only recently nurses had been organised and had formed an industrial union registered under the Arbitration Act. Nurses attend sick people in their homes, but there has been no upheaval consequent upon the organisation of their union. Not one instance has been reported of the union secretary going to private homes to ascertain if the nurses have kept wages and time books. The suggestion advanced was a gross exaggeration. If domestics are organised and their union is registered under the Arbitration Act, nothing untoward will happen, and the improvement in their status will afford an encouragement to young girls to enter domestic service. It will be a good thing for the State when that end is achieved.

Hon. W. J. Mann: Do you contend that nurses are enjoying a higher status now that they are organised than they did before?

The HONORARY MINISTER: I do.

Hon. W. J. Mann: Nothing of the sort; there is no difference.

The HONORARY MINISTER: There is a big difference. In the old days, even in public hospitals, nurses were expected to work as domestic servants are required to work now.

Hon. H. S. W. Parker: Does the award apply to nurses in private homes?

The HONORARY MINISTER: The nurses' union is registered under the Arbitration Act and their union secretary has the same rights as those enjoyed by any other union secretary under that Act. If domestic servants are organised, the good employer will welcome the innovation, and it will be a good thing for the State. I support the second reading of the Bill.

HON. E. H. H. HALL (Central) [7.38]: I sympathise with the Honorary Minister and am somewhat with him. I sympathise with him seeing that he is so handicapped with his sore throat, and that members, by their interjections, have shown him no consideration.

Hon. L. B. Bolton: Not even Mr. Hall.

Hon. E. H. H. HALL: Pardon me! The position regarding the Arbitration Court today is very discreditable to the Government in power. Applications have been piling up for some considerable time past, with the natural result that union members are becoming restive because of the great delay experienced in having their applications dealt with by the court. It is true that the Government from time to time are requested to take certain action which would involve the expenditure of money that is not obtainable like manna dropping from the skies. To-day it is a question of money, money, money. If the Government, as they have every right to do, claim that the Labour Party were responsible for the introduction of the arbitration system that was to abolish the old policy of direct action, and they stand by that policy, as I think they do, why, in the name of all that is reasonable, do they not provide the money to give that system an opportunity to operate? Many members of this House know much more about this subject than I do, but one does not require to devote a lifetime to the study of the problem to appreciate the fact that the weakest point about it is that the parties cannot get before the Arbitration Court. The Arbitration Act contains conciliation provisions, but I do not think that portion of the Act has been largely availed of. Many years ago, when I left the Government service, I undertook the secretaryship of an employers' association. During that time, after some correspondence the then secretary of the Shop Assistants' Union journeyed from Perth and met the employers at Geraldton in conference. Without very much difficulty, and certainly without going to court and fighting each other, we arranged a common-rule agreement that was in force for many years subsequently. Under it, employers and employees worked harmoniously and with complete satisfaction. I agree with Mr Cornell and others who, from time to time, both here and elsewhere, have advocated more conciliation and less arbitration. Let us try to cut out the tendency to start fighting each other and endeavour to ascertain if it is possible—and I think it is—to get employers and employees at round-table conferences, of which we have heard so much. If the representatives of the two sections were to meet under those conditions, much more consideration would be shown than is likely when they go to the Arbitration Court. I wish to reiterate the query that has been propounded: How can we expect unionists to continue indefinitely wait-

ing for their applications to be heard? Only to-day I was approached by a gentleman whose knowledge of the Arbitration Court and its operations, as well as of unions, is very extensive. Regarding this matter, he stated that he had mentioned it to the Chief Secretary and other members of the House. It was that a gentleman or gentlemen should be appointed as conciliation commissioners with a view to bringing the two sections together to settle their difficulties. We can talk about the domestic problem ad lib, but we will never settle what is regarded amongst the women folk as a very difficult problem. I was surprised to hear the Honorary Minister say that it was quite easy to get girls to work in an institution such as a hospital, where there are a number of them, and then proceed to deduce the reason why it was difficult to get girls to work in private homes. The explanation has often appealed to me from the standpoint that in hospitals or similar institutions there are a number of girls employed who can share one another's tribulations and burdens and can discuss matters from their point of view, whereas the girl employed in a private home is with her mistress all day long, has no companions with whom to exchange views and to have a sympathetic understanding. In my opinion, there is quite a lot in that suggestion. Those of us who can only afford to keep one maid or help are at a disadvantage in that respect. Then there is the great freedom allowed in those institutions. The proposal is threadbare that girls working in private homes are expected to be on the job morning, noon and night. I have heard it said that the girls get time off during the middle of the day. That might be very acceptable for a rest, but there is nowhere for them to go in the middle of the day; it is only in the evening that they want to meet their friends and attend some entertainment. That is why the girls prefer working in a factory which, at all events, gives them their evenings free.

