culture knew all about it. What I want to do as far as possible is to avoid the closing of roads or streets, followed by claims made later for them to be opened, with consequent charges against the ratepayers. Anyway, if there is any danger it can be ventilated in the other House. This is legislation customary at the close of the session and I do not intend to oppose it. When the Municipal Corporations Act is being considered I think we might have provision in that for local authorities to close roads subject to the Minister's approval.

Question put and passed.

Bill read a second time.

In Committee.

Bill passed through Committee without debate, reported without amendment, and the report adopted.

Third Reading.

Bill read a third time and transmitted to the Council.

House adjourned at 12.12 a.m. (Thursday).

Legislative Council,

Wednesday, 9th December, 1936.

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

QUESTION—GROUP SETTLEMENT AREAS.

Clearing by Unemployed.

Hon. A. THOMSON asked the Chief Secretary: 1, What is the total number of acres cleared by the single men under the Government's employment scheme in the South-west group settlements? 2, What is the average cost per acre of such clearing?

The CHIEF SECRETARY replied: 1, Acreage cleared, including virgin land partly cleared and existing part clearing extended to complete clearing, 8,234 acres; area reconditioned, approximately, 6,159 acres; total area operated on, approximately, 14,393 acres. Work is still in progress on 28 holdings. General reconditioning was carried out without any recorded area on 41 holdings. 2, Average cost per acre of clearing cannot be stated in view of varied work and position shown under (1).

QUESTION—AGRICULTURE.

Hay or Chaff Purchases.

Hon. C. F. BAXTER asked the Chief Secretary: 1, Has the Agricultural Bank or other Government department purchased a quantity of this season's hay or chaff? 2,

If so, what was the quantity? 3, What was the cost per ton? 4, Were tenders called for the purchase? 5, If not, what were the channels through which the purchases were made? 6, What will be the estimated cost per ton to farmer purchasers?

The CHIEF SECRETARY replied: 1, Yes. 2, Bank is secured for 8,500 tons. 3, Chaff £4 4s. 4d.; hay £3 7s. 4d.; cost of cutting, bagging, and delivery (f.o.r.) 27s. 6d. per ton. 4, No. 5, Purchases were made direct from farmers, some through Bank's brokers, and balance by Bank's staff. 6, Unable to state at present.

QUESTION—STATE SHIPPING SERVICE.

Details of New Vessel.

Hon. C. F. BAXTER asked the Chief Secretary: 1, What is the dead weight of the engines that will be fitted to the State ship lately ordered by the Government? 2, What space will the engines, including tunnels for twin screws, occupy? 3, What amount of fuel will be consumed per day of 24 hours? 4, What number of engineers and assistants will be required to run the vessel? 5, When fully loaded, what tonnage of cargo will the vessel carry? 6, What will be the capacity of the refrigeration space, exclusive of what will be required for ship's stores?

The CHIEF SECRETARY replied: 1, Estimated approximately 600 tons. 2, Not known. 3, Approximately 16 tons. 4, Nine engineers, two electricians, six greasers. 5, Space available, 195,000 cubic feet, including 20,000 cubic feet insulated cargo space. 6, Twenty thousand cubic feet. Note. —The final plans and details could not be developed until the ship's form could be settled after signing the contract and are not yet available at Fremantle.

QUESTION—MINE WORKERS' RELIEF ACT.

Amount Allowed to Man and Wife.

Hon. C. G. ELLIOTT asked the Chief Secretary: Is it the intention of the Government, during the present session, to amend the Second Schedule of the Mine Workers' Relief Act Regulations in order to increase the amount from 25s. per week allowed to a man and his wife?

The CHIEF SECRETARY replied: 1, The proposed amendment of the Schedule referred to can be effected by amending the Regulations under the Mine Workers' Relief Act, 1932, and the matter is already receiving consideration.

QUESTION—MINES REGULATION ACT.

Ventilation of Mines.

