in the country. I was very interested when listening to the remarks of Mr. Angelo last evening on the subject of the embargo placed on Yampi Sound iron ore. The only comment I wish to offer is that it is very difficult for me to get away from the feeling that there was something behind the movement, something about which we do not know anything, notwithstanding the denials that we have had. Anyway, I contend it is the duty of the Commonwealth Government to reimburse the State to the extent of the expenditure in which it has been involved. It is deplorable that just when we are about to get a new industry going, an industry that would have been of considerable value to the State, and particularly to the development of the North, which needs to be opened up, the Federal Government should come along and interfere in the manner it did. I only hope that justice will be meted out to us. I have touched upon most of the points to which I intended to refer and can only say in conclusion that I hope the Government will bring forward some of the measures that have been outlined in the Speech as early as possible, so that we may not have that unseemly wrangling at the end of the session to which we have been accustomed in the past, at any rate ever since I have been a member of this House. I support the motion.

On motion by Hon. C. H. Wittenoom, debate adjourned.

House adjourned at 8.55 p.m.

Legislative Assembly,

Wednesday, 17th August, 1938.

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

QUESTION—PICTURE SHOWS.

Sixpenny Admission Programmes.

Mrs. CARDELL-OLIVER asked the Premier,—In the event of withdrawal by representatives of American picture distributors of supplies of films for sixpenny admissions in Western Australian cinemas, is it his intention to take action to—(a) preserve the privileges of the lower-paid members of the community who attend these screenings; (b) protect the capital invested by the West Australian proprietors of the theatres concerned; (c) protect the livelihood of the large number of employees who would be affected by such withdrawal?

The PREMIER replied: Representations are being made on this matter to the Government by the Motion Picture Exhibitors' Association. When these are received they will receive the same prompt consideration that was accorded by this Government when a similar position arose on a previous occasion.

QUESTION—SEWERAGE, STATE SCHOOLS.

Mr. NORTH asked the Minister for Education: 1, Is the installation of sewerage in State school premises further advanced in the Claremont electorate (Claremont, Swanbourne, and North Cottesloe) than in other metropolitan electorates? 2, Is stormwater drainage, levelling and surfacing of school grounds in this area receiving attention? 3, If so, at which schools, and at what approximate cost? 4, Have improvements similar to those referred to in question No. 2 been carried out in other suburbs? 5, If lack of finance is preventing such works being attended to, will he seek the co-operation of

parents and citizens' organisations with a view to arriving at some working arrangement?

The MINISTER FOR WORKS (for the Minister for Education) replied: 1, Yes, with the exception of North Cottesloe. 2, Yes. 3, With the exception of Claremont Central School, where the cost of surfacing is estimated at £1,050, estimates have not yet been prepared. 4, No. 5, The co-operation of parents and citizens' associations will at all times be welcomed.

QUESTION—BULK HANDLING OF WHEAT.

Costs, Geraldton and Bunbury.

Mr. WATTS asked the Minister for Lands: What are the respective costs per ton of handling bulk wheat from main line trucks into port silos and thence into ship's hold at—(a) Geraldton, (b) Bunbury?

The MINISTER FOR LANDS replied: (a) 19.874 pence per ton; (b) 12.67 pence per ton, not including 12 pence per ton haulage between silo and ship and 2.82 pence per ton depreciation. Note.—The figure for (a) has been supplied by Co-operative Bulk Handling, Limited.

ADDRESS-IN-REPLY.

Sixth Day.

Resumed from the previous day.

HON. N. KEENAN (Nedlands) [4.35]: I desire to follow in the footsteps of those who have already addressed themselves to this debate by offering you, Sir, by congratulations upon your elevation to your present high office. You and I are very old friends, and very old opponents. In the long road of years I am glad to say time has cemented the tie of friendship and rounded off the angles of opposition. I congratulate you, Sir, most sincerely on your occupancy of the highest post inside the Chamber within the powers of members to confer upon anyone. I also congratulate the Minister for Mines on his accession to Cabinet rank. For years he served loyally in the ranks, and, if anyone deserves to have the right to enjoy command, he certainly does. I desire to congratulate also the member for Hannans (Mr. Leahy) and the member for Sussex (Mr. Willmott), who have joined us for the first time this session. They will find that we are separated in this Chamber by strong political differences, but that notwithstanding these differences there is an overriding rule of courtesy which we extend to one another. That has been the feature of this Parliament. I feel sure the new members will do everything within their power to assist in maintaining that spirit. It is usual when speaking on the Address-in-reply to refer to matters in one's electorate, to which it is desired to draw the attention of the Government. I propose to do that very shortly in the case of my electorate. Nedlands is a peculiar and unique suburb of Perth. It is not only endowed by nature with the most marvellous scenery, but that scenery has attracted settlement so great that it is almost impossible, unless people saw it for themselves, to imagine that it has all happened within the last few years. It is the most closely settled suburb of Perth. I am glad to say that the great majority of the residents are young married people. I am also glad to say that in the majority of cases they are all family people. This means there is a large number of children of school-going age in the district. It also means that notwithstanding the provision that has been made from time to time there is considerable deficiency in the accommodation provided at the schools. The opening of a school at Dalkeith undoubtedly to a large extent relieved the position. Unfortunately the Nedlands school to-day has to conduct classes on the verandah. That is not a reasonable proposition in a normal winter. In a winter like the present, which is good from that point of view but bad for everyone, there is not so much danger for the children, but in the ordinary wet winter children are exposed to a most unnecessary risk by being taught on the verandah. Hollywood, as a school, has been a great success. It is at present full, although not yet overcrowded. I would call the attention of the Minister to the need for a room or an office there for the head teacher. In order to get enough accommodation for the infants who are attending the school, certain accommodation which could have been used for office purposes by the head teacher has had to be devoted to the little ones. The addition of a room there would be most welcome. The Rosney street school is one of

the dingiest schools in the metropolitan area. This is due to its surroundings. In summer it is surrounded by dust, and in a normal winter, not such as we are experiencing now, it is encircled by mud. I hope to induce the Minister for Education, upon his return from his business trip, to accompany me around the electorate.

I now wish to refer to an institution that is unique, possibly in the whole of the British Empire, namely, the Old Men's Home at Dalkeith. Originally, that home was founded as a poor house where indigent old men were provided with quarters, food and clothing free. The State assumed the whole burden for the supply of all that was necessary in the case of those old men. In these circumstances it was quite natural that the rules and all the administration of the establishment should be strictly under the thumb of officialdom and, perhaps, not unnaturally so. On the other hand, it is not now maintained by the State, but by the subscription of the inmates, who with very few exceptions are all paying boarders. Nevertheless, the establishment is ruled as strictly as ever it was in the old days when the State footed the whole bill. All the inmates of the Old Men's Home are old-age pensioners, invalid pensioners or returned soldiers with pensions, and each man pays 14s. a week for his board and lodging. Seeing that the inmates number over 500, it is merely a matter of arithmetic to ascertain that they are actually contributing £18,000 a year for the upkeep of the establishment. That the payment of 14s. a week is ample for what they get is proved by the fact that the Salvation Army conducts a retreat for old men at Nedlands, charges the inmates 14s. a week for board and lodging and presumably makes a profit. I am told that if it were not for the rather sanctified atmosphere that prevails at that institution, it would be far more popular than the establishment at Dalkeith. But, of course, it will readily be understood that old men, especially those who come from the goldfields, do not care for an atmosphere of that character. Notwithstanding that, the Salvation Army Home is nearly full, and that in itself is quite sufficient to show that a contribution of 14s. a week is ample for the payment of the expense involved in board and lodging.

Mr. Hegney: And you say that 14s. a week is sufficient for a man to pay for board and lodging.

Hon. N. KEENAN: An individual living by himself and 500 living in a community represent totally different propositions. I will not argue the point, but will content myself by saying that the Salvation Army can make a profit out of payments at that rate.

Hon. P. D. Ferguson: They make a profit!

Hon. N. KEENAN: Yes, sufficient to meet all overhead charges and make a profit. The Old Men's Home was established to be a home of peace and comfort in which the old men should be able to pass the declining years of their life with some degree of pleasure, but it is far from being an institution of that type. There is a widespread feeling of discontent among the inmates. That feeling is not apparent among a few, but seems to be general; and it mainly arises from causes that would appear to be capable of being easily cured. For instance, on all sides complaints are heard about the the food provided, particularly about the manner in which it is cooked and served. I have been told by many of the inmates that it is not only unpalatable, but unsuitable from their point of view as they are, like most old men, not capable of the same degree of mastication as they were in their youth. The food may be quite good and health-giving, but is unsuitable for men suffering from that inconvenience. Nevertheless, that is the position. I am told that if one were to visit the Old Men's Home at any meal hour, one would see large quantities of food unused, because the old men cannot eat it. In earlier days when the State paid for everything, it was perhaps reasonable to say, "Here is the food we can give you. If you do not like it, you can leave it." In these days, however, the old men are paying ample to cover the cost of food that is suitable for their requirements. It is, in the circumstances, no longer right to say to them that if they do not like the food they can leave it. But the old order still prevails, and although the old men have the right to make complaints, what is the use of that? It is true that there is some kind of a board of visitors who occasionally go around the home. Like visitors who go to similar institutions, such as poor houses, penitentiaries or prisons, they merely pass through and bless everything. I am told that the men consider it is not worth while complaining and, in the circumstances, they

do not bother to do so. It might be all right if it were a prison, but it is not, and as the old men are paying quite adequately for their food and lodging, their claims should be listened to properly. I have always held the opinion that the men should be given the right to appoint an advisory committee for themselves, not that that advisory committee should be entrusted with any specific administrative powers but should be able to accept and put forward all the complaints, legitimate or otherwise—for, of course, some of their complaints are not legitimate—that the old men have to make.

The Minister for Health: I am prepared to listen to that.

Hon. N. KEENAN: I have advanced that suggestion more than once.

The Minister for Health: I have been to the Old Men's Home a dozen times since I have been Minister, and I have not had one complaint made to me. I have talked to dozens of the old men.

Hon. N. KEENAN: That may be so, but, at any rate, the old men should be given the right to make representations regarding their grievances, and that is all that is asked. It is not an unreasonable request. The whole picture is approached from the wrong point of view, as though they were being given something. A present can be given in any form that the donor likes, but in this instance the old men are paying ample for what they get, and they should be allowed to represent their wants just as other paying guests in other houses are able to represent their wants.

The Minister for Health: And that has never been denied them.

Hon. N. KENAN: I hope the Minister will pay a visit to the Old Men's Home with me on some occasion when he is not expected, for I am told it is quite useless to go there if such a visit is anticipated.

The Minister for Health: I never visit such an institution when I am expected.

Hon. N. KEENAN: That is so much the better. I would like to accompany the Minister and ascertain what the position is like. Having spoken at not too great a length, I hope, about matters affecting my electorate, I shall turn now to His Excellency's Speech. It is designed on conventional lines that provide a minimum of useful information with a maximum of verbosity. The present Government is not singular in the production of a document of such a character. Similar documents have been produced by all its predecessors, and I have no doubt that similar documents will be produced by its successors. Even when a fact is stated, members are left without any possible explanation of it. In fact, the omissions are quite up to the standard of a Governor's Speech. For instance, let me draw the attention of the House to the portion of the Speech that congratulates the country, the Government and everyone on the fact that the deficit for the last financial year was only £10,693 compared with an estimated deficit of £128,855. That is regarded as a feat of much merit.

The Premier: It is a little better than the £1,500,000 deficit of your Government.

Hon. N. KEENAN: There is the same old gag trotted out! "You could not do it! It is not wrong for me to do it because you did it yourself!"

The Premier: Everything in this world goes by comparison.

Hon. N. KEENAN: Let me proceed to a comparison of this particular part to which I am calling attention. The shrinkage in the figure of the deficit is actually due to the colossal increase in the amount received from income tax. It was estimated that the return to be received from income tax would be £285,000, being a slight increase in the actual sum received for income tax during the previous year, namely, £283,000. Actually, the sum received was £582,097, representing an increase of £297,000 odd over the estimate.

The Premier: You know that we altered the Act last year and that made a difference.

Hon. N. KEENAN: I trust the Premier will allow me to proceed.

The Premier: I will not say any more.

Hon. N. KEENAN: If we propose to have a controversy over the floor of the House——

The Premier: I withdraw.

Hon. N. KEENAN: Do not withdraw.

The Premier: I withdraw my participation in the debate.

Hon. N. KEENAN: As I was pointing out to the House, had this colossal increase of over 100 per cent. beyond the estimate not taken place, the deficit would have been £307,000. Had this increase over the estimate in income tax been due to an increased taxable income of the State—a sign undoubtedly of prosperity—it would have been very gratifying; but here let me remark that

there is a most abysmal difference between national income, as spoken of the other night by the Premier, and taxable income. You can have a colossal national income, and no taxable income at all. For instance, if this State produced 20,000,000 bushels of wheat which sold at 5s. a bushel, then that industry would contribute £5,000,000 to a national income. Now, say the State produced 40,000,000 bushels of wheat which sold for only 2s. 6d., again the industry would contribute to a national income £5,000,000; but whereas in the first case, if 3s. be assumed to be the cost of production, the taxable income would have been £2,000,000, in the second case there would have been no taxable income whatever. So it is a confusion of terms when speaking on matters of this kind to speak of national income. Taxation is not based on national income, and has very little to do with national income. It is based on taxable income.

The Premier: The average national income.

Hon. N. KEENAN: I am sorry to say I do not agree with the Premier, and I do not think anyone else does.

The Minister for Railways: I do.

Hon. N. KEENAN: I venture to say that no one who is conversant with the conditions of the pastoral and agricultural industries during the past three years would imagine for a moment that there was any increase in the taxable income derived from those industries, and those industries are the two main supporters of taxable income.

The Premier: No.

Hon. N. KEENAN: They are still the main supporters, although for the time being they are depressed by various causes which we all hope are temporary. There it remains: We find this colossal sum, over 100 per cent., received in excess of the estimate. It may be that the explanation given by Mr. Dunstan, the Premier of Victoria, is the true explanation. Very recently, a deputation waited on Mr. Dunstan to complain of the incidence of taxation in Victoria, and of its severity. His answer was that the members of the deputation were complaining about something they had no right to complain about, because, in fact, Victoria was a long way down the list in the order of severity. At the top of the list was Queensland and next was Western Australia. Of course, taxation is a necessary evil. It must be inflicted, because otherwise no Government could carry on; but it has to be remembered that every penny taken out of the pockets of the citizens, who are the taxpayers, is a penny less to be spent in the ordinary course of trade, and also a penny less available for the promotion of industrial enterprise. High taxation defeats its own end, which, of course, is to collect the funds necessary to meet the public wants. It defeats its own end because it dries up the source on which it depends, and I hope the Treasurer will bear in mind those truths when he is bringing down the proposals which we shall have before us at a later stage of this session for the imposition of taxation in this State.