Hon. V. Hamersley: I know of half a dozen home workers who are out every afternoon.

Hon. E. H. H. HALL: There is something in what the Honorary Minister said, notwithstanding the mirth it provoked in some members: that is the social position held by girls in domestic service. It is important to note that they have been referred to by many people as "slaveys."

Hon. C. H. Wittenoom: You don't hear that very often.

Hon. E. H. H. HALL: It is frequently heard.

Hon. C. H. Wittenoom: Not lately.

Hon. E. H. H. HALL: I do not know what the term used in Albany may be, but in many other places it is "slavey." I say that has had something to do with the dearth of girls prepared to go out to domestic service. In an office the employer sometimes picks up his typiste and takes her home, but not so with the girl who brings him his morning tea; such a proceeding is never heard of. During the tea adjournment an hon. member suggested to me that the Labour Party was opposed to titles and that they preferred to be called by their Christian names. However, I know nothing of that. I will vote for and support anything that will help those girls who do such valuable work in our homes, anything that will tend to raise their status and improve their conditions of employment. So I will support the second reading.

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

BILL—FAIR RENTS.

Second Reading.

Debate resumed from the previous day.

HON. J. J. HOLMES (North) [7.50]: I should be glad to support the Bill if I could convince myself that any good would come out of it. I have no difficulty in convincing myself that if the Bill be placed on the statute-book it will create a lot of harm and unpleasantness and that no good will result. It is important to note that every piece of legislation that has come forward this session—excepting the Commonwealth Roads Bills—and some that we still expect are all aiming in the one direction, namely, to penalise the employer who is trying to develop his business and incidentally the country. One can turn to any of those pieces of legislation and see what is being done. I cannot bring myself to believe that we can ruin every industry in the country and as a result have a prosperous industry and a prosperous country. It is altogether illogical. This Bill or a similar Bill was rejected last session, and I should like to know what has been done or what has happened in the meantime to justify this Chamber

in altering its opinion this session and placing the measure on the statute-book. Is there anything to justify the House in adopting that attitude? As a matter of fact, the whole position has been reversed, indeed almost every day in the week. There has been a marked increase in the houses built, at all events in the metropolitan area. The position is that there is any amount of money available for this purpose. I do not think I am exaggerating when I say it would be an easy matter to put one's hands on half a million of money in St. George's-terrace, money available for investment. But there is no investment, such as embarking on an industry or on manufacture; so many penal clauses are there in our laws that people are averse from that sort of investment. People with commonsense will not build houses for other people to live in. It is not that they have had the experience that some of us have had, but we were all taught in our generation that fools build houses for wise men to rent. I have arrived at the conclusion—and the Honorary Minister knows something about my reasons for this—that the owner of a house will build only the house he lives in: because if he builds houses for tenants, then if the tenants do not pull up the floors and burn them as firewood the owner is very lucky. I learn that for the year 1935-36 no fewer than 1,550 houses were built in the metropolitan area at a cost of £1,135,600. Those houses were not built to let, but were built under a new system which provides for building a house for a man who wants it for himself. The money I speak of is in the hands of insurance and other companies. If a man has a bit of land and a small deposit, the insurance company will build his house if he will take out a life policy covering the indebtedness.

Hon. G. Fraser: Only if he lives in a certain district.

Hon. J. J. HOLMES: I am speaking of the metropolitan area.

Hon. G. Fraser: So am I.