Hon. H. SEDDON asked the Chief Secretary: In connection with the amendment of Regulation 4, paragraph (c), of the Mines Regulations Act, 1906, relating to the "Ventilation of Mines" contained on page 2001 of the *Government Gazette* issued on Friday, 4th December, 1936, reducing the wet bulb reading to 76 deg. Fahrenheit, with a 3-deg. variation—1, Have any steps been taken to inquire as to the effect of the enforcement of this regulation, having regard to the rock temperatures obtaining in the lower levels of the mines? 2, If so, what inquiries were made, and what was the nature of the information received?

The CHIEF SECRETARY replied: 1, No, but the effect of the Regulation is being carefully watched. 2, Answered by No. 1.

MOTION—ADDITIONAL SITTING DAY.

THE CHIEF SECRETARY (Hon. W. H. Kitson—West) [4.39]: I move—

That unless otherwise ordered, the House meet for the despatch of business on Fridays at 4.30 p.m., in addition to the ordinary sitting days.

Question—put and passed.

BILL—TRADE DESCRIPTIONS AND FALSE ADVERTISEMENTS.

Assembly's Message.

Message from the Assembly received and read notifying that it had considered the amendments made by the Council to the Bill and had agreed to Nos. 1 to 8, 13, 14, 16, 18, 21 to 23; had disagreed to Nos. 9, 11, 15, 17, 19 and 20 for the reasons set forth in the schedule annexed, and had agreed to Nos. 10 and 12 subject to further amendments in which further amendments the Assembly desired the concurrence of the Council.

BILLS (3)—FIRST READING.

1, Reserves.

2, Mortgagees' Rights Restriction Act Amendment.

3, Road Closure.

Received from the Assembly.

BILL—FINANCIAL EMERGENCY TAX (No. 3).

Second Reading.

Debate resumed from the previous day.

HON. C. F. BAXTER (East) [4.47]: This is the second financial emergency tax Bill we have had this session. The other had to be withdrawn because the assessment Bill was laid aside. The attitude of this House has not altered in the last few years. In 1933 we stood on the same ground as we did in connection with the assessment Bill of this session, and in 1934 the same attitude was again adopted. This House has been consistent. We are told that we are interfering with the financial policy of the Government. That is something new for me to learn in the political world. If this was accepted after the election of 1933 the Government should have wiped out the emergency tax altogether. One cannot say that anything is Government policy unless the Government appeal to the electors on that particular matter. Many things were referred to at election time. Amongst them were the financial emergency measures, and they will be referred to at every election so long as they are on the statute-book. There is nothing in the suggestion that this House is interfering with Government policy. Threats have been made as to what will happen if this House rejects the measure. We have the taxing Bill before us. That gives an exemption at the rate of £3 15s. per week. The Assessment Act gives an exemption at £3 12s. per week. The two measures do not agree. In reply to an interjection by Mr. Cornell last night the Chief Secretary stated that no amending assessment Bill would be brought down. This House has no power at all in the matter of taxing Bills. That was never intended by the Constitution. If the assessment measure is not to be taken any notice of when it comes to a question of increasing exemption, it becomes merely a plaything and is of no use. The assessment measure is the guide to the taxing measure. I take it that when it suits the Government they intend to ignore the assessment measure. I warn members that Land and Income Tax also provides for exemptions. According to those exemptions it is not possible to impose a tax on persons in receipt of a certain amount, but the exemption may be extended to any amount that is desired. That being so, this House is placed in a peculiar position. The Government could easily fix an exemption up to £1,000. I should like to combat a public statement made by the Premier. It is not the habit of members of this Chamber to engage in Press conflicts, but we can usually defend ourselves. On the 3rd December the Premier made the following statement in the "West Australian":—

> "I am intensely disappointed, and in fact disgusted, with the extremely partisan attitude of the Legislative Council to the legislative programme of the Government. Whereas the members of the Council are apparently prepared to give favourable and expeditious consideration to any measures affecting the welfare of the primary producers or others whom they consider that they specially represent, measures which concern the industrial and financial policy of the Government are contemptuously rejected."