I now turn to one of the many things which was not mentioned in the Lieut.-Governor's Speech, although very much discussed, and that is the action taken by the Minister for Employment in the Collie coal trouble. It is necessary to state clearly and definitely the facts, and if this is properly done, there can be little doubt as to the illegality and also the pernicious effect of the Minister's action. The facts are that on the 7th July, 1936, the Court of Arbitration commenced the hearing of a reference of an industrial dispute which had been filed by the Collie Miners' Union. It is of some importance to note the fact that the union was the applicant to the court for the exercise by the court of its powers and authority. The union commenced the proceedings; it asked for them and invited the court to exercise its authority and make an award. The hearing of the reference, which commenced on the 7th July, extended to the 21st July, 1936, so that ample time was given to place before the court all the evidence that was necessary and available. There was no rush in the matter. On the 26th August, the court issued the minutes of a proposed award and, in doing so, gave reasons to justify the award that it proposed to make. I find in those reasons that were given by the president, Mr. Somerville and Mr. Bennett, that Mr. Somerville disagreed with the proposed award only on the matter of tonnage rates for machine cutting prescribed in the case of the Cardiff, Stockton and Griffin Mines, but not otherwise. Mr. Bennett disagreed on a much more important and major point, namely on the provision for paid holidays. The minutes of this proposed award were

spoken to by the parties. On the 25th September the parties addressed the court, and finally an award was made and issued on the 6th October, 1936. Neither the minor objection of Mr. Somerville nor the major objection of Mr. Bennett prevailed; the award was made binding on the parties for a term of three years from the 4th October, 1936. After the award had been in force for 12 months or over, it could then be taken to the court for the purpose of amendment. I have drawn attention to the long and careful manner in which this matter was considered, in order, principally, to meet the suggestion made by the Premier that all these incidents were to be attributed to the fact that the court had too much work to do and could not attend to the case. The court attended to the case in the most ample manner. On all the dates I have given to the House, the court devoted itself to the consideration of the case, and there is no question at all about the matter arising from that consideration having been crushed out by an overcrowding of work. On the 18th February, 1937, the Collie Miners' Union applied for the appointment of an industrial board, and that application was granted. Then on the 22nd July, 1937, the union applied for leave to amend the award and gave a list of proposed amendments, which were all general amendments, and not for any one clause or any one particular issue. That application was heard on the 21st September, 1937, and was struck out because it had been made before the 12 months had expired from the time of the making of the award. On the 7th October, 1937—it will be observed, seven or eight months after the appointment of the industrial board—an application was again made, and as the 12 months had then expired, the application was granted, and at the request of the union the issues were referred to the board for inquiry and report to the Court of Arbitration. That was done under paragraph (a) of Subsection 1 of Section 84 of the Industrial Arbitration Act, which enables the Court to remit to an industrial board for inquiry and report with or without directions, any industrial matter or dispute which the court considers it desirable to have included in any reference for investigation, and upon which the court desires information for the purpose of making an award. The industrial board, in pursuance of that order, took evidence at Collie, and I have no doubt that was a very convenient way of dealing with the matter. It was preferable to dragging the witnesses to Perth. Evidence was taken and a report was made with the evidence attached. The board reported to the court and a copy of that report was handed to the parties on the 8th April, 1938. Then the report was spoken to by the parties on the 28th April, 1938. On the 20th May, 1938, the Court of Arbitration handed to the parties copies of the minutes of the award, which it was then proposed to make on the evidence before the court. The minutes were spoken to by the parties on the 24th May, 1938, and an award was made on the 25th May. I propose to read the opening part of that award. This is an extract from the "Government Gazette" of the 17th June, 1938—

> On the hearing of an application by the above-named applicant union (Coalminers' Industrial Union of Workers of Western Australia, Collie) for amendment of award, No. 21 of 1935, delivered in the above matter on the 6th day of October, 1936, and upon reading the report of the industrial board hereon, dated the 10th day of February, 1938, and upon hearing the parties by their respective agents, the Court of Arbitration doth hereby order and declare that the said award numbered 21 of 1935, is hereby amended as follows:—

It is perfectly clear that a most exhaustive inquiry took place. I have given the dates and have shown that the award was based on the report that had been furnished to the court. It was binding on all parties for the unexpired term of the original award, that is to say, from the 4th June, 1938, to October, 1939, and it could not be appealed against or challenged, or in any way reviewed by even the highest court in the land. That is a provision of which I am sure all members are aware. In creating the Arbitration Court, Parliament meant what it provided, namely, that an award of the Court of Arbitration should be sacrosanct, and that no court of whatever jurisdiction would be entitled to interfere and say, "You shall not do this or you shall not do that." Thus, in the Act there were inserted in Section 106 the words which I have just read to the House, words which mean that not even the highest court in the land could re-

view or alter an award of the court. Section 106 says—

> . . . no award, order, or proceeding of the court shall be liable to be challenged, appealed against, reviewed, quashed, or called in question by any court of judicature on any account whatsoever.

But the Collie Miners' Union was not satisfied with the award of the 25th May, 1938, and so its representatives went to the Minister for Employment and placed before him their dissatisfaction. At their request, the Minister appointed a Commissioner under Section 169 to inquire into various matters which had been the subject of determination by the Arbitration Court on the 25th May, 1938. The Premier has told us that the Minister for Employment was advised by the Crown Law Department that this appointment was definitely legal. I have no doubt the Minister was so advised——

The Premier: To bring the parties together.

Hon. N. KEENAN: The Premier is putting me off the matter I am discussing. I have no doubt that the Minister was advised that Section 169 gave him power to appoint a Commissioner; and indeed it does not require any lawyer to appreciate that fact, because the words of the section are as plain as possible. Section 169 says that the Minister may appoint a Commissioner for the purpose of preventing or settling any industrial dispute. But what I want to make clear is that until I see that opinion, which I presume is in writing, and which I shall ask the Minister to lay on the Table of the House, I decline altogether to believe that he was advised that he could appoint a Commissioner for the purpose, if the Commissioner thought fit, of overruling or reversing an award of the Court of Arbitration which had been declared only a few weeks before. If that is the opinion that was given to him, then most unquestionably I differ from it in its entirety. For what reason do I differ from it? What does this opinion mean if it is to that effect? It means that the Minister could of his own volition, and at any time, appoint any person he chose as a commissioner for the express purpose of overriding an award of the court, even before the very ink with which the award was written had dried. And if the Minister could do this once, he could do so again and again, every month if he liked, and every award made by the commissioner could be altered by even another commissioner——

The Premier: You are building up a suppositious case.

Hon. N. KEENAN: I did not hear the Premier's remark, and perhaps it is an advantage to be slightly deaf at times; but I remind the House that by the expressed will of Parliament an award of the Court of Arbitration is sacrosanct. Now it is suggested that it should be subject to the whim of the Minister and that he should have the power that not even the highest court in the land possesses, to override and put on one side the provisions of an award. I do not want to weary the House by referring to the sequence of events; it is sufficient to say that the Commissioner did in fact override an award of the court and made a new award, and that whatever effect or authority might have been given to this document by the connivance of the parties, it was completely annulled by the Arbitration Court refusing to allow it to be gazetted. I am not concerned with the subsequent conduct of the Minister in robbing the Treasury to obtain the consent of the so-called employer, and I use that phrase because all should know that the employer was not concerned one iota. He had his contract, and any increase made by a competent authority he was entitled to recover from the Railway Department. So he was a mere negative kind of employer, a mere onlooker, and provided that he suffered no loss he was quite willing to sign his name to anything. I am not concerned, therefore, with that employer.

The Minister for Railways: Does he sell any coal elsewhere except to the Railway Department?

Hon. N. KEENAN: Scarcely any.

The Minister for Railways: Yes, about 20 per cent.

Mr. Withers: We had better nationalise the industry, I think.

Hon. N. KEENAN: I am not concerned with the action of the Minister in obtaining the consent of that employer. What does concern me and what does concern all that are believers in the settlement of industrial troubles by a system of arbitration—a system that is still, I think, a plank of the Labour Party, unless all its members have forgotten it, though I believe it is still to be found as one of the aims and objects of the party—what I and all those that believe in arbitration in industrial matters are con-

cerned about is whether the system can possibly stand the shocks administered to it.

The Premier: Your party alter awards by Act of Parliament.

Opposition members interjected.

Hon. N. KEENAN: When hon. members have ceased to exchange views, I shall be able to proceed to address the Speaker.

The Premier: The hon. member invites a challenge, and when it is accepted declines to discuss the matter.

Mr. SPEAKER: Order!

Hon. N. KEENAN: As there seems to be a lull in the controversy between the two front benches, perhaps I may proceed. I was saying that I—and I am sure all who believe in arbitration in industrial matters, feel the same way—am concerned as to whether the system can stand the shocks administered to it. If an award made by the court is to be subject to alteration at the whim of the Minister a few days after it has been made, if the Minister is able to have such an award altered in any detail whenever he chooses, there will be a complete end to the possibility of the court achieving any definite and useful purpose. It will be a mere sham, and will continue to exist as a sham. Those who share my opinions do not believe that this is good for the State. To hold this system up to ridicule, to assassinate it by actions of this kind, is not for the good of the country; and I am firmly of the belief that the great majority of the people in the State, and the great majority of the workers believe in and support a system of arbitration in industrial matters.

Mr. Raphael: It was not assassinated by your party in 1931, so I suppose it will stand the treatment it is now receiving.

Hon. N. KEENAN: I submit that the Minister is deserving of the most severe censure for his actions in this matter. Had he proceeded in the first instance, as he might well have done, to buy off the employer with money looted from the Treasury, the court, at any rate, would have been unaffected. The authority of the court would have been unchallenged. That would have remained. But unfortunately the Minister appeared in the dual role of one who first of all acted as an assassin of the court and, when that move was unsuccessful, resorted to the easier means of buying success at the expense of the taxpayers of the State.

Mr. Hegney: An assassin deserves more than censure, surely?

Hon. N. KEENAN: I have finished with the regrettable incident, an incident that will undoubtedly do far more harm in days to come than now, because it has sown seeds that will some day bring to the surface a crop of disrespect and contempt for the court. Then what state of affairs will supervene?

Mr. Raphael: You will have us in tears in a minute.

Hon. N. KEENAN: Will the court then be abandoned and thrown on the scrapheap, or will it receive, as it is receiving to-day perhaps, mere make-believe worship and mere make-believe approval and become a system to be thrown on one side if it does not suit the purpose of the party in power? I now turn to the question of political appointments to public offices. In this respect I may tell the Premier that I find myself in complete accord with him when he says that no man or woman should be excluded from the public service because of his or her political beliefs. I would go further. If the Labour Government happens to be in power—or any other Government for that matter—and two applicants of absolutely equal merit offer themselves for appointment to a particular post and one of them has rendered honourable service to the Labour Party in the past, then the Government would be quite entitled to appoint that man. It would even be the Government's duty to appoint him in such circumstances, provided that the two applicants were of equal merit. But what the Leader of the Opposition and the public are complaining about is that all the major appointments in the last six years to the public service have been made for political reasons and political reasons only.

The Premier: You know that is not true.

Mr. Raphael: You would not say that Sir James Mitchell is a Labourite, and yet we appointed him Lieut.-Governor.

Hon. N. KEENAN: It would be very invidious for me to mention names, but I can do so. For instance, what banking experience had the late Mr. McCallum when he was appointed to the position of Chairman of the Agricultural Bank?

Mr. Raphael: He had lost thousands on his own farm.

Mr. Styants: Let the dead rest. Give us a living example.

Hon. N. KEENAN: What experience of licensing laws had the two ex-trades hall secretaries that were appointed to the Bench? What knowledge of lotteries did Mr. Kenneally possess?

Mr. Marshall: You might be surprised to know.

Mr. SPEAKER: Members must keep order.

Hon. N. KEENAN: I decline to make remarks that will lead to any further disorder, though I might continue ad infinitum.

Mr. Raphael: So might we.

Mr. Styants: What knowledge did Mr. Taylor have of the Licensing Bench before he was appointed?

Hon. N. KEENAN: As I was saying, the public is cognisant of the fact that every appointment has had as its outstanding reason not merit, but political service.

The Minister for Railways: They all stood up to the test of merit, anyway.

Hon. N. KEENAN: We are still sufficiently purists to resent the introduction of any of the tactics of Tammany Hall.

Mr. Styants: Provided that the men appointed had the qualifications, the Government did the correct thing in appointing them.

Mr. Hughes: Even though it was over the heads of more qualified men?

Mr. SPEAKER: Order please!

Hon. N. KEENAN: I come now to the gravest of the omissions from the Lieut.-Governor's Speech. I refer to the entire absence of any statement as to what the Government proposes to do to save the agricultural industry and particularly the wheatgrowers.

The Minister for Employment: The member for Subiaco put up a policy yesterday.

Hon. N. KEENAN: The wheatgrowing industry, which plays an important part in the economic life of the State, is virtually on its death bed and unless some steps are taken in the immediate future to assist it, the prevention of a catastrophe will be impossible. So far as it is possible for human beings to forecast such events, it is absolutely certain that the world price of wheat for this season's crop and the crops of some seasons to come, will fall to a figure that will mean absolute loss to producers. I am told by those well conversant with all the facts of the wheat market that one of the reasons for that probable state of affairs is that there is a very large harvest in the United States, such an exceptionally large harvest in fact that the Canadian Wheat Commissioners have announced their intention of selling their immense holdings at whatever price that can be obtained. Secondly, and this is probably the most dangerous of all the situations confronting the producers of wheat, Russian wheat has appeared on the market again. Russian wheat is now being offered in England in any quantity that is acceptable. Apparently the five years' scheme that was embarked upon in Russia has reached such a stage that the export of wheat is now possible and we realise what that means. The Russians will sell for any price they can get, as we know from the experience we had when they were on the market before. Our wheatgrowers certainly cannot stand a shock of this character. I am told that next season the difficulty will be to obtain a market at all, because the markets of the world will be so swamped and glutted with supplies that it will be almost impossible to secure buyers.

Mr. Styants: The English would not eat Russian wheat, would they?

Hon. N. KEENAN: I am not prepared to answer the hon. member's question.

Mr. Marshall interjected.

Mr. Thorn: The member for Murchison reads Russian literature.

Mr. Marshall: The member for Toodyay would not have sufficient intelligence to understand the literature, even if he did read it.

Hon. N. KEENAN: If such a condition of affairs as I have forecast should eventuate—and it is extremely likely—we may see the price depressed to as low as 2s. sterling. A shock of that kind cannot be borne by our wheatgrowers. Even when the price is about 3s. a bushel, as it was a few days ago, the growers were not far removed from collapse. The question is therefore whether we can stand by and witness such a collapse without doing anything to prevent it. To do so would be to stand by and witness the collapse of the State as a whole, for this industry plays far too big a part in the economic life of the State to be thrown on to the scrap heap and allowed to die without producing results of a most abnormal character over the rest of the State. But there is not a single word to be found in the Lieut.-Governor's Speech that will indicate the policy the Government feels should be pursued with a view to saving the industry. I do not accuse the Government

of being callous. As a matter of fact, I am certain that no matter on which side of the House members sit, all are anxious to do what they think should be done to safeguard the industry. The means adopted or to be adopted, however, are largely governed by extraneous and exceptional circumstances. It is not popular to make a certain proposal; and therefore, although one may think it is perhaps the only proposal that would produce success, one refrains from making it. That is evidenced not in our Parliament alone, or amongst us alone, but in the Federal sphere, where undoubtedly the question of what means could be resorted to to save the industry is governed by considerations of whether it would be popular or otherwise. It is clear that the only means which can possibly bring salvation to the industry must be means which will give to the grower a larger return for his product. That is obvious. No sympathy will do him any good. No mere platitudinous phrases will do any good. We must be prepared to put forward some scheme which will in fact give to the grower a larger monetary return for his product.