Hon. J. J. HOLMES: All these houses have been built for people to live in. Actually they are their own houses. The result is that any number of houses are becoming vacant that were originally occupied by those people who are now in their own new homes. Then I am told that for the six months ended the 30th June, 1937, 738 houses were built in the metropolitan area at a cost of £572,250. So for that period approximately £1,700,000 was spent in building houses in the metropolitan area. I am advised that the increasing population from December, 1935, to December, 1936, in the metropolitan area was about 1,800. So if we put all the people into those new houses, allocating four persons to each house, only about 450 houses would be required to accommodate the increase in population in the metropolitan area. So the whole thing is solving itself—neither the Government nor anybody else has a right to interfere and try to create trouble. Here is another aspect: If you are going to penalise these people that have houses to let, there will certainly be no more building going on, other than the scheme I have referred to where people are having their own houses built. And that cannot go on indefinitely. If you stop building by eliminating the profit that a speculative builder makes by building a house to let, then you throw a whole lot of carpenters, stone masons, bricklayers, etc. on to the labour market without any good whatever being accomplished. Let us deal with the goldfields. On the goldfields we have wealthy mining companies and we are led to believe—indeed we have evidence of it—that their mines are an established fact, not for to-day, but for many years to come. High wages are being paid and rightly so, to the men. The reason why the wage is so high is that rents up there are higher. In fixing a man's wages the amount of rent paid is an important factor. If you reduce rents on the goldfields you may expect a reduction of wages and if you reduce wages, who is going to get the advantage except the mining companies who will get their work done at a cheaper rate? A man may build houses on the goldfields, and may get his rent sometimes, and sometimes not. If we are going to penalise him by arranging that under no conditions can he get much beyond bank rate of interest, he will no longer build houses. If we bring down the rental of those houses which are already in existence, down will come wages—in such circumstances they should come down—and the only people who will benefit will be the big mining companies which are already making huge profits. If this proposal of house-building is such a good one as the Government seem to think, why not extend the workers' homes principle to meet the case? I have always been a

supporter of workers' homes. If we want to make a man contented, keep him decent and at home, let him have a home of his own. If the Government are so satisfied with this form of investment let them extend the workers' homes business. I do not know, however, that workers' homes are comparable with the scheme now adopted by the insurance companies as a means of investment in preference to lending money to businesses or factories. The Bill fixes the rental at 1½ per cent. over Commonwealth bank rate of interest at the time the rent is determined. Provision is made for payment of rates and taxes and water rates.

Hon. E. M. Heenan: The interest is not fixed at 1½ per cent., but cannot be less than 1½ per cent. above the Commonwealth bank rate.

Hon. J. J. HOLMES: A limited amount can be added for repairs and maintenance, but there is no allowance for underpaid rental, nor for the period when the house is unoccupied.

Hon. J. Nicholson: Nor for agents' charges.

Hon. J. J. HOLMES: If we impose such restrictions more money will be waiting in St. George's-terrace for investment, as it will not be put into houses that are for letting purposes. Houses often remain empty for months on end. That cannot be taken into consideration by the board when fixing the rent. It is not uncommon for tenants to clear out. When they owe rent they generally clear out at night time. That is not taken into consideration in fixing the amount of rent the landlord is to receive. I anticipate that if the Bill becomes law there will be jobs for more inspectors, who will be kept pretty busy. It is not for me to say from what avenue the inspectors will be drawn. We can assume for ourselves who will receive the appointments. I oppose the second reading of the Bill.