It is unfortunate that the Leader of the Government should have referred to a partisan attitude. What is this Bill? Could there be any more partisan attitude than is adopted under this Bill? The Government say to the bulk of their supporters, "We are going to exempt you from this tax." Surely the Premier should be the last one to point to anything partisan. It was said that this House was always prepared to give favourable consideration to the primary producers. Of course! Every Government should do that. How are we going to obtain the wherewithal for the conduct of our State if our primary producers are not encouraged in every way? For years past the State has been living on borrowed money, and the wherewithal to carry on the country has come from the sale of our products overseas. Last year the surplus of exports over imports was less than £2,000,000. We are borrowing £3,000,000 every year. If we are not going to speed up production, where will the State finish? Already there are indications that borrowing must be decreased. We cannot go on indefinitely in that direction. I have grave doubts about the present loan. A good deal of the last one was left in the hands of the underwriters, and it

seems as if a proportion of this one will be left in their hands. Each State will then have to be treated accordingly. The producers should be the care of every Government. The Premier states that this House has rejected Bills of an industrial nature. What would have been the effect of those measures? We are all attempting to build up businesses of various kinds, but the effect of those measures would have been to hamper the efforts of all concerned. The conditions attached to those measures were such that they would have had a restrictive effect upon manufacturing and industry generally. No one would refuse to grant the employees everything he could give them, but it must be given on a basis that the industry can afford. Surely the conditions are not such that we are going for all time to be supplied from sources outside the State with our requirements. If we had allowed the measures in question to go through, what would have been the result? Is this not a warning to Western Australia that we are not exporting nearly enough to keep things going? The Premier went on to say—

> "The exemption of the basic wage from this taxation was one of the principal features on which the Labour Government was returned to power in 1933, and has since been a cardinal principle of our policy. That principle has been incorporated in our legislation for the last three years, and we are determined not to depart from it. If the taxing Bill is not passed in a form to exempt the basic wage earner, as has been done during the last three years, then it will not be passed at all."

Some people may accept that statement in good faith, and would be afraid of the results. I am not afraid. If the Government are prepared to drop the taxing measure on the one ground that they cannot exempt one particular section of the community, a thoroughly partisan attitude, that will be their responsibility.

Hon. J. Cornell: If they drop the Bill the general cry will be, 'Thank God for the Labour Government."

Hon. C. F. BAXTER: Threats have been made as to what will happen in the case of the primary producers; but the threats fall to the ground. If the primary producers are not kept going, how will the State get the wherewithal? We cannot get along without taxation. Reference has been made to the rejection of the assessment Bill by this Chamber. That very fact has probably given the Government more money, and they should welcome the rejection. The Government wish to exempt people on the bottom rung of the ladder, and to increase the taxation by 25 per cent. against people on the higher level of income. That is undoubtedly sectional legislation. The Government have now budgeted for a deficit of £800,000. Apparently they can see their way despite the black outlook from the financial point of view to the extent of saying they are going to exempt the largest body of taxpayers from any payment of tax whatever. I am afraid this State will be as badly off as it was in 1930. The Government will require every penny they can get. I would be the last to interfere with their getting as much money as they can raise, but it should be raised in an equitable manner. What is the position of those people it is proposed to exempt? Already there has been relief in the cost of services rendered by the State, and this has been accorded by the hospital tax and the proceeds of the Lotteries Commission. Notwithstanding this the State has still to find 1¼ millions per annum for free services to the people. Who enjoys the benefit of that position? None more than the very people who are to be exempt from the payment of emergency tax under this Bill. Those people enjoy a privilege from which those who pay the higher rates of taxation are excluded. Surely when those people are in receipt of free services from the State they should contribute something towards that cost. That is the stand that has always been taken up by this House, and I think members are still of that opinion. We are forced into the position of having to decide whether we will deal with this taxing Bill and ignore the situation regarding the assessment measure. Are we to allow this Bill to pass, even with amendments, knowing that there will be a different basis from that of the assessment Act? Do members intend to agree to that? If so, let us consider the position we will find ourselves in, not only with regard to this legislation but other measures. I shall be forced to move amendments, because there is no other attitude that can reasonably be taken up. There are three courses members can pursue. One is to reject the Bill altogether, and I would not move in that direction, as that would be rather too drastic. The second course is to hold the Bill up here and challenge the Government