Many things are mentioned in connection with the wheatgrower's distress which are entirely foreign and absolutely useless; as for instance one which we always hear, that the wheatgrower should receive the same protection as the worker or producer in secondary industries obtains by the tariff. It is said that the tariff protects producers in the secondary industries, but that there is no tariff to protect the wheatgrowers. That is absolute nonsense, because all the tariff does is to shut out competition from the outside world, except of course on terms upon which it is admitted. A tariff merely shuts out the competition of the outside world. It does not in any one single way influence competition within Australia. Competition within Australia may be as keen as possible. We know well that frequently over-production takes place in our secondary industries, and that their products then have to be sold at a large loss over the cost of production. One can imagine that a tariff was put on wheat—suppose it was possible—and that 2s. per bushel was proclaimed as the tariff on wheat. Would it have any effect? None whatever. So I submit this does the farmer's cause harm, as the result of people talking without understanding what they are really talking about. The same observation applies to the comment that in opposing the referendum which took place some considerable time ago, we were in any way oblivious of the interests of the primary producers. We must take the necessary steps to save the wheatgrowing industry; and that, I suggest, we are obliged to do not merely because we have a great stake in that industry, but for national reasons. What are those national reasons, which apply, of course, not only to wheat but to all our primary exporting industries? One reason is that Australia could not exist unless the exporting industries created in London every year a fund to our credit sufficient to pay debt charges and sufficient to pay for essential imports. It is difficult to define what are absolutely essential imports, and what is the figure that would cover them; but we know that £30,000,000 in Australian currency has to be found for the service of our overseas debt, and it is only a low estimate which would put on another £70,000,000 of Australian currency for imports vital to the continuance of the industrial life of Australia. Among other vital imports are oil, petrol and machinery which is not produced here. The figure varies a lot because it includes luxuries. Motor cars, for instance, are a luxury to a large extent, because we could walk on our ten toes.

I wish to impress on this House, with all the gravity I am capable of, that for national reasons we must keep the exporting industries going, altogether apart from the huge stake we have in them in the moneys invested by all our people in those industries. We cannot do it by taking up the stand that some of our citizens should be asked to produce those exports at a loss. Is that justifiable? Can anyone reconcile with his conscience asking some of our citizens to do this necessary work, without which our national life could not continue, and do it at a loss? Of course not. For national reasons altogether apart from our stake we are compelled, for our own safety, to do all that we can to save the industry.

Mr. Marshall: What do you propose to do?

Hon. N. KEENAN: Now, what are the means which have been so far proposed to save the industry? As I said a little while ago—although I am not certain that my reference reached the Chamber—these

means, to be effective, must produce a monetary result, must increase what the grower gets for his product, or they will be absolutely useless. Two methods are suggested for arriving at that result. One is by the grant of a bonus of sufficient amount to pay to the grower in respect of each bushel of wheat which he grows a sum that will at any rate cover him from any loss in growing that wheat. The other method is by from time to time bringing into existence a home price for wheat which is consumed in Australia—apart of course from all seed wheat—a price which will compensate the grower for any loss resulting to him by the sale of the balance of his crop in foreign markets. Of those two methods the grant of a bonus sufficient for the purpose which I have indicated is infinitely preferable. In the first place, though there are some difficulties, there are no insuperable difficulties in giving effect to the proposal. In the second place, the burden would fall on the shoulders best capable of carrying it, the shoulders of the community at large. But no State Parliament or State Government can grant a bonus in respect of any industry except the mining industry. For some reason, when the Federal Constitution was drawn up, an exception was made of the mining industry. That industry is the only industry which any State Government or any State Parliament can assist by bounties. We all know that so far as the Federal Government and the Federal Parliament are concerned, it is absolutely hopeless to ask them, with the Commonwealth's present defence and future defence commitments, to grant votes of sufficient amount to achieve the purpose.

Now I wish to state shortly the objections which I and others take to the home price proposal. That proposal, I said, is to assure to the grower in respect of the whole of his crop a fixed price. It means, of course, that the price to be paid would vary.

The Minister for Lands: Is there any difficulty in the Federal Government doing that by legislation?

Hon. N. KEENAN: If the Minister will allow me, I will answer that. However, it is somewhat difficult in the middle of a sentence to pick up interjections, and still more difficult to reply. I was saying that the home price proposal is one which means that the farmer will get a fixed price, but that there will be a sliding price for the consumer. The sliding price will depend on what is fixed as the farmer's return and the difference between that and what the grower is able to obtain in the outside markets of the world where he sells his products. Thus, for instance, if we accept 3s. 6d. as being the price—I merely make that as a suggestion—which the wheatgrower should have secured to him, then if the whole of his crop was sold and if one-third of his crop was consumed in the whole of Australia and if the export balance was sold at a price of 2s. 6d. Australian currency, the home price, in order to secure the 3s. 6d. to him, would have to be 5s. 6d. a bushel. If only a quarter of the crop was consumed in Australia and three-fourths exported, then the home price would have to be 6s. 6d. a bushel in order to give 3s. 6d. to the farmer. If only a fifth of the crop was consumed in Australia, the figure of the home price under those conditions would rise to 7s. 6d. a bushel. That would be a very serious matter, for it would undoubtedly mean that the flour produced in Australia would increase in price as compared, at any rate, with present prices. That is a matter of grave objection to the scheme, inasmuch as the home price consistently rises with the amount of export. It begins when we export only two-thirds of the crop at a figure comparatively low—5s. 6d., a figure which ought to be reached in the ordinary market; and it then proceeds to rise as the export rises. Obviously, in the interests of those who are consumers in Australia, we would have to limit the export; and this limit would be most difficult to accomplish, because once we make the industry a payable industry by guaranteeing to the grower 3s. 6d., which I assume is payable for every bushel of wheat he grows, there will be a rush to get in and make a living out of it. And so, with the absolute necessity to reduce the amount of export, we shall find all the newcomers endeavouring to get in and increase the amount of export. To meet that position, assuming that we were driven, as we may be, to adopt a home price system, the only way would be by a strict limitation enforced by legislative authority on all growing of wheat in Australia.

Hon. P. D. Ferguson: That is being done in America now, is it not?

Hon. N. KEENAN: It would be necessary to say to a man who in the past had grown 15,000 or 20,000 bushels, "Your quota is to be 7,000 or 8,000 bushels," or whatever figure might be arrived at by a board dealing with the whole of Australia. That would lead to the most difficult complications. It would mean that a man who had had the good fortune to get good crops in the past, would receive a license to grow a large crop, whereas a man who had had the misfortune to grow small crops would experience difficulty to get a license at all.

Then there is the last objection that the burden of this proposed remedy—it is not a cure; it would merely act as a stave-off—would fall entirely on the consumers of wheat or flour, and that means it would fall on the married man with a family. Now we are faced with the position that to give the least that obviously would have to be given in those circumstances is a problem of the greatest difficulty. There is this objection, which I personally hold and which will be held by most who give consideration to the problem, that if the community as a whole does come to the rescue of the industry—as it must do, or the industry will perish—and if it has to find the money to make up this home price to the wheatgrower when the market is below 3s. 6d., then when the market rises above 3s. 6d., the community must receive every penny of that excess. It is not to be merely a guarantee, as it has been spoken of, and then, when good times come, for the wheatgrower to say goodbye to the taxpayer and take the higher price. In New Zealand there appears to be trouble on this score. There must be a distinct understanding that if the community comes to the rescue of the industry, as I believe it must do, then the community must receive back every penny in excess of 3s. 6d. per bushel. This excess must not be expended without regard to a definite purpose, but it must be placed in some pool for the purpose of recouping past advances and making provision, if possible, for future advances. Those are the three main objections I see on the part of the community, but there are also objections from the viewpoint of the wheatgrowers.

The principal objection from the viewpoint of the wheatgrowers is that the persons chiefly to benefit by the scheme would be the persons least in need of assistance. Take, for instance, a farmer who reaped 18 bushels to the acre. He would receive substantial assistance, but the man who reaped only 10 bushels to the acre, and who would be much more in need of assistance, would receive comparatively little. That objection might be overcome by adopting a sliding scale and provided that the price of 3s. 6d.—if that is the right price—be paid for all the crops up to 12 bushels, and from that figure onwards there would be a diminution of 1d. in the price for every bushel until 3s. was reached at 19 bushels. That might and doubtless would remedy the inequality. But the main difficulty from the growers' point of view will be the reduction of output. How that can be equitably arranged, and arranged in such a manner as not entirely to block future development, because we in this young State cannot say we have reached the goal of development, is another difficulty that faces us. Here we have a restriction. How are we going to enforce that restriction and leave even the smallest opening of the door for future development?

Although those difficulties do exist, and to the extent I have explained, the fact remains that something must be done, and done at once, to aid this industry, or it is bound to perish. It is useless to shut our eyes to the fact that time is the very essence of the contract. The industry cannot carry on for any period of time unless it receives assistance, and if this debacle happened, consider what the result would be! Therefore we are compelled to adopt some means, however objectionable the means may be, to save the industry, and for that reason and that reason alone, I am prepared to support the principle of a home price, but provided only that every precaution is taken to prevent abuse and to alleviate the burden that the proposal would unfortunately cast upon a restricted class.

Mr. Needham: Would you provide better conditions for the workers on the farms?

Hon. N. KEENAN: Now I ask, what is the attitude of the Government to this vital question? Surely the country is entitled to a lead from the Government in a matter of this kind. Here is one of the main industries—one of the arteries of a corporate body—and it is perishing. What is the Government's view of the action that should be taken? If the Government does put forward any proposal, I give my assurance that we

will receive it in no unfriendly manner, nor in any unduly critical manner. Some step must be taken, and I admit there may be many reasons that would operate to prevent the Government's taking that step. Still, we cannot allow such reasons to prevail, because something must be done, and done at once.

The Premier: You agree that anything done should be on an Australia-wide basis?

Hon. N. KEENAN: Yes, undoubtedly. If the Government approached the other States, I believe it would receive the same sympathetic hearing that I have assured the Premier from these benches.

The Premier: The Premiers are to meet next week.

Hon. N. KEENAN: Then surely our emissary is not going to attend without having some idea of what we as a State expect him to say and do! No matter how we may shut our eyes to facts, the times in which we are living are full of turmoil, danger and risk. At any moment a world explosion may occur, prophetic of disaster.

Mr. Rodoreda: The Government is not responsible for that.

Hon. N. KEENAN: In the circumstances, no such thing as party government should exist. Party government unfortunately has party alignments, and those party alignments prevent the Government from doing what is good nationally, simply because they may, for the time being, run counter to the Government's policy. Therefore I am satisfied that we should have a non-party Government to face the crisis that will certainly confront us in the next 12 months. It is foolish to shut our eyes to facts. War can only be put off from day to day; by no single step of which we are aware can war be averted. One of the great triumphs of Mr. Chamberlain—and I join with Mr. Curtin in admiration of the British Prime Minister—is that he has managed so far to keep us out of war, or the passion to go to war.

Mr. Needham: You should read this evening's paper.

Hon. N. KEENAN: There can be no question, however, that war is merely being deferred. Every day's delay is advantageous to Britain in that she will be better prepared to fight. Still, we cannot shut our eyes to the fact that we are on the eve of terrible events, and therefore I invite the House to accept the advice I have tendered to drop party government and to act nationally. We on these benches have no greed for office. We are prepared to give all the support in our power to a Government that is ready to carry the State on non-party lines through the infinite dangers ahead of us. If in fact we could only foresee the future—being only mortals we cannot see, but from our experience we can make an honest estimate—there would be no doubt about the action we would take. We would not sit here wrangling, as unfortunately we do, but we would sit as a Parliament returned to enlist the support of every section of the community in preserving the future of the State.

THE MINISTER FOR EMPLOYMENT (Hon. A. R. G. Hawke—Northam) [5.58]: I desire to add my measure of congratulation to you, Mr. Speaker, and to other members to whom congratulations have already been offered. During the debate, much has been heard of the recent threatened dispute in the Collie coal mining industry. I do not propose to deal at all with any of the statements of Country Party members who referred to the matter. Their speeches revealed that they knew little or nothing of the facts, and less of the legal phases. Each of them in turn was more or less hopelessly bushed, and the contributions were not at all enlightening, but were motived mainly, if not entirely, by a desire to use the matter for political purposes. The contribution of the member for Nedlands (Hon. N. Keenan) falls into a somewhat different category. His statements were doubtless calculated to impress the public, but here they could not impress more than the two new members of the House who have not previously had an opportunity to listen to the speeches of that nature that have so frequently been delivered by the member for Nedlands.

Hon. C. G. Latham: He does not suffer from an inferiority complex.

Mr. Marshall: He is not alone in that.

The MINISTER FOR EMPLOYMENT: If the Leader of the Opposition suffers from that complaint, there is complete justification for it. The member for Nedlands (Hon. N. Keenan) sought to impress members first of all by relating a number of well-known facts bearing on the matter, facts that were not in dispute, and that had nothing at all to do with the action taken by the Government in dealing with the dispute that threatened in the Collie coal mining in-

dustry. Having put forward a number of facts, and having laid the foundations consisting of those facts, the hon. member doubtless felt that everything else he said would also impress members, or at least some of them, as representing facts. The only facts he mentioned were contained in the statement he made regarding the 1936 award of the court. The 1936 award has nothing to do with the question which came before me and the Government recently for decision. No one denies that the court made an award governing the Collie coal mining industry in 1936, or that subsequently the Collie Coal Miners' Union made application to the court for an amendment of the award. No one denies that the court subsequently appointed an industrial board to inquire into the conditions of the industry at Collie. It was when the member for Nedlands went on to deal with the events that occurred in 1937, and more particularly those that occurred this year, that he found it necessary immediately to depart from the facts, and to build up on his foundation of facts quite a number of misrepresentations and reckless assertions. It is to those misrepresentations and reckless assertions I propose to give some attention. He stated that the court most exhaustively considered and inquired into the recommendations brought before it by the industrial board. I am not aware of the authority he had for making that statement. I doubt whether he read the report presented to the Arbitration Court by the industrial board. I doubt whether he read the judgment of the court, or whether he knows one of the reasons advanced by the court for refusing to adopt any of the recommendations of the board. If he had given attention to those particular matters, I am sure he would not this afternoon have declared, as he did, that the court had thoroughly and exhaustively inquired into the recommendations made by the industrial board, and the reasons that actuated the board in making them. When the matter was first brought under my notice, I felt it my duty thoroughly to investigate the whole situation from the time the board was appointed until the time the court had concluded its consideration of the position. All I ask members to do is carefully to consider the recommendations made by the industrial board, and the reasons set out in the board's report for those recommendations. I also ask them carefully to consider the court's reason for rejecting the recommendations. If members do that there is not one in the Chamber but will agree that the court, in more than one instance, obviously misinterpreted the reasons given by the board for its recommendations.

Hon. P. D. Ferguson: If the court could not interpret them, we could not do so.

The MINISTER FOR EMPLOYMENT: I have sufficient faith in the hon. member's judgment to believe that he could interpret the reasons more correctly——

Hon. P. D. Ferguson: Than could the President of the court?

The MINISTER FOR EMPLOYMENT: Than they were interpreted by the court. I will have something more to say about that later.

Hon. C. G. Latham: There is nothing like crying down your courts of justice and the Court of Arbitration.

The MINISTER FOR EMPLOYMENT: That is an easy "get-out" for the Leader of the Opposition.

Hon. C. G. Latham: It is true.

The MINISTER FOR EMPLOYMENT: It may be true. Those members who have spoken concerning the Collie coal mining dispute have not had any qualms of conscience about making the most reckless charges and most undesirable kind of insinuations against the Government and the Minister for Labour in connection with this matter. It is remarkable that members can indulge in such tactics against certain established authorities, including the Government, and yet, when in defence, a clear and fair statement of the position is put forward, they say that those statements are made for the purpose of doing harm to some other institution and some other established authority. Let members opposite prove their bona fides in this regard, and their consistency by adopting the same attitude towards all established authorities. In support of what I have said, and as an aid to my invitation to members carefully to study the recommendations of the board, its reasons for the recommendations, and the subsequent reasons given by the court for disallowing them, I propose to direct the attention of members to what the court said in its judgment upon some of the decisions made by Mr. McVee. The first decision made by Mr. McVee was that 1s. per shift

should be added to the rates of all adult day wage workers in the industry. The court, in dealing with this particular decision, had this to say—

Mr. McVee must not have read the awards of the court, or he would not have made that statement. The fact is that only 1s. out of the 2s. taken away from the miners in the 1931 award had been restored. The fact is that 1s. per week was added in the award of 1934, and another 1s. per shift was added in the award of 1936, making an addition of 2s. per shift in all. Incidentally, it may be remarked that the recent declaration of the basic wage represents a further increase to all workers. The recommendation of Mr. McVee is therefore deprived of the reasoning by which he sought to justify it.