HON. L. CRAIG (South-West) [8.5]: Mr. Holmes has dealt more or less exhaustively with the points I wished to raise. The Government have criticised some of us in this Chamber for not being fair, so we are now giving close consideration to every industrial Bill. This Bill in itself is not fair; it is most unfair. It has been said that fools build houses for wise men to live in. If the Bill becomes law even fools will not build houses. The Bill gives the local court power to fix the rent either on the application of the lessor or of the lessee. If the lessor applies for the rent to be altered, the alteration will not take place until 14 days after the decision of the court. In effect that gives the tenant plenty of time to look around for another house. If the rent is raised he will walk out and get another place. If the lessee applies for the rent to be reduced, and the court agrees, the reduction will take place from the date of the application of the appeal. That is unfair. It is provided that the rent shall be based on the actual selling value of the place in question. As values rise or fall so will the rent vary, as it will be based on the selling value. How will the selling value be fixed? It will have to be done annually. The rent is to be fixed on the basis of an amount 1½ per cent. above Commonwealth bank rates. Such rates as a rule are lower than those of the associated banks, due mainly to the fact that the Commonwealth Bank lends most of its money to corporations, municipal bodies, road boards, etc. It is not always easy to get money from the Commonwealth Bank for private purposes. The Commonwealth Bank rate now is 4½ per cent. for many accounts, and that plus 1½ per cent., gives a total of 6 per cent., to which must be added rates and taxes, etc. No provision is made for deterioration or depreciation unless the letting value of the house actually depreciates. The house may become old, but no provision is made for its obsolescence, unless the letting value is reduced on that account. A building may be in a locality where the value of the land has increased, but the building itself may have become very old. No provision is made for the building becoming old under such conditions. The increase in the value of the land may indeed equal the depreciation in the value of the house. That puts the landlord in a worse position than the man who buys bonds. If a person buys bonds to-day he will receive his interest half-yearly, and at the end of the term will get back the original purchase price of the bond. In the case of a house, under this Bill, a man will get his rent, if he is lucky, and it is not unoccupied for some time, and at the end of 20 or 30 years when the house, if it has not depreciated and worn out, has but little letting value because of its obsolescence, he will have the rent and nothing

else. No sinking fund is provided for the depreciation of the value of the house. Indeed, that part of the Bill is most extraordinary. The house itself may have no selling value, but may have a temporary high letting value. A new mining centre may break out, and there may be a rush to it. Anyone who has a dwelling of any sort in that locality would be able to obtain a high rent for it, but if he tried to sell it no one would buy. Under the Bill the house would have to be let for a mere pittance, a peppercorn rental, because the selling value would be practically nothing. The Bill provides that if a house is let with furniture the court shall determine the fair rental of the house without the furniture, and shall determine the rental value of the furniture itself. How the court will determine the rental value of the furniture I do not now. Much depends on the tenant. There may be half a dozen children in the house, and at the end of a short period the furniture may be worth very little. The Bill is wrong in principle. If it becomes law I do not think it can be enforced. Mr. Heenan, who doubtless speaks with the full authority of Labour on the goldfields, regrets that the Bill cannot be determined solely for the goldfields. Even if there is a need for reducing rents on the goldfields there is no reason why the measure should be made to apply to the whole State. As Mr. Holmes pointed out provision is made in the rates of pay of all employees on the goldfields for the conditions under which they have to live. They receive a higher rate of pay because rentals and the cost of living are higher. A big majority of the miners on the goldfields are receiving sufficient money, I should think, to permit of their paying a deposit on a home of their own. The fact that they are not doing that is either because they have not sufficient faith in the goldfields or, that they prefer to live in houses built by fools. I have given due consideration to the Bill, hoping that I would be able to vote for the second reading, but as it is definitely wrong in principle and definitely unfair to the landlord class who build houses for other people to live in, I intend to oppose the second reading.

On motion by Hon. C. F. Baxter, debate adjourned.

House adjourned at 8.17 p.m.

Legislative Assembly.

Wednesday, 22nd September, 1937.

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

QUESTION—WATER SUPPLIES, BRIDGETOWN.

Abandonment of Rates.

Mr. DOUST asked the Minister for Water Supplies: 1, Have any water rates, accruing during the year ending 30th June, 1937, been written off or abandoned in the Bridgetown Water Board area? 2, If so, what system has been adopted for such writing off? 3, Is the cost of the present additions to the water scheme being added to the capital costs of the works?

The MINISTER FOR WATER SUPPLIES replied: 1, A proportion of the rate for the year was written off on two trading services. 2, Each case was dealt with on its merits. 3, Yes.

QUESTION—SETTLER'S STOCK.

Progeny of Cows.

Hon. P. D. FERGUSON asked the Minister for Lands: Is it his intention to lay upon the Table of the House the file dealing with the instance where the Government put 12 cows on a settler's property, and they had no calves, whereas the cows of the settler's wife had two or three calves each per year, as stated by him in the House on 15th September and reported in "Hansard" No. 7, page 748?

The MINISTER FOR LANDS replied: No. That is a matter between the settler and the Bank.

QUESTION—RAILWAYS.

Wagons on Geraldton Wharf.

Hon. W. D. JOHNSON asked the Minister for Railways: 1, Were there a number of specially equipped railway wagons on the