not only to bring down an assessment Bill in conformity with the taxing Bill but to protect the Council's rights in that respect. The third course is to reduce the rates set out in the Schedule to the Bill. I intend to move to reduce the rates. Of course we cannot amend a Bill of this description but can merely forward to another place our requested amendments. We should endeavour to secure a reasonable attitude whereby those people who enjoy privileges from the State and are in a position to contribute something, will be asked to do so. I have always been of the opinion that the imposition of the financial emergency tax has commenced at too high an amount. If the exemptions were lower and the tax smaller, I do not think the people would be embarrassed individually, but collectively they would contribute to the Government a larger return in taxation. If that course were adopted, the people would realise their responsibilities and contribute something towards the cost of the free services made available by the State. This is the first time we have had before us a taxing Bill but no assessment Bill.

The Chief Secretary: That is not correct.

Hon. C. F. BAXTER: When has it happened before?

The Chief Secretary: Last session.

Hon. C. F. BAXTER: But the Government did not amend the assessment Act last session.

The Chief Secretary: That shows that the hon. member's statement is not quite correct.

Hon. C. F. BAXTER: The Minister's interjection is in accord with smart practice to bring the Bill in now. The Minister's Government did not introduce an assessment Bill last year because they did not desire to amend the Bill. It is only reasonable that the Government should send to us the assessment Bill with the taxing Bill, and then this House would be in a position to deal with the taxation and arrive at some reasonable arrangement with the other House. It is not reasonable to extend the limit of exemptions and allow people who enjoy free State services to evade the responsibility of paying something towards the cost. This tax becomes really a subsidiary income tax. It is a peculiar position that should receive the earnest consideration of every member of the House.

HON. J. CORNELL (South) [5.5]: For the time being, I do not propose to deal with the merits or demerits of the rates of taxation included in the Schedule to the Bill. If there is any significance attaching to the replies given by the Chief Secretary to my interjections last night, when he was moving the second reading of the Bill, this House has to face up to a direct challenge regarding its undoubted rights and prerogatives. The phase I am about to deal with seems to have escaped the notice of those who should have appreciated the position in another place. During the course of his remarks last night, the Chief Secretary said that the taxing Bill (No. 1) had been laid aside. I asked why that had been done, and the Minister evaded the issue. I then interjected, "Was it not laid aside because of the rejection by this House of the assessment Bill?" The Chief Secretary replied that that was one of the reasons. By way of a further interjection, I asked the Minister if it was the intention of the Government to submit a further assessment Bill to square the starting point of the tax with the provisions of the assessment Act. The Minister replied that it was not so intended, and was not required.

The Chief Secretary: That is not what I said.

Hon. J. CORNELL: The Minister used words to that effect. I now ask the Minister if it is the intention of the Government to bring down an amending assessment Bill?

The Chief Secretary: I will give you a reply in due course.

Hon. J. CORNELL: If the Minister says that it is, it will relieve me from the necessity to say a lot I had intended.

The Chief Secretary: Then you had better say it.

Hon. J. CORNELL: I think I interpret the Minister's remarks correctly when I say he conveyed the impression to members that it was not necessary to introduce a further amending assessment Bill.

Hon. J. J. Holmes: Well, debate it from that standpoint.