And so it was that the court condemned that decision of Mr. McVee, and the reasoning he used to justify his decision, by declaring that he did not know what he was talking about, and that he could not have studied the awards, otherwise he would have known that the court itself restored 1s. in 1934 and the other 1s. in 1936, making a complete restoration of the 2s. that was taken away in the 1931 award. In the "West Australian" of the 19th July, some two or three days after, the President of the court offered his apologies to Mr. McVee on this point, as follows:—

I stated in the judgment that there was 1s. per shift added in the award of 1934, and another 1s. per shift added in the award of 1936, making an addition of 2s. per shift in all. I find on consulting the awards that what happened was this: that 1s. per shift was added in 1934 by a special subclause in the Wages Schedule, and in the 1936 award that subclause was struck out, and the 1s. that was added in 1934 was made a permanent part of the Wages Schedule. So the net result was, it was 1s. per shift that was added, and not 2s. per shift. I desire to make this correction in justice to Mr. McVee. That of course does not affect the legality or otherwise of what has been termed Mr. McVee's award, but it does make Mr. McVee correct in saying that only 1s. per shift was added, though the addition was made in 1934 and not in 1936.

I draw the attention of members to this to indicate that the recommendation of the board in the first instance, and the reasons advanced by the board in support of that recommendation, did not have that exhaustive investigation and careful and long consideration at the hands of the Arbitration Court, such as has been declared by the member for Nedlands. Although this fact he advanced had nothing directly to do with the action subsequently taken for the appointment of a conciliation commissioner to deal with the situation which was threatening at Collie, it nevertheless indicates there was some justification for the threat of industrial trouble that did develop at Collie. The coal miners, like other workers, are not pieces of wood. They are of ordinary flesh and blood, men possessed of thoughts and feelings. When they knew, as they must have known, that the presentation of their case had not received the consideration which perhaps it ought to have received, it was natural on their part, as it would be on the part of other men, including the member for Nedlands, that some protest should be made, and some effort advanced to obtain that justice that they so strenuously felt had been denied to them. The member for Nedlands told us that the court was unanimous in its reception of and decision upon the recommendations of the industrial board. I am not aware from what source he obtained that information, but I do know it was absolutely incorrect. And yet at the beginning of his speech he was careful to assure the House that he was going to present the facts of the position, and of the whole of the circumstances, for the information of members and the country generally. He made a very important statement in which he declared that the court was unanimous in the manner in which it received the board's report and the recommendations of the board. Shortly I propose to read what Mr. Somerville had to say regarding the report and the recommendations of the board, and the decision the court proposed to make in respect of the recommendations. The industrial board carried out a most exhaustive and thorough inquiry into the actual industrial conditions operating in the coal mining industry at Collie. I doubt whether a more thorough and practical inquiry into industrial conditions has ever been carried out in any industry than was carried out by the members of this board.

Sitting suspended from 6.15 to 7.30 p.m.

The MINISTER FOR EMPLOYMENT: Before tea the member for Nedlands expressed regret that he would not be able to return to the House for this evening's sitting, and I am sure we are all very sorry that

his physical disability is such as to prevent him from attending any night sittings of Parliament. When the sitting was suspended for tea, I was pointing out that the decisions of the court in connection with the recommendations of the board were not unanimous. Mr. Somerville had this to say:—

> The report indicates that the board have done their job with unusual thoroughness. All the arguments for and against are marshalled and the oral and documentary evidence is analysed wth great care. Now if these boards are to be of any value or indeed anything but a mere vexation and a waste of time, their reports must not be unnecessarily interfered with. Of course if the reports contain suggestions which are obviously unjust or likely to cause unrest instead of peace in industry, then it is the duty of the court to revise the Industrial Board's recommendations as it did in one case I could mention. But nothing of this character can be urged against this exceptionally well balanced and logical report. I therefore hold that the report should be adopted as a whole, even though the board have refused many applications to which the union attached great importance.

Mr. Somerville made other statements, but I propose to quote only one of them. He said:—

> If the court had the exclusive use of some measuring stick—some mathematical formula—by which to reach a conclusion based upon scientific principles, then this would be a good reason. But as the court's awards are merely the inference drawn from the facts by a committee of three, they can have no better claim to be without error than the conclusions of the Industrial Board which was a committee of five. The board have the additional factor on their side that their conclusions were based upon evidence of parties who had had 18 months' experience with the court's 1936 award.

One of the outstanding facts in connection with the investigations carried out by the board was that the inquiry was complete and covered all possible phases of the working conditions in the industry. The board had witnesses before it and took evidence. The board included men of many years' practical experience in the industry. I repeat my invitation to members of this Chamber to study carefully the recommendations of the board and the reasons given for them, and then to study carefully the interpretation placed upon those reasons by the court itself. The member for Nedlands did not, in my opinion, face up to the question of whether the appointment of the Commissioner was legal in the circumstances.

Hon. C. G. Latham: I think everyone agrees that the appointment was legal.

The MINISTER FOR EMPLOYMENT: I am afraid the Leader of the Opposition has not followed this matter as closely as he should have done. If he had followed closely the whole of the proceedings and happenings, he would know the Arbitration Court itself declared the appointment of Mr. McVee to have been illegal.

Hon. C. G. Latham: It was illegal for the purpose, which was to over-ride an award.

The MINISTER FOR EMPLOYMENT: No.

Hon. C. G. Latham: Yes.

The MINISTER FOR EMPLOYMENT: If the Leader of the Opposition will read the clauses of the declarations, he will find that, first of all, the court declared the appointment to be illegal, and subsequently declared the decisions, or the award, made by the Commissioner to be illegal.

Hon. C. G. Latham: Yes, that is so, and they were right in that respect.

The MINISTER FOR EMPLOYMENT: The Leader of the Opposition has said that the appointment was legal.

Mr. Doney: Will you tell the House, if you know, the reasons why the court said the appointment was illegal?

The MINISTER FOR EMPLOYMENT: The court declared the appointment to be illegal because the circumstances surrounding the appointment were such as not to constitute a threatened industrial dispute within the meaning of Section 169 of the Industrial Arbitration Act.

Hon. C. G. Latham: The intention was to appeal against an award.

The MINISTER FOR EMPLOYMENT: I will lead up to that point.

Mr. Doney: Had it anything to do with the time that had elapsed since the previous award had been made?

The MINISTER FOR EMPLOYMENT: No, it was based on the court's interpretation of Section 169. The Leader of the Opposition, rightly, in my opinion, interpreted that section quite differently. I am sure there are in Western Australia very few people, even legal men, who would declare that the appointment of the Commissioner in the circumstances was illegal.

Mr. Doney: Unfortunately, a lay interpretation is not necessarily correct.

The MINISTER FOR EMPLOYMENT: And equally unfortunately a legal interpretation is not always correct.

Mr. Doney: But the legal interpretation is more likely to be correct when interpreting an Act.

The MINISTER FOR EMPLOYMENT: I agree, as everyone else must agree, that an appointment could be legal, and that actions taken by the Commissioner subsequently might be illegal. We must not confuse the two questions. Unfortunately, they have been confused throughout the whole controversy that has raged about this matter, and that confusion has led to much misunderstanding and has been deliberately used by those who desired to misrepresent the whole situation.

Mr. Doney: You might leave out that word "deliberately."

The MINISTER FOR EMPLOYMENT: With respect to the member for Williams-Narrogin (Mr. Doney), I gladly leave out the word "deliberately." The member for Nedlands did not face up to the question whether the appointment in the circumstances was legal, nor did he face up to the question whether the subsequent actions of the Commissioner, following upon his appointment, were also legal. This is the question he put up to me and to the Government: "Did the Crown Law Department advise the Minister that it would be legal to appoint a conciliation commissioner to interfere with an award of the court?"

Hon. C. G. Latham: That is the point.

The MINISTER FOR EMPLOYMENT: Obviously, the Crown Law Department would not advise a Government that way. Obviously, too, no Minister and no Government, except possibly a Ministry composed of Opposition members, would be so foolish as to ask the Crown Law Department to advise on a question of that nature. The Crown Law Department was asked, following upon an interview I had with the President of the Court, whether the appointment of a conciliation commissioner would be legal in view of the threatened dispute in the Collie coalmining industry. In other words, the Crown Law Department was asked whether the circumstances existing in the Collie coalmining industry were such as to constitute a threatened industrial dispute within the meaning of Section 169 of the Industrial Arbitration Act. Evidently the Leader of the Opposition has very carefully and closely read and understood the contents of that section. He admits, without any hesitation or qualification of any kind, that the appointment of a conciliation commissioner, in the circumstances, was legal. I shall read portions of that section, not the portions most suitable to me, but the portions that are relevant to the question whether the Commissioner was legally appointed. Subsection 1 reads—

> In this section the term "industrial dispute" includes any threatened or impending or probable industrial dispute.

The very first words in the section extend the meaning of the term "industrial dispute" in an all-embracing manner. I am at a loss to know what other words could be used to extend the term more completely than by the words here used. Then Subsection 2 reads—

> The Minister may appoint commissioners for the purpose of preventing or settling any industrial dispute, and notwithstanding that any lockout or strike may exist.

Those words, too, clearly indicate that this particular section aims at allowing conciliation commissioners to be appointed for the purpose of dealing with the very situation that was threatening to arise at Collie. It has been said that representatives of the Collie Coalminers' Union visited Perth and intimidated the Minister for Labour into appointing a conciliation commissioner.

Hon. C. G. Latham: That would not be very hard.

The MINISTER FOR EMPLOYMENT: It was also claimed by one member that the Minister had gone to Collie and was also intimidated there.

Mr. Cross: That the Minister went there for that particular purpose.

The MINISTER FOR EMPLOYMENT: Yes, that hon. member would perhaps suggest that I went there for that very purpose and immediately proceeded to act accordingly. It may be news to those members who are capable of understanding and appreciating the fact, when I say that I have not been to Collie for upwards of three years. In justice to the representatives of the union concerned, I desire to say that they made no attempt at intimidation. They were seriously quiet and quietly serious.

Hon. C. G. Latham: That evidently impressed you.

The MINISTER FOR EMPLOYMENT: Frankly I admit, it did. Had they indulged

in acts of intimidation or had they bluffed or blustered or adopted tactics of that description, I would not have been impressed at all.

Hon. C. G. Latham: You know there is such a thing as dumb intimidation.

The MINISTER FOR EMPLOYMENT: The Leader of the Opposition has never been guilty of indulging in dumb intimidation. The men's representatives were very seriously concerned about the whole situation, as they had every warrant to be. I am sure that had any member of this House been holding a responsible executive position in the union at that time, he also would have been seriously concerned regarding the probabilities of the situation. So these men quietly and seriously placed the position before me as they saw it. An idea is abroad in the minds of some people that leaders of unions are ever anxious to create industrial discord and industrial war for some evil purpose of their own. There is no truth in that, Mr. Speaker, as you know from your very long industrial experience. The mine workers were anxious not for industrial discord, but industrial peace; they were desirous of avoiding the threatened industrial trouble. Their leaders were anxious that the trouble should be avoided by granting to the men, if possible, the justice to which the men considered they were entitled as the result of the searching and exhaustive inquiry and the subsequent recommendation of the industrial board appointed by the court to carry out the inquiry. The member for Collie (Mr. Wilson) is not present at the moment. He played a responsible part in the negotiations between the representatives of the union and myself. I am sure no one would accuse the member for Collie of indulging in intimidation, either of the dumb or verbal type. I did not immediately accept the statement of the union's representatives that industrial trouble was threatening and was certain to occur unless steps were taken to prevent it. I had independent inquiries made and ascertained from independent and reliable sources that the information given to me by the representatives of the union was true in every respect. That was the position which faced me at that time. Those of our opponents who are always watching for an opportunity to condemn us and, if possible, discredit us, were in a happy position in regard to this dispute. They were in a position to lash us whatever happened. Had a conciliation commissioner not been appointed, an industrial dispute undoubtedly would have occurred. There can be no doubt about that, and then we would have had raised against us the old cry that industrial discord and dislocation of essential services were occurring in all parts of the State, that essential services were being wrecked for the time being at any rate, and that important sources of supply were being cut off. I am confident that had the Government taken no action in the matter, the abuse that would have been heaped upon it would have been one hundred times greater in volume than the friendly criticism of the action we did take.

Mr. Warner: "Friendly" is right.

The MINISTER FOR EMPLOYMENT: The opponents of the Government cannot have it both ways. They cannot expect to maintain themselves in the happy position of being able to condemn the Government for not taking action, and at the same time retain the right to condemn the Government if it takes action to meet a serious situation. The Crown Law Department was asked to advise whether the appointment of a conciliation commissioner in the circumstances I have just explained would be legal. The advice received was that it would be legal. A commissioner was then appointed. That was the beginning and the end of the legal power of the Government in the matter. Neither the Minister nor any other member of the Government was in a position to take further action. The Government was not in a position to advise the commissioner, to instruct him, or to influence in any way his handling of the dispute. When he was appointed, it became his bounden duty to take all steps which the Act provided in an endeavour to prevent the threatened industrial dispute from occurring. Section 169 of the Industrial Arbitration Act does not, in fact, give the commissioner himself any legal power to do anything beyond calling the parties in dispute into conference and using his influence and giving his advice to persuade them to arrive at an amicable settlement of the points in dispute. Mr. McVee carried out that procedure. He called the parties into conference, discussed the whole situation with them and endeavoured to move them to agree mutually to settle

the points in dispute. He was not successful. The representatives of the union wanted the representatives of the companies to agree to 15 points that were in dispute. The representatives of the employers would not agree; they would not, in fact, agree even to one point put forward by the union. Yet one would think, judging by some of the statements made during the Address-in-reply debate, and judging more particularly by some of the hysterical outbursts that have appeared in the "West Australian" newspaper, that the employers would have agreed to everything, and would immediately, without discussion or argument, have conceded every point put forward by the union.

Hon. C. G. Latham: You know why they did not, because the increased cost would have had to come out of their pockets.

The MINISTER FOR EMPLOYMENT: Not at all. That is just where the Leader of the Opposition is off the track.

Hon. C. G. Latham: No, I am not. Read the agreement.

The MINISTER FOR EMPLOYMENT: The Leader of the Opposition has been off the track in his public utterances respecting this matter. There is no need to read the agreement. I will explain the whole matter so clearly that it will be understood by every member of the House and by the public as well. The Leader of the Opposition has admitted more than once that the appointment of the commissioner was legal. That being so, the commissioner became a competent authority under the contract for the supply of coal between the Railway Department and the coal mining companies.

Mr. Doney: It was not legal.

The MINISTER FOR EMPLOYMENT: Obviously he did become a competent authority and one whose decision would be accepted by the railways as coming from a competent authority.

Hon. C. G. Latham: The wording of the agreement is "an award of the court or of a competent authority."

The MINISTER FOR EMPLOYMENT: He is a competent authority if his appointment is legal. He was legally empowered to do those things which Section 169 of the Industrial Arbitration Act empowered him to do. Therefore, the companies could easily have agreed.

Hon. C. G. Latham: He could not set aside an award of the court.

The MINISTER FOR EMPLOYMENT: He did not. If the Leader of the Opposition will be as patient——

Hon. C. G. Latham: I will.

The MINISTER FOR EMPLOYMENT: —as he normally is, that point will be explained to him a little later. In justice to the representatives of the coal mining companies, it should be stated clearly that they did not adopt an irresponsible attitude. They appointed their representative to the industrial board, who had a knowledge of what was fair and just to be granted to the men in the industry.

Hon. C. G. Latham: Are you referring to the commissioner or to the board?

The MINISTER FOR EMPLOYMENT: I am referring to the board.

Hon. C. G. Latham: The board appointed by the court?

The MINISTER FOR EMPLOYMENT: Yes. The representatives of the companies believed that some of the recommendations made by the board and disallowed by the court were just in character and ought, in justice to the men, to have been granted. As I said, they adopted no irresponsible attitude, they were not prepared to concede willy-nilly any points which the union cared to put forward. Their desire was that the dispute should be further investigated by a competent authority. Therefore, when the action taken under Section 169 failed to move the position further forward, because the representatives of the employers were not prepared voluntarily to grant any point in dispute, the parties agreed in writing, under Section 170, to submit not 15 points to the commissioner for consideration and decision, but eight points only. I think it speaks volumes for Mr. McVee's long experience and skilled knowledge of the coal mining industry that the representatives of the coal mining companies were willing to agree, in writing, to submit the points in dispute to him and also to accept his decision upon any one or all of them. In due course, Mr. McVee completed his consideration of the points. He decided that certain benefits over and above those already existing should be granted to the men. He decided in the men's favour on, I think, three or four of the eight points, the main point being the granting to adult day-wage workers of 1s. per shift extra. The court itself, in considering the Industrial Board's recommendations, and subsequently in con-

sidering Mr. McVee's decision, did not understand what was done by the awards of 1934 and 1936. Mr. McVee's decisions did not conflict with any of the provisions of the award as settled by the court some weeks before. The decisions were in addition to those already existing. There was not any point of conflict at all. But if we look at the whole position from a purely ethical and just point of view, it will be admitted that the men have received nothing more than that to which they were justly entitled.

Hon. C. G. Latham: That is not the question.

The MINISTER FOR EMPLOYMENT: It is one question, and it is the question to which the Leader of the Opposition should face up; it is a very important question.

Hon. C. G. Latham: The question is whether we should fix the payment for these men, or whether the court should do it.

The MINISTER FOR EMPLOYMENT: We, as the Leader of the Opposition describes us, or himself, did not fix anything. The Minister did not decide any of the points in dispute; the Government did not decide whether the men should get 1s. per shift extra.

Hon. C. G. Latham: Of course you paid it.

The MINISTER FOR EMPLOYMENT: The Leader of the Opposition puts up one point, and when I proceed clearly to explain the nature of that point, he immediately wants to jump to another.

Hon. C. G. Latham: No, the same point.

The MINISTER FOR EMPLOYMENT: It is not. I desire to deal with the points in their proper sequence. The Leader of the Opposition should be taken notice of, because it is my desire that he should possess a far greater and more accurate knowledge of this as well as other industrial matters. The commissioner was legally appointed, and under Section 169 he did those things he was entitled and legally bound to do. As a result of his inability to bring the parties to a settlement of the points in dispute, he obtained from the parties themselves authority in writing to consider and decide the eight points that were referred to him. He decided them. He then submitted his decisions in the form of a report to the Registrar of the Industrial Arbitration Court. I do not desire to say anything regarding what happened subsequently in that court except to express my own conviction that the court itself did not have the power, legally or otherwise, to declare Mr. McVee's decisions or award illegal. If the court desired to challenge the decisions or award, then those decisions or award should have been challenged somewhere else. I would have had no objection to the court itself taking whatever action it thought it was entitled to take to challenge the award or decisions in some other court.

Mr. Doney: Is it competent for a commissioner to amend an award by adding fresh matter to it?

The MINISTER FOR EMPLOYMENT: What the commissioner did, he was entitled to do, because the parties to the dispute agreed in writing to empower him to do what he actually did. How could the dispute have been dealt with otherwise? How could the threatened dispute have been averted if someone had not been given power to avert it?

Mr. Doney: That is not the question here.

Mr. SPEAKER: Order!

Mr. Patrick: Has not the court power at any time to amend an award?

The MINISTER FOR EMPLOYMENT: No.

Hon. C. G. Latham: Not even under Section 88?

The MINISTER FOR EMPLOYMENT: No: the court considered that it had finished with this Collie coal mining matter when it dealt with the recommendations of the board. The court felt it could take no action in connection with the threatened dispute in the industry, and so it remained for someone else to take action, or failing that, it meant that the threatened dispute would become an actual dispute, with all the loss and inconvenience and dangers associated with industrial disputes as big as that one would undoubtedly have become. I noticed that the "West Australian" newspaper expressed a particularly brilliant idea as to how the situation could successfully have been dealt with in the event of a dispute taking place. The newspaper said that our essential public utilities, especially the transport utilities, need not have been inconvenienced in any way; it said that we could have adopted the simple expedient of importing our coal requirements from the other States. I am inclined to think that the writer of that leading article does not know of the close

bond of loyalty that exists between the different industrial workers in the different industries in this State and in the other States. Let us admit that the court was perfectly entitled to take the action it did in declaring Mr. McVee's decisions illegal. The Government did accept that position. We could have taken action to challenge the court's right to declare Mr. McVee's decisions or award illegal; but we accepted it. We accepted the declaration of the court in preference to going through a long and tortuous legal process to have the whole matter straightened out. I am not suggesting that the Government would have taken any action to test the court's declaration on that point, even though a long and tortuous legal process would not have been involved. We accepted the court's declaration. Some hon. members seem to think that when the court made that declaration proclaiming Mr. McVee's decisions or award to be illegal, the whole matter was somehow mysteriously and marvellously solved, that nothing else remained to be done.

Mr. Doney: I do not think anyone thought that the dispute would have extended.

The MINISTER FOR EMPLOYMENT: What does the hon. member suggest that the Government should have done?

Mr. Doney: I am not putting up any suggestions.

The MINISTER FOR EMPLOYMENT: No. When the member for Williams-Narrogin was discussing this question last night, he did not appear to be very serious about it.

Hon. P. Collier: You could never accuse him of ever being serious.

The MINISTER FOR EMPLOYMENT: Every now and then he broke away from his serious mood and smiled broadly. Occasionally he even burst into laughter that was audible in the Speaker's and strangers' galleries. In fact, one of my friends in the strangers' gallery said, "I like the member for Williams-Narrogin; he seems to be a happy and humorous sort of fellow."

Mr. Thorn: You were playing your part in that.

The MINISTER FOR EMPLOYMENT: The Government was not in a happy position when the court made its declaration on the particular point to which I have been referring. The Government faced not only the same situation that had confronted it all along, but was facing a situation that had been intensified in seriousness as a result of the court's declaration. As a fact, the companies had made up their pay sheets on the decisions given by Mr. McVee. The companies had marked the envelopes which were to contain the workers' wages with the amount each man was entitled to receive under Mr. McVee's decisions.

Hon. C. G. Latham: Did they charge the extra 1s. to the Commissioner of Railways?

The MINISTER FOR EMPLOYMENT: Before the actual pay day arrived, the court declared Mr. McVee's decisions to be illegal. The companies were then compelled to strike out the amount that was first written on the envelopes and substitute a lower figure. One might have expected that a happening of that description would precipitate an industrial dispute immediately. Fortunately, the coal miners, like the member for Williams-Narrogin, have a fund of good humour running through them, and they accepted the situation in the correct spirit. After a happy acceptance of the situation, the men who had been suffering from what they considered previously to be a severe grievance, became more resolute than ever and the dispute which had been threatening during previous weeks assumed a graver aspect. Thus, we were in the position that consideration had rapidly to be given to the situation if we desired to avert the dispute that we had tried to prevent from happening during a period of several weeks of negotiations. The matter was taken up with the representatives of the companies. They indicated that they were still prepared to accept the decisions given by Mr. McVee and the opinion was expressed by them that those decisions were not unfair and not unreasonable to them, nor unjust to the men themselves. If the coal mining companies had been ordinary employers of of labour, the whole matter could immediately have been finalised. There would probably have been no objection to the immediate finalisation of the dispute on the basis I have mentioned. That would have been what the President of the court described as a common law contract between the employers and the employees. When his statement was published in the

"West Australian" the President of the court pointed out that awards made by the Arbitration Court provided minimum wages and minimum standard conditions for the industries to which they applied, and he added that if any set of employers, or any set of workers, cared voluntarily to agree to pay or to receive wages higher than those set out in the award, or to give or receive better conditions, they were legally entitled to make such arrangements. So, if the coal mining industry employers had been ordinary employers, if they had not had a contract with the Railway Department regarding the supply of coal and its price, the whole matter would have been finalised immediately and without any Minister of the Crown taking any further action.

Hon. C. G. Latham: Do you think that a company would have agreed to that, even though it could not have increased the price of coal?

The MINISTER FOR EMPLOYMENT: It would be easy for me to say I think it would.

Hon. C. G. Latham: We know that the company would not have done so in the first set-off.

Mr. Fox: It would not be the first time that companies had done it.

The MINISTER FOR EMPLOYMENT: I do not know that the company would not have done it. The most I can say, in dealing with a situation that did not arise, is that I think it would have taken a certain course of action.

Mr. Doney: The odds are against it.

The MINISTER FOR EMPLOYMENT: The odds may be against it. As a result of the actions taken by the representatives of the company previous to the Arbitration Court's declaring Mr. McVee's decisions illegal, I consider it logical to conclude that the company would have done the right and fair thing in the circumstances. The most important point is this: Had the coal mining industry employers not had this particular provision in the contract with the Railway Department, they would immediately have been in a position to pass the increased cost of production on to the purchasers of coal.

Mr. Doney: The Railway Department would have been all the more unlikely to agree.

The MINISTER FOR EMPLOYMENT: I think not. If this particular provision in the contract with the Railway Department had not existed, the company would have been in a position to pass on the increased cost. That in itself seems to indicate that they would have agreed to what they did agree to, even though no provision existed in the contract on the lines of the one that does actually exist.

Mr. Doney: It would not indicate that to me.

The MINISTER FOR EMPLOYMENT: I think the Railway Department would like to have a provision covering every supplier of goods to it similar to the provision it has in respect to the supply and the price of coal.

Mr. Doney: Why should it?

The MINISTER FOR EMPLOYMENT: If it is right and just and proper for the Railway Department to be protected in regard to the price of coal, is it not equally right that the department should be protected in regard to the price of everything it buys from other employers and suppliers?

Hon. C. G. Latham: The department does make contracts. Everything is supplied under contract to the railways.

The MINISTER FOR EMPLOYMENT: I know it is, but other suppliers are not bound so hard and fast as are the suppliers of coal. What would the ordinary suppliers of goods do if they agreed to what was agreed to in connection with all these negotiations? They would pass on the increased cost of production. And the people to whom they supply goods have no protection at all. Therefore I feel that a lot of the reflection cast upon the representatives of the coal mining companies, and the insinuations made against them, have been most unjust. The representatives of those companies have done what they considered to be fair, right, honest and honourable.

Hon. C. G. Latham: Who is saying that the companies did anything wrong?

Mr. Wilson: I heard it said to-night.

The MINISTER FOR EMPLOYMENT: It has been said a dozen times.

Mr. Doney: Not in this House.

The MINISTER FOR EMPLOYMENT: Yes, in this House and outside of it.

Mr. Doney: Not during the discussion on this question.

The MINISTER FOR EMPLOYMENT: Yes. It has been said in effect that the representatives of the company did everything they did do, not from pure and honest motives, but because they knew some Minister would raid the Treasury and hand out

some of the stolen loot to them in the way of an increased price.

Hon. C. G. Latham: That has never been said.

Labour Members: You were not here.

The MINISTER FOR EMPLOYMENT: It is most amusing to listen to the Leader of the Opposition, who appears to have a very convenient sense of hearing.

Mr. Cross: He was not here.

The MINISTER FOR EMPLOYMENT: He may not be all here now. I inform the Leader of the Opposition, if he was not here before tea, that the member for Nedlands (Hon. N. Keenan) declared in a most vicious way that the Minister for Labour had raided the Treasury and assassinated the Arbitration Court.

Mr. Styants: He said the Minister was an assassin.

The MINISTER FOR EMPLOYMENT: I propose to have something to say on that point, too, because I think it advisable, particularly for the benefit of newer members, and also for the benefit of the public, to compare this alleged assassination of the court and its authority with a very real example of assassination that took place in 1931 and was perpetrated by a Government of which the representative for Nedlands was a very distinguished member. The member for Nedlands said that the Minister had taken to himself the right to change awards of the court whenever he chose to change them, and to alter them in any detail in which he chose to alter them. There is not a grain of truth in an assertion of that kind. There is no justification for his making a charge of that description. The Minister did not change any award and does not propose to do so.

Mr. Marshall: Nor to interfere with any.

The MINISTER FOR EMPLOYMENT: In 1931 the member for Nedlands, when a Minister of the Government of that day, did in fact, the very thing that he now accuses me and the members of this Government of having done in connection with the coal dispute.

Hon. C. G. Latham: Where did he do it?

The MINISTER FOR EMPLOYMENT: In this Parliament.

Hon. C. G. Latham: Parliament did it.

The MINISTER FOR EMPLOYMENT: Yes, Parliament did it.

Hon. C. G. Latham: You cannot blame the Minister for that. He merely introduced the matter.

The MINISTER FOR EMPLOYMENT: It is necessary to ask the Leader of the Opposition only one question to prove the weakness of the feeble defence he seeks to establish. The question is: Would Parliament have been able to do what it did if the Government of which the Leader of the Opposition and the representative for Nedlands were members had not first of all given Parliament the opportunity?

Hon. C. G. Latham: Certainly not.

The MINISTER FOR EMPLOYMENT: Then it is clear beyond all doubt that the Government of 1931 took action to give Parliament the opportunity to interfere most seriously and on an altogether complete scale with legal awards and agreements made by the Arbitration Court. The authority and jurisdiction of the Arbitration Court were completely cast aside——

Mr. Marshall: Absolutely.

The MINISTER FOR EMPLOYMENT: —by the action taken by the Government in 1931.

Hon. C. G. Latham: But who did it?

The MINISTER FOR EMPLOYMENT: If ever a court was partly assassinated, it was partly assassinated by the Government of this State in 1931.

Hon. C. G. Latham: We merely gave the court a chance to review wages within 12 months.

The MINISTER FOR EMPLOYMENT: One of two things is clear. Either the present Leader of the Opposition did not understand what he and his Government were doing in 1931, or else he is trying to-night to cover up the serious sin his Government committed in that year.

Mr. Patrick: You would have done it if you had been in power.

Hon. C. G. Latham: You know that that is a very unfair statement. Parliament altered the law but the court made the awards, not Parliament nor any of the Ministers.

The MINISTER FOR EMPLOYMENT: The Leader of the Opposition must know that the wages and salaries of Government employees——

Mr. Marshall: That is the point.

The MINISTER FOR EMPLOYMENT: —working under awards and agreements of the court were reduced as a result of the

legislation introduced by the Government of 1931.

Hon. C. G. Latham: That was not the only thing that was reduced.

Mr. Patrick: Contracts and interests were reduced, too.

The MINISTER FOR EMPLOYMENT: It is only natural that a cautious member like the member for Greenough (Mr. Patrick) should now enter the conversation and endeavour to confuse the issue by drawing attention to the fact that the financial emergency legislation of that year also dealt with interest rates and other contracts.

Mr. Patrick: It applied all over Australia.

The MINISTER FOR EMPLOYMENT: It did not apply all over Australia.

Hon. C. G. Latham: Tell me one State that did not make the reductions.

The MINISTER FOR EMPLOYMENT: If these charges of having interfered with the jurisdiction of the Arbitration Court, and of having assassinated it, are to be hurled about, those who rise to make such charges should first search their own records and their own consciences, before levelling such charges against other men.

The Premier: Let him who is without sin cast the first stone.

Hon. C. G. Latham: Parliament passed that measure. It could have put us out if it had wanted to.

The MINISTER FOR EMPLOYMENT: It is easy to understand that the Leader of the Opposition is most unhappy.

Hon. C. G. Latham: I am not.

The MINISTER FOR EMPLOYMENT: Therefore, out of sympathy for him, I propose not to discuss that particular point any further.

Hon. C. G. Latham: You would not have brought down an Act to do what you did —as you should have done.

The Minister for Works: The Act exists.

The MINISTER FOR EMPLOYMENT: I have endeavoured to place the position before members in a clear and understandable way. I have dealt with the facts as they are known to us and as they cannot possibly be known to anyone else. Every action taken by the Government was justified. It was suggested that the Minister and the Government should be most severely censured. That, of course, is only indulgence in political propaganda. I am quite satisfied that hon. members opposite do not regard this position as seriously as they would have the public believe.

Hon. C. G. Latham: I do.

The MINISTER FOR EMPLOYMENT: It is all make-believe.

Hon. C. G. Latham: To override the awards of the court is a serious and dangerous thing.

The MINISTER FOR EMPLOYMENT: The Leader of the Opposition continues to repeat the statement that the award of the court was overridden, whereas, in fact——

Hon. C. G. Latham: It was set aside.

The MINISTER FOR EMPLOYMENT: —nothing of the kind happened at all. It is still operating in every particular and the Leader of the Opposition cannot deny that.

Mr. Doney: But some rejected portions have been added.

The MINISTER FOR EMPLOYMENT: I think that the feeling of some members of the Opposition is more of disappointment at the solution of the difficulty than of annoyance or condemnation of the Government for the action it took. We have no fear of what members of the general public think about the matter, and we are prepared to allow them to judge this issue, looking forward with every confidence to any such judgment that they might make in the future. We feel that everything done was justified. There has been a lot of hysterical talk, and even more hysterical writing, about the loss of prestige and authority of the Arbitration Court. If I may use an American slang term, all that talk and all that writing can be described as nothing more or less than hooey. The authority of the court has not been affected, even though the "West Australian" newspaper has endeavoured to spread through the community the idea that the prestige and the authority of the court have been undermined and reduced.

Mr. Hegney: It is a disturbing influence.

The MINISTER FOR EMPLOYMENT: It has been suggested that any union now dissatisfied with an award of the Arbitration Court can have a conciliation commissioner appointed to give its claims further consideration. No such possibility exists. I have made careful inquiries from men who are authorities on industrial matters and industrial procedure in this State, and they are unable to cite one instance which is at all comparable to the situation that developed at Collie during recent weeks. The Government certainly will not, unless the

circumstances are altogether justifiable, appoint conciliation commissioners merely because the Government may be asked to do so. The fact that only one conciliation commissioner has been appointed over a long period of years——

Hon. C. G. Latham: I think it is the only one ever appointed for the purpose for which you appointed this one.

The MINISTER FOR EMPLOYMENT: If it is any information to the Leader of the Opposition, I would point out that the only purpose for which the Government appointed the conciliation commissioner was to prevent a serious dispute which threatened in the Collie coal mining industry. That was the only purpose. That was the only matter with which the commissioner could deal, and the only matter with which he did deal; and that was the matter which he successfully finalised to the satisfaction of the employers on the one hand, and to the satisfaction of the workers on the other hand, though the workers felt they were entitled to more than he decided they should receive. However, they had agreed in writing to accept his decisions, and they have loyally and completely accepted them. Therefore I say that the Arbitration Court has no less prestige and no less authority now than it has ever had.

Mr. Doney: Its decision was disregarded, though. You cannot get away from that.

The MINISTER FOR EMPLOYMENT: Its decision was not disregarded. The President of the Arbitration Court stated clearly in the Press that it was quite legal and proper for employers and workers to agree to pay and receive wages higher than the minimum rates provided in any award, and to concede and accept industrial conditions better than those provided in an industrial award. Hon. members opposite, or some of them, have endeavoured to spread through the community the belief that members of this Government and other members of the Labour Party attacked the Arbitration Court, seeking to undermine its prestige and authority. If it is any information to the public, every member of this Government has a thousand times justified the Arbitration Court and has a thousand times stood up for the court. We have justified the court and defended the court at times and in places when and in which it was not at all easy or popular to justify and protect the court. We shall continue to do those things because we believe that the Arbitration Court is an institution essential not only to industrial welfare but also to the general maintenance of industrial peace in Western Australia. I have defended Mr. President Dwyer a hundred times at various meetings because I felt that he was entitled to be defended and justified. I have the greatest possible respect for him and for his ability. Every other member of the Government has the same respect. We shall at all times do that which we believe to be right not only in the interests and for the protection of the court but also for the maintenance of industrial peace in the interests of the State.

MR. McDONALD (West Perth) [8.37]: May I say that I have already had the privilege of extending my congratulations to you, Mr. Speaker. I would like to extend them to the Minister for Health and Mines (Hon. A. H. Panton) on his elevation to Cabinet rank, and to the member for Hannans (Mr. Leahy) and the member for Sussex (Mr. Willmott) on their introduction to this House. I did not intend to intervene in this debate; I have had enough trouble on my hands in other directions recently. However, the importance of this matter makes me feel that I would like to express my views on it. If the member for Williams-Narrogin (Mr. Doney) could be humorous, then in my judgment the Minister for Employment has been still more humorous in the nature of the comments he has made on this subject. The story of the matter is that an award was made in 1936. The member for Nedlands (Hon. N. Keenan) said that the case was before the Court of Arbitration for 14 days; so there is no doubt that in 1936 the matter received the full and careful consideration of the Court of Arbitration. The Collie miners were entitled to apply for a review of that award at the end of the first 12 months. They were impatient then, and they tried to review the award before the 12 months had expired, and the Court of Arbitration, as it was compelled to do by its statutory obligations, refused to consider the application to amend until the 12 months had expired. Immediately the 12 months did expire, the Collie Miners' Union, as it was perfectly entitled to do, applied to amend the award; and the matter was referred to a board of reference.

The duty of that board was to report to the Court of Arbitration and

on its report the Court of Arbitration had power to make an award. The board of reference was not entitled to make an award. It had no power to do so. Its function was to collect the evidence, to consider the evidence, and to make a report; and on that report and on that evidence the Court of Arbitration could make an award adopting wholly or partially, or not at all, the recommendations of the board of reference. Now, the board of reference met, and the Minister has been at pains to tell us how competent, how experienced, how painstaking the members of the board of reference were——

Mr. Wilson: That is true.

Mr. McDONALD: —and how long they took to collect the evidence, and how carefully they considered every aspect of the matter. They made a report to the Court of Arbitration, and that court partially adopted some of their recommendations and objected to some others. It is said, as I understand the Minister, that the Court of Arbitration did not give full attention to the report and evidence of the board of reference. It is suggested that the court was in a hurry. I gather it may be even suggested that the court did not grasp, or give full weight to, the report and the evidence presented by the board of reference. I do not mind which of these influences operated; but I understand that in the opinion of the Collie Miners' Union the amendments to the award which the court made in 1937, based on the proceedings of the board of reference, were unsatisfactory. It was thought by the Collie Miners' Union that the award, or amended award, of the Court of Arbitration was wrong; that the court had failed to give full weight to the evidence put before the board of reference; that the court had failed to appreciate, and form a correct opinion on, that evidence and the recommendations of the board of reference. Therefore the amended award of May, 1938, was wrong and unjust, in the opinion of the Collie Miners' Union. The miners were dissatisfied with the amended award. They then brought the matter to the Minister, and the Minister, I take it from what he said, agreed with the Collie Miners' Union that the amended award of May, 1938, was wrong and was unjust.

The Minister for Employment: I did not say that.

Mr. McDONALD: Very well. Let me get this perfectly right. I merely want to find out what the position was. The Minister agreed that the amended award of May, 1938, was not a correct determination on the evidence put before the court. Is that correct?

The Minister for Employment: No. The miners' representatives came to see me regarding an industrial dispute that was threatening at Collie following the court's decision in connection with the board's recommendation.

Mr. McDONALD: Let me take that. An industrial dispute was pending because the Court of Arbitration had not given proper weight to the recommendations of the board of reference. Is that right?

The Minister for Employment: No.

Mr. McDONALD: Then I cannot follow what it is.

Hon. P. Collier: Because the Collie miners were dissatisfied.

Mr. McDONALD: Why were they dissatisfied? Because of the amendments to the award of May, 1938? Is that correct? Very well, they were dissatisfied with the amended award of May, 1938. They were dissatisfied because they thought the amended award was wrong. If they had thought it was right, they would not have been dissatisfied. Therefore they thought it was wrong. They went to the Minister; and I presume he, too, thought it was wrong.

The Minister for Employment: Not necessarily.

Mr. McDONALD: Very well. Let me come to this stage.

The Minister for Employment: I could not be in a position to know whether——

Mr. McDONALD: If the Minister thought the award was right, then he should have told the miners it was right. But whether it was right or was wrong, the fact remains that the Collie Miners' Union was dissatisfied with the amended award of 1938 because it thought that award was wrong. Let us pause there. We have thrashed the matter out, and I have got that far. The Collie miners were dissatisfied with the amended award of May, 1938, because they thought the court was wrong. There was a possibility of industrial trouble. The award of the court operates for three years and, at the end of 12

months, the parties have power to apply for an amendment. When the court gives an award, it becomes the binding judgment in the industry and the award remains in force for three years. The term of three years was fixed for obvious reasons. The whole idea of arbitration, as I understand it, and as I think the public understands it, is that there should be peace in industry after reasonable inquiry has been made as to what conditions should apply and be binding on employers and employees. Once the decision of the court is made and embodied in an award, both parties know that it is to govern the conditions of industry for the period of the award, namely, three years, subject to amendment after 12 months. With that knowledge in their possession, employers can proceed to make contracts, to embark on enterprises and to arrange finance, because they know that under heavy penalties the award must be observed, not only by them, but by the employees. If the employees refuse to work and go on strike, or if the employers refuse to employ and have a lock-out, in each case the Act imposes heavy penalties, because such action is a breach of an existing award. That was the position in May, 1938. An award had been made; amendments had been determined by the Court of Arbitration, and the award as amended was in force and would have remained in force for a further period of, say, a year or 18 months, and any breach of that award by employers or employees would be visited by penalties under the Act.

In those circumstances it seems to me that the answer to the unions was obvious. Not only for their sake, not only in the interests of the employers, but also in the interests of the employees, they were bound by the terms of an amended award which was still current; and in respect to the matters that the award covered, there could be no dispute. The dispute had gone to the court: it had been settled and determined by a judgment of the court, and there could be no further dispute on those matters during the remaining period of the award. That was the position of the Collie miners; that also was the position of the employers. They equally were bound to observe the award during the remainder of its term, irrespective of whether they agreed with its provisions. The Minister told us that there was impending a dispute at Collie because the miners were dissatisfied with the adjudication of the Court of Arbitration in May, 1938, in respect to the proceedings before the Board of Reference. In other words, they thought the court was wrong.

Whether the court was right or wrong, whether the court failed to give due weight to the report of the Board of Reference, whether the court added up the figures wrongly or whether it came to a wrong conclusion on the merits was utterly immaterial because the Act provides that when an award is made it is final. That provision was made in the Act advisedly because Parliament felt and proclaimed, and public opinion ever since has endorsed it, that when the Arbitration Court made an award, the dissatisfied party, perhaps the employer with the most money, should not be able to drag the other party from court to court in order to upset the award. Parliament considered it better to have a bad award and have it stand so that the parties would know where they were rather than permit appeals from court to court, have no end to the matter and have no assured position in the industry, everyone waiting until the next court of appeal gave its decision. That is why Parliament stipulated in the most emphatic language that it mattered not whether the Court of Arbitration was right or wrong, its pronouncement was a final award. There it stood and no one could challenge it.

Mr. Wilson: There is a good deal of flapdoodle in that.

Mr. Patrick: And a good deal of reason.

Mr. McDONALD: The reason is obvious. Parliament, in its wisdom, passed that provision, and nobody has ever attempted to alter it. No one has suggested from that day to this that it should be altered, and I believe that public opinion has largely endorsed it. Industrialists have said to me that the main function of the court is to give a decision quickly, and that when it is given, it is to be the last word so that the parties will know where they stand. Consequently, it does not matter if the Collie miners considered the amended award of May, 1938, right or wrong, satisfactory or unsatisfactory, or whether the court took into account from the Board of Reference all that it should have taken into account: the award was final and had to be accepted by both sides. It had to be accepted by the dissatisfied side as well as by the satisfied side.

The Premier: When two people disagree, then war results.

Mr. McDONALD: It was believed that the League of Nations at Geneva would become the world's Arbitration Court to adjudicate in international affairs just as the Arbitration Court adjudicates in industrial affairs. It was hoped that when the League of Nations gave a decision, the decision would be final and there would be no appeal to force, arms, war or any other tribunal, and both nations would observe the decision because that would be better for the world. We are asked to abandon that principle, which is set out, I might say, in letters of gold in the Industrial Arbitration Act, in favour of the alternative of industrial war. We stick to this Act.

The Premier: When war is on, what do you do?

Mr. McDONALD: The interjection is material, but is easily answered. When the Premier refers to war, he means industrial war. No industrial war arises because, when parties will not observe an award of the Court of Arbitration, it is time to tear up the Act. When that happens the Act is not worth the paper it is printed on. But do not let us have hypocrisy. If we have the Act, then there must be no industrial war. If we have industrial war, we cannot have the Act. There is no need for industrial war. The Act says that if any person starts an industrial war, employers by a lock-out or employees by a strike, they shall be subject to severe penalties. The State is the authority to enforce the law. The State courts will enforce those penalties, and if they cannot be enforced, if employers or employees defy the court, that is the end of government in the State.

The Premier: But that provision of the Act pre-supposes that there is war—a lock-out or a strike.

Mr. McDONALD: The Premier is anticipating my argument; I shall come to that point. You, Mr. Speaker, know that in all adjudications in industrial courts one side is dissatisfied—generally both sides are dissatisfied—but one side is always dissatisfied. Therefore, it was no new phenomenon: it was the universal experience that on the amendment of the award in May, 1938, one side should be dissatisfied, and that side proved to be the Collie miners. It is nothing new for a party to be dissatisfied; nor is it anything new for a dissatisfied party to say, if that party can get away with it, "We are going to have trouble." There is only one answer to a declaration of that kind, and the answer is, "If you have trouble, the penalty provided in the Act will be enforced against you." The Premier asked what I would do when trouble occurred or when trouble was impending. There is only one thing to do. There is only one answer to give to people who propose to break the law, whether it be the industrial law, the criminal law or any other kind of law. The answer is, "You must not do so, but if you do break the law, the State which is governing this country will invoke the penalties provided by law." That is the only answer.

Mr. Marshall: That is only when you are found out.

Mr. McDONALD: Many wrongdoers are found out. The pathetic part of the Minister's error, his misinterpretation of the Act and of his duties, is that when both sides were bound by a current award as amended in May, 1938, no encouragement at all should have been given to either party to re-open the matters settled by the amended award. But encouragement was given to re-open those matters by appointing the commissioner, Mr. McVee, which was purported to have been done under Section 169 of the Act. That section, as I read it, means that the Minister may appoint commissioners for the purpose of preventing or settling any industrial dispute, notwithstanding that any lock-out or strike may exist, and the term "industrial dispute" includes any threatened or impending or probable industrial dispute. There can be no industrial dispute, impending, probable or threatened, nor can there be any strike or lock-out recognised by the Act as such in respect of matters that have been determined by a current award. The coal miners complain that the award, or the matters referred to the court after consideration by a board of reference were not properly determined. They were determined and settled. There can be no industrial dispute concerning matters that were settled, determined, considered or adjudicated on by the court in the award of May, 1938.

Mr. Hughes: Unfortunately the President will recognise an industrial dispute where there is an existing award. He is to blame for this.

The Minister for Works: What you mean to say is there ought not to be.

Mr. McDONALD: I say there cannot be.

The Minister for Works: But there can be.

Mr. McDONALD: The Minister cannot use these sophistries.

The Minister for Works: It is not a sophistry.

Mr. McDONALD: I will tell the Minister what this section means. If there is any award current, any determination or judgment, or if there being an award or determination current, the matters involved are right outside the question that has been determined by the court, then the powers conferred by this section can be brought into the dispute. To say that there can be, within the meaning of the Act, an impending industrial dispute to-day in respect of matters settled by an award of the court made yesterday, is completely to stultify the Act. The Act says in the preceding paragraphs that the court will make an award, and in respect of the matters covered by that award it shall bind both parties for three years. That means that as to these matters covered by the award there can be no dispute for three years within the meaning of Section 169.

The Minister for Employment: No technical dispute.

Mr. McDONALD: What would be the use of an Act saying in one section that when a dispute is settled the judgment shall bind both parties for three years, if it said in the next section, "You can have a dispute the following day and have the whole matter determined again"? Such an Act would never have been considered by Parliament. The two things could not hang together. They are mutually destructive. I am as strong a believer as anyone in industrial unions acting inside the industrial law. The Collie Miners' Union said there was a threatened industrial dispute because the matters which the court had decided in May, 1938, were in its opinion not properly decided. When the union said that, it put itself straight away out of the Act. The obvious answer that would preserve the principles of the Industrial Arbitration Act and of the Court was this—"You are bound by the award. You have been to the Court. You have argued your question. Your dispute has been settled by an award which binds you for a period of three years, part of which is still to go. You cannot come under Section 169." If the Government appoints a Commissioner under that section, it is doing something that the section does not authorise. It is doing something that is destructive of the whole authority and general effect of the Arbitration Court. The Minister said we could not have it both ways. I do not want it both ways. This, however, is a case where the public is entitled to have it both ways. The people are entitled to say to the Government and the Minister, "This appointment under Section 169 was wrong, because it went towards allowing these miners to defy an award of the court which was binding upon them." If the appointment had not been made and there had been industrial trouble, then the public would have said to the miners, "You miners are wrong because you are committing a breach of the Act by a strike for which you are liable in penalties which can be imposed upon you by a court of law." We do not care very much, but the public is entitled to have it both ways. There is only one answer to the miners, "You are not entitled to come under Section 169. You are not entitled to have any industrial trouble at all, because your matter has been settled." I wish to have a word to say about the 1931 Act. I was not here when that legislation was put through. I take no blame, and I take no credit, but I hope I can speak with an impartial mind. The blame that we attach, and think we rightly attach, to the Minister for the error he made in this case is that he failed to recognise the true principle of the Industrial Arbitration Act, and gave the Collie miners something to which they were not entitled, something that really was an encouragement to their defiance of the Arbitration Court.

The Minister for Employment: They did not defy it.

Mr. McDONALD: They did.

The Minister for Employment: In what respect?

Mr. McDONALD: The moment they said there was an impending trouble, they threatened to defy the court. There cannot be any trouble when a matter is settled. The Minister might say to me, "I will sue you for £500." He might do so and get judgment against me. When he tries to get the money, I say, "I will not pay you. We shall have to fight the matter over again. We are going to another court." His answer would be, "The matter has been settled once and for all. There is no more argument." That is the position between

the Minister and the Collie coalminers. In 1931 the step taken, as the Leader of the Opposition said, was a decision of Parliament, not an administrative act by the Minister, who is sworn to observe the law, sworn to act inside it, forbidden from any action that will override the law or encourage any breach of the law. The 1931 Act was an Act of Parliament, which can do anything it likes. Of course it does this mainly through the Government of the day.

Mr. Sleeman: Do you think they were right in fixing wages?

Mr. McDONALD: Parliament said, "We will refer to the Arbitration Court, which is the proper tribunal, the question whether there should be a reduction of wages in any particular industry." Parliament knew that there were cases where industries might collapse through the depression unless some concession or reduction was made in wages. The Federal Arbitration Court, acting on its own initiative, realised the parlous condition of industry, and reduced all wages by 10 per cent.

Hon. C. G. Latham: And Parliament reduced its own employees' salaries.

Mr. McDONALD: All Governments reduced the salaries of their employees anything up to 22 per cent. People who have been engaged under awards of the Public Service Appeal Board, legal determinations made under statute by that board, were by acts of all the Governments reduced by 22 per cent. That is what all Governments did, because they had to. So Parliament did not reduce wages, but this Parliament said to the Court of Arbitration, as the proper authority, "You may inquire into wages in any industry, and even although awards are current you may reduce the rates of wages in that industry if the situation of the industry makes it necessary that that should be done."

The Minister for Works: And the court took that as an instruction.

Mr. McDONALD: The court may or may not have done so, but I do not know that fact. As far as I know the court never took that as an instruction. The court exhibited a discretion in each case. But what did happen was this. It may or may not have been unexpected; it may or may not have been just; it may have been quite unjust. The effect of the Act of 1931 and the parent Act was that when the Court of Arbitration reduced wages in one section of an industry, under the common rule that reduction would have to apply to all sections of that industry. But the effect was substantially the same as happened when the Federal Arbitration Court also reduced all wages by a flat rate of 10 per cent.

The Minister for Mines: Millars Timber & Trading Co. employed one baker, and went to the court and asked for a reduction of his wages. That reduction applied to every one engaged in the industry.

Mr. McDONALD: The matter was left to the Court of Arbitration; and it was not an administrative decision of the Minister bound to carry out the terms of an Act, but the decision of Parliament, which can alter any Act and any contract. In that same year contracts for the payment of interest, contracts in relation to mortgages and rents and leases, were all altered by Parliament; and in every year since 1931 the Government, during the time it has been in power—of which the Minister is a distinguished member—has renewed the same Act to break contracts of mortgages and contracts of interest. Every year that Act has been renewed. So then we come to that worst of all possible lines of defence, "If I have done wrong, well, you did wrong three years ago, or six years ago," that feeblest and most ineffective of all arguments. You cannot have it both ways. The Minister says that the Government of that day, 1931, did wrong. Then, if he cites that precedent, he has also done wrong this year. But there is, in fact, the sharpest possible distinction between what was done by Parliament in 1931, during a national emergency, and what was done in this case to surrender weakly to the demands which the union had no right to make, and which should have been resisted in the interests of the unions. For if that principle is allowed, then the dissatisfied party to an award—of whom there is always one—has simply to say that he is dissatisfied, that the court failed to give proper attention to the evidence, that the court was in too much of a hurry, and that the decision is unsatisfactory. Thereupon, if this precedent is to be followed, the dissatisfied party must be entitled to another commissioner, and that commissioner can make an award, and his award would supersede the award of the Arbitration Court.

The Premier: No.

Mr. McDONALD: The Arbitration Court makes an award in writing in one month. The dissatisfied party agitates and threatens trouble. Next month the commissioner makes an award again. Then where is the three-year period of the award?

The Minister for Employment: The commissioner makes an award again only if both parties agree to his making that decision.

Mr. McDONALD: The Minister said rightly that any award provides for minimum rates, that to-day, although the Arbitration Court basic wage is £4 1s. per week, there is nothing to stop anyone from agreeing with his employees to pay them £8 a week. In order that that may be done, they need not go to the court, they do not need an industrial commissioner, they do not need the Minister, they do not need even to threaten impending trouble—if the employer likes to pay them £8 a week. But why bother to appoint a commissioner at all? Why was the commissioner appointed? He was appointed because he would be, it was thought, a competent authority within the meaning of the agreement with the Commissioner of Railways. We all know that the employers were not vitally concerned over the matter, because the Commissioner of Railways paid the piper. Under the agreement with the coal companies and the Commissioner of Railways, combined with the award of the Court of Arbitration, the Commissioner of Railways was entitled to get his coal for the remaining period of the award at a certain rate, because that rate is fixed under the Commissioner's agreement with the coal companies, by a competent authority. If the coal companies had agreed to pay more to their employees, they could not have recovered that extra amount from the Commissioner of Railways, because it had not been fixed by a competent authority. If the coal companies and the miners agreed to refer their dispute to anybody, say the member for Murchison, he not being a competent authority, any extra amount awarded by the member for Murchison could not have been passed on to the Commissioner of Railways. But it was desired to appoint Mr. McVee a commissioner because he would then be, it was thought, a competent authority within the meaning of the agreement, and the money could then be paid by the Commissioner of Railways. Because of this agreement between the employers and the employees by which the wages were raised beyond those fixed by the award, the Railway Department is now paying, I do not know how much, but I suppose thousands of pounds more than it would have paid had the existing award remained in force. That is why the member for Nedlands (Hon. N. Keenan) said that the money came out of the Treasury, that there was a raid on the Treasury. The effect of this arrangement is that the railways are paying more money than they would have paid under the agreement combined with the award which was binding on the parties. However, dealing with the point raised by the Minister for Employment, it is true that under Section 170 parties to a lawful dispute—that is, a dispute which is not settled by the award—may refer the matter by agreement.

The Minister for Works: How can you put in the word "lawful" there?

Mr. McDONALD: By agreement. There is nothing lawful about it.

The Minister for Works: You said, "lawful dispute"? Tell me about a lawful dispute. Tell me what a lawful dispute is.

Mr. McDONALD: Under Section 170 the parties to a dispute can refer their dispute to a commissioner appointed under Section 169, and they can agree to be bound by his finding, and his finding will operate as an award of the court. That is what the parties to this action purported to do. Of course, before that jurisdiction could be invoked, there must be, under Section 169, an impending or probable dispute, and as there was no dispute, and could have been no dispute, under Section 169 of the Act, then Mr. McVee could not legally be appointed as a conciliation commissioner or to settle a dispute or to determine a dispute by agreement between the parties, because he could never be a commissioner, as the first condition for the appointment of a commissioner, namely, a dispute recognised by the Industrial Arbitration Act, had not occurred. Briefly, the position is this: The miners and the employers were bound by a current award, which still had a period to run. In those circumstances there could be no dispute concerning matters which in this case had been covered and settled by an amended award of the court in 1938.

The Minister for Employment: The Act says that the Commissioner may be ap-

pointed, even though a strike or a lockout exists.

Mr. McDONALD: Yes, a strike or a lockout, which is not in respect of matters covered by the award.

The Minister for Employment: No.

Mr. McDONALD: The matter is so clear, so obvious, so unmistakable, that I assure the Minister he cannot possibly get away from it, if it were not for the fact that he is compelled to defend the position that arose.

The Minister for Works: To defend something that did not exist!

The Minister for Employment: If I were in difficulties, I would brief you as my counsel.

Hon. C. G. Latham: You will soon be in difficulties.

Mr. McDONALD: I am practically always right, and never more so than I am to-night. There is no question about this. Any strike or lockout, impending dispute, threatened trouble, or any other dispute that may be mentioned, does not refer to any dispute in respect of matters covered by an existing award. That is the simple story. The pity of it is that the Minister did not realise that before he made this most unfortunate decision, the effect of which, as the member for Nedlands (Hon. N. Keenan) rightly said, we cannot at present readily estimate. He did not realise before he came to that decision that he was doing so much to undermine the Court of Arbitration.

MR. HILL (Albany) [9.24]: I would like to join with those who have extended their congratulations to you, Mr. Speaker, on your election to the honourable position you now occupy, and also to congratulate your predecessor on his appointment to Ministerial office. I have no doubt he will carry out his new job in a worthy manner. I also extend my felicitations to the member for Hannans (Mr. Leahy) and the member for Sussex (Mr. Willmott), and I cannot do better than express the hope that they will gain the respect that was enjoyed by their predecessors. Dealing with the Lieut.-Governor's Speech, it is pleasing to note the improvement in the financial position compared with that of the previous 12 months. That result is not due to improved government but to the increased production and heavy taxation. The Premier is a very fortunate man in that he received over £1,000,000 from the financial emergency tax. I know that tax is to be altered. May I suggest that it be renamed "A tax to pay for the injudicious spending of recklessly heavy borrowing." I do not agree that the State is in a sound financial position. Some people say Western Australia will not progress while it remains a part of the Commonwealth. Advocates of secession have pointed out that nearly one-half of the population of Australia is centred in a small narrow strip comprising about 1,200 square miles along the eastern seaboard. They will tell us that the Commonwealth is really constituted of Melbourne and Sydney. They will continue to point out that out of 75 members in the House of Representatives, Western Australia has only five. When we turn to this State we find that we have this lopsided disease in a far more aggravated form. We have an area of nearly 1,000,000 square miles and yet 48 per cent. of the population is in a small narrow strip between Midland Junction and Fremantle, in an area of just over 200 square miles.

Mr. Hegney: But it is the most important part.

Mr. HILL: Perhaps, from a political standpoint.

Mr. Hegney: From other standpoints.

Mr. HILL: Is it? The constituency I am privileged to represent is a small one as country constituencies go, but it has an area of about 5,000 square miles. Of the 50 members of this House, 17 are drawn from constituencies in the little narrow strip alongside the Swan River. If a circle is drawn radiating 100 miles from Perth, we include the whole or portions of 30 different constituencies. The greatest man ever associated with politics in Western Australia was the late Lord Forrest. We have in this House to-day one of his nephews, the member for Claremont (Mr. North). He and I have often discussed our State problems, and he has informed me that his uncle stated that Western Australia should be divided into three provinces, the centres of which should be Geraldton, Perth and Albany. To a certain extent this would correspond with Melbourne, Sydney and Brisbane. What would our friends in Victoria and Queensland say if nearly half the population of the Eastern States were in Sydney and if Sydney handled nine times more trade than all the other ports on the eastern

coast combined? That is the position of this State, and it is obvious that we cannot progress under such conditions. The Premier told us that the Government was opposed to a policy of assisted immigration. He contended that the Government's policy was to make life so attractive in this State that people would come here without being assisted to do so. Since 1924, except for the three years of depression, we have had a Labour Government, but I do not see migrants arriving here in any great numbers. On the other hand, the drift continues from the agricultural areas to the city. For our permanent prosperity we must look to our agricultural industries. When the last distribution of seats was effected, no fewer than five new seats were given to the metropolitan area, and in the Redistribution of Seats Bill, which was defeated last session, provision was made to take three seats from the agricultural districts and give them to the mining districts.

When speaking last session on the motion for a Royal Commission to inquire into the working of our railways, the Minister for Railways referred to the population of 8,000,000 in South Africa and to the population of less than half a million in this State. We must face the fact that if we do not populate the State with British people, other nations will take it from us. I realise that large areas of the State are unsuitable for settlement, but that does not apply to the southern portion.

I make no apology for being parochial and dealing principally with the southern portion of the State. Of 50 members in this House, the Albany zone, as fixed by the Premier, has only two. The member for Katanning (Mr. Watts) and I hold a position in this House in many respects more difficult than that held by the five Western Australian members among the 75 members of the House of Representatives. I admit that the majority of the members of this House has more knowledge of the southern portion of our State than has the majority of the Eastern States members. But our end of this State receives a most unfair deal from Western Australian Labour Governments. Last September the Minister for Works showed a deputation some very suitable plans of a scheme for harbour improvements at Albany which was under consideration in 1911. I have reason to remember that year very well.

Mr. Hegney: Has the Government still got the plans?

Mr. HILL: Yes, very nice plans they are, too. In that year I was appointed a postal vote officer for the elections, and on the 7th September was thinking of elections while cutting fruit cases with a circular saw. The result was a hurried trip to the doctor and a six weeks' job for him. Albany returned a Labour representative, the late Mr. William Price; and on the 7th October the Scaddan-Johnson Government took office. Apparently, Albany people were rewarded for returning a Labour member by the abandonment of that very desirable harbour scheme. In 1924 Albany again returned a Labour representative, Mr. Wansbrough, and helped to place the Collier Government in office. Since then, of about 2½ millions spent on the ports of the State, only £1,259 has been spent on the harbour at Albany. Within the last five years the sum of £75,000 has been spent on the regrading of the railway line between Narrogin and Bunbury, while nothing at all has been spent on the railway line between Narrogin and Albany. Mr. Bruce, when Prime Minister, twice officially visited Albany, I think. We also had a visit from the present Prime Minister, Mr. Lyons. I do not recall that the member for Boulder ever visited Albany, except once on an electioneering tour. One of the first things I did after my election was to invite Mr. Collier to Albany, but the invitation was declined. So far, the present Premier has not had time to accept my invitation to visit that portion of the State. The same may be said about the Minister for Lands and the Minister for Employment. The last-mentioned gentleman has never seen Albany.

Mr. Hegney: Do you mean to say those Ministers have not been to Albany?

Mr. HILL: They have not. Members will perhaps be a little disappointed if I do not say something about our harbour.

The Minister for Mines: Do not forget that.

Mr. HILL: I will tell you about the captain of a German ship and one of our own Ministers. The German captain was on his bridge at Albany, and as he looked around the harbour, said, "I can't understand. If this harbour was in my country it would be full of ships." Now for the remarks of one of our Ministers. He was in my car on the Marine Drive about ten years ago. "It is a magnificent harbour," he said,

"but it is in the wrong place." He then told me about the Irishman who said that if one could get the Lakes of Killarney to Hell, one would get his own price for them. The Minister thought he was clever. I must say that my opinion is different. Sir James Mitchell, when Premier, visited Albany frequently. In the last speech he made in that district as Premier, he said, "You do not look far enough away. You do not want to look just at the King River and the Kalgan River, but up to 150 miles away." The present Premier, when fixing the port zone boundaries, ignored economical considerations and so we are not allowed to look as far away as 150 miles.

Last year about 140,000 tons of wheat was produced and had to come within the 150-mile radius on its way to port, but only about 30,000 tons was shipped from Albany. If it were possible to be certain of the loss to the State because that wheat was not shipped through Albany, the figures would be surprising. About 70 per cent. of the apples and pears exported from the State is grown within that radius, but the growers of Bridgetown are not able to use their natural port, Albany, because of the gap in the railway system. I can safely say that the railways lose about £20,000 a year because the superphosphate used in that area is not drawn from Albany. When I suggested that the Government should reclaim a site for a superphosphate works at Albany, so as to encourage the companies to erect works there, and so save 3s. 6d. per ton on the super, the Minister for Works promptly told me that Boyerine was the boundary of the Albany zone. I am very sorry, for more reasons than one, that the Minister for Agriculture is not here to-night.

The Minister for Mines: So are we.

Mr. HILL: I would like to congratulate him, because he is the one Minister who has sound common sense.

Members: Hear, hear!

Mr. HILL: Or I should say, one of them. When the Albany Freezing Works Company approached him with a view to the company taking over the cool store, he did not give the company a reply similar to the one which the Minister for Works gave me. He ignored the curse of the Great Southern, the Willcock port zone system, and made the works over to the company. The result to-day is that the freezing works is drawing its supplies from about a radius of 150 miles. The Great Southern and the South-West have export facilities for lambs. Production is encouraged and the Great Southern end of the State has made a big jump forward. Dr. Hammond did not include the lower Great Southern in his tour; but Mr. Coleman, in his report published in the "West Australian" of 9th May, recommended the extension of the Albany works to handle the lamb trade of the Great Southern and the South-West. We are now exporting 30,000 lambs per *annum*. In a few years we shall be exporting 300,000, besides large quantities of baby and boneless beef, and pork and bacon, to say nothing of butter and eggs. If the Government wish to kill this trade in its infancy, let it enforce the zone system. The member for Bunbury on one occasion in this House referred to Albany as an oasis in the desert. I am glad to say that he was able to come to Albany and see for himself that the district has a future as an agricultural centre. I attended the last field day at the Wongan Hills experimental farm. One experiment in particular greatly interested me. Strips of land had been planted, one without superphosphate and others with varying quantities of superphosphate. The strip that was without superphosphate had only a few straggling stalks of wheat growing on it. The demonstrator explained that a crop had been grown on this strip before and that there was a certain amount of phosphoric acid still in the ground. Had there been no super at all not one stalk of wheat would have grown on that land. If we had tried to develop the Wongan Hills country before the discovery of superphosphate and the introduction of modern methods of farming, the result would have been more disastrous than the early agricultural attempts made at Albany, because there, in common with the rest of the State, the land is lacking in phosphoric acid. Attempts to work the land at Albany about 50 years ago resulted more or less in failure. One failure, that occurred 50 years ago, was the enterprise of an English company that introduced a big steam plough with which it was proposed to cultivate the land. The company turned up soil that had never before come in contact with the atmosphere, and the result was that it was not possible to grow anything. It is necessary that we should live down our

bad name, because there is an old saying that if you give a dog a bad name, you might as well hang him. We are satisfactorily living down our bad name. The present Speaker of the House was once at Albany, and I think it might amuse the House if I were to relate an experience he had in 1912. At that time he was Minister for Works. We had to depend in those days on horse and water transport. We desired to have some rocks blasted from the river, and the Minister proceeded to make an inspection. He got as far as my home on a launch. Across the river I had a flying fox, about 120 yards long. My "motor" consisted of an old bicycle, and to carry a traveller across the river we pedalled the bicycle. On this occasion I mounted the bicycle and we put the Minister on the seat of the flying fox. I pushed him across the river very quickly—it was the closest we could get to flying in those days—and on the return journey I went on strike. There was the Minister suspended about 40 feet above the water. We said to him, "Are you going to do this job? Unless you promise to do it, we won't bring you in." Apparently the Minister did not relish the prospect of remaining in that position, and he made the required promise which was not, however, carried out. Members who choose to come to our district would see some of the finest land in Western Australia. My land is typical Kalgan River country. Were all the land in the district like that we would not now be sitting in a building adjacent to the Swan River, because it was proposed originally to establish the capital of Western Australia near where my home is now situated. Unfortunately, there was not sufficient good land, so the settlement was not started. I have some pastures that would make one's eyes water.

The Minister for Mines: Are they pastures of onions?

Mr. HILL: No, nor onion weed either. I meant to say the pasture would make your mouths water. Those pastures are grown on ground that is too rocky to harrow. On typical Albany land I have first-class pastures growing. I remember that at one time the member for Irwin-Moore (Hon. P. D. Ferguson), who was then Minister for Agriculture, came to my place and I showed him what I at first considered to be a failure. It was a little patch of lucerne. As he looked at it, he said, "I wish I could get a few failures like that." I believe he almost regretted that he was not a cow or a sheep, so that he would have the opportunity to enjoy the good feed. Some of the land adjoining my orchard was not thrown open until about 33 years ago. Now, on less than 400 acres, there are eight families, all prosperous. If all Western Australia were as solid as that little district, ours would indeed be an attractive State. In my district the Agricultural Bank and the Rural Relief Department are practically unknown. When the Mitchell-Latham Government was in office, the present member for York (Hon. C. G. Latham) carried out a land development scheme, against the advice of the officers of the Lands Department. Concerning the development of the district, I have here a few figures that might interest the House. They are as follows:—

District.	Total number holdings.	Number Vacant at 30th June, 1937.	Average Cost per holding, including Cost up to 30th June, 1937, and further advances required on that date.
			£
Walpole	66	20	2,178
South Busselton	8	....	1,753
Nannup	48	14	1,600
Napier (North Albany)	20	....	1,380

The South-West has railways radiating in all directions. In that district hundreds of thousands of pounds have been spent on irrigation and drainage schemes, while practically nothing has been spent on similar work down south. In addition, the South-West has a tremendous advantage over the southern end of the State on account of its proximity to Fremantle, with its magnificent shipping services, and also to the big local market of Perth. My first public duty was as a member of the Albany Road Board in 1911. That board then had an area almost corresponding with what is now the Albany electorate. The board's total revenue was about £500. Now the Gnowangerup board has portion of the area, the Plantagenet board has another slice, and the Denmark ward has become the Denmark Road Board. The revenue from the district would now be about £8,000 a year. In 1911 we produced very little butter, and exported about 200 cases of fruit. No lambs, pork or bacon were exported. Now we have two flourishing butter factories. We export in a big year 70,000 cases of fruit, and we also export lambs and pigs. A bacon factory is under construction, and

the district is making sure and solid progress. Had we received the same Government assistance as the South-West has received, our progress would have been still greater. We may not have as good land as that in the South-West, but we have a better climate. I do not think there is a more solid agricultural town in Australia than Mt. Barker. A few days ago I was talking to one of the leading officials of the Agricultural Bank. He expressed the opinion that there was land available for 500 dairy farms along the Denmark-Mt. Barker road. Last year the Premier said I was a lucky man to represent one of the finest harbours in the world. That harbour is only one of the wonderful gifts the Creator gave to the southern end of the State. Unfortunately, our Premier does not desire to work in with the Creator. The Labour Government is not out to develop the State as it should. The one aim to-day is to obtain votes. The Government neglects the Albany zone because it returns only two out of the 50 members of the House. If the Government were to extend to the Albany natural zone the same consideration that the State would like to receive from the Commonwealth, Albany and its district would within a few years have a population equal to the present population of the State.

There is another potential asset that has been sadly neglected, and that is the tourist trade. I would like to see some co-operation between the Commonwealth Government, the State Government and the local governing authorities with a view to fostering that trade. I would suggest that the Commonwealth Government be asked to carry, post free, all State tourist literature, and also that the local governing bodies should follow South Africa's lead by co-operating with the Tourist Department in the printing and distribution of such literature.

I should like to refer to the potato industry. I am glad to say that at last the growers are organised. That is a step in the right direction. When the Minister for Agriculture returns I hope he will assist the industry by introducing the necessary legislation. I suggest that all potato growers be registered. It is to be hoped that the people of Perth and Fremantle will extend to the outports of Western Australia the same attention they themselves would like to receive at the hands of the Commonwealth. There is a chance of getting a floating dock at a reasonable cost. I cannot strongly advocate that the State should get that dock, as I am very much afraid it would prove a white elephant. A dock is not a commercial proposition except at a terminal port, and the only terminal port of Australia is Sydney. The dock I refer to is at Newcastle, and it could be obtained for a reasonable amount. The matter is one that the Commonwealth should take up. We do need a dock here in case of emergency, particularly in war time. From the commercial point of view Fremantle is the only port in the State that should be considered, but where could we put a dock at Fremantle? The Gage Roads would be out of the question. To provide the necessary depth of 60 feet for the sinking of the dock in the Fremantle Harbour would indeed be a costly matter. At Albany, however, we have plenty of water in Frenchman's Bay. If necessary a site for the dock could be dredged in the Princess Royal Harbour. People may ask why Albany should be chosen as the home of the dock. In answer to that I would say that the Imperial Government and the British naval authorities realise what an asset Albany is. Some 30 or 40 years ago a naval officer stated that there was one thing Fremantle could never take from Albany and that was the importance of the latter as a naval port. The attempt to construct a dock for Fremantle was abandoned after an expenditure of £208,000. The Henderson Naval Base was abandoned after an expenditure of over £1,000,000. Members of the Defence Force are not permitted to comment on the policy of the Government, but all the regulations will not prevent them from discussing problems amongst themselves.

The Minister for Mines: Do you think the international situation warrants a floating dock?

Mr. HILL: Yes.

The Minister for Mines: I thought so.

Mr. HILL: When Admiral Henderson came to Western Australia he was told he had to put a naval base in Cockburn Sound. When interrogated about the claims of Albany he said there was no need to go there, and that Cockburn Sound was the place where the naval base would have to go. A few weeks ago I discussed the Cockburn Sound base with a well-known naval officer of this State. I cannot tell members what he said; such things might be deemed

to be un-parliamentary. The effect of his remark was that he could not understand why the authorities wanted to spend millions there when there was already a naval base available in Albany. I cannot supply all the information of which I am in possession, but I may be allowed to say that the Imperial authorities badly want Albany as a naval port. I hope when the question of a dock is considered by the Government it will aim not for a dock at Fremantle, but for a dock for Western Australia. Let us not make the mistake that was made in 1910. If a State-wide attitude had been taken up then, Western Australia would have had one of the leading naval bases instead of the white elephant we had at Fremantle. I reserve any further remarks I have to make until later in the session.

On motion by Mr. Shearn, debate adjourned.

House adjourned at 9.55 p.m.

Legislative Council.

Thursday, 18th August, 1938.

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

QUESTION—PUBLIC SERVICE.

Assessment for Pension.

Hon. W. J. MANN asked the Chief Secretary: What was the amount of salary received annually by Mr. A. Berkeley during the three years, respectively, for which his average salary was assessed at £1,122 13s. 5d.?

The CHIEF SECRETARY replied: First year, £1,008 0s. 2d.; Second year, £1,180 0s. 0d.; Third year, £1,180 0s. 0d.

ADDRESS-IN-REPLY.

Sixth Day.

Debate resumed from the previous day.

HON. C. H. WITTENOOM (South-East) [4.35]: As a preliminary, I wish to take this opportunity of congratulating you, Sir, on your re-election to the presidency of this Chamber. From your long Parliamentary experience and your occupancy of the Chair for 12 years, it will be recognised that you are very fully and ably qualified to preside over our debates and to render assistance whenever it is necessary. As the result of a good many years' experience now, I can say that you are always ready and willing to give us advice when we ask for it; indeed, Sir, you offer it frequently. This being the beginning of the session we are, as usual, spending two or three weeks on the Address-in-reply to His Excellency's Speech. This year the Speech is rather longer than usual, but there is very little in it that is new. Apparently the object of these Speeches is to give as little information as possible. They generally consist of a report of what has taken place during the preceding session and during the recess, rather than a forecast of the legislation to be submitted during the ensuing session.

A few of the Bills mentioned in the Speech I must say are quite important. Like other members, I hope that the more important measures, especially those requiring lengthy consideration, will be brought down early, and not late in the session. The list of Bills includes a few old friends. Reference is made to an amendment of the Municipal Corporations Act, for instance. We all know that if plural voting is to be deleted, the fate of the Bill is plain; in fact, its consideration will be only a waste of time under those conditions. Much the same may be said of some other Bills. I shall try to confine my remarks to the Lieut.-Governor's Speech.

First of all, the Speech refers to the demise of three members of this Parliament—Mr. Munsie, Mr. Brockman, and Mr. Elliott. I desire to join with other members in expressing deep regret that those gentle-