Hon. J. CORNELL: I propose to do so. For the purpose of my argument, and ignoring the companion measures regarding land and income taxes, we have the starting point comprising the rates fixed in the Bill, and what we say shall be the starting

point for exemptions. Dealing with the financial emergency tax, in 1932, Sir James Mitchell brought down the assessment measure prior to the Bill to impose the tax. The assessment Bill definitely laid down what the rate should be and who should be exempt from the payment of the tax. The taxing Bill was then introduced, and it began by setting out that the tax would be 4½d. in the pound commencing from the exemption amount as set out in the assessment Bill. In 1933, the then Premier, Hon. P. Collier, whose Government were returned with a majority of ten and did not get back by the skin of their teeth as the present Government did, followed the traditional course adopted in this Parliament. He brought down an amendment to the assessment Act altering the exemption figures as laid down in the assessment measure introduced by Sir James Mitchell. He also submitted the taxing Bill, and both those measures were before this House. The taxing Bill commenced at the exemption figure Mr. Collier said should supplant that included in the Mitchell Government's Bill. This House disagreed with the exemptions provided in the Collier Bill, and, in order to keep the two measures in conformity, amendments were requested with regard to the taxing Bill. The Assembly asked for a conference on our amendments to the assessment Bill, and that conference dealt with the taxing Bill as well. Though the conference was ostensibly to be held on account of the disagreement over the assessment Bill, the Premier took the taxing Bill to the conference as well, with the result that when the conference was concluded, the managers reported that they had agreed upon a basis of an exemption of £3 10s. for persons with dependants. An alteration was also made regarding persons without dependants, and the tax was amended accordingly. This House, practically speaking, did nothing further with the tax. We agreed to the Assembly's amendments to our requested amendments. In 1934 the basic wage increased from £3 10s. to £3 11s., and Mr. McCallum, who was then Acting Premier and Treasurer, followed the Constitutional procedure and introduced an amending assessment Bill increasing the provision from £3 10s. to £3 12s., thus exempting the basic wage earner again. This House altered that provision and the Bill was returned to another place. Mr. McCallum then formulated the historic basic wage proposal as the starting point, which did not achieve what was intended inasmuch as it taxed the basic wage earner and did not exempt him. The then Chief Secretary in this House endeavoured to overcome the difficulty by effecting an alteration on the floor of this House. As a result, the proposal for the basic wage was rejected. This House, I do not know whether intentionally or inadvertently, passed the £3 12s. assessment, perhaps foolishly, with the result that the tax Bill went into conference and the managers from this House had as much chance with it as the Australian Eleven had against the Englishmen in their first test match to-day. They had nothing to give or take. The position was that an attempt was made to combine the assessment and the tax in one Bill, and it was ruled out of order, with the result that a new dual Bill was introduced amending the present assessment Act, which states that £3 12s. should be the starting figure. Both Bills came to this House, and this House rejected the assessment Act because, in its considered opinion, the starting point in the assessment Act of £3 12s. was sufficient. The Bill was not proceeded with; it was laid aside. Now we come to the Minister's answer to my interjection, that an amendment of the assessment Act altering the starting point of a wage or salary earner from £3 12s. to £3 15s. was not necessary, that, so to speak, it did not matter what the starting point might be, those who come below should be exempted. The Government of the day have now introduced a taxing Bill which, to all practical purposes, amends the assessment Act by starting at £3 15s. and not at £3 12s. I am given to understand that the Crown Law Department has stated that this can be done, but I think the attitude of the Crown Law Department, in the capacity of legal adviser to the Government, can be summed up in what our former Clerk of this House said at the function in the dining room a few weeks ago, that when the present Speaker asked whether this or that could be done, his advice was that a Government could do anything. This appears to me the kind of ruling the Government want, the ruling that the Crown Law Department has given, and I understand the converse is that if there were a change of Government, that Government could not commence below £3 12s. But what is sauce for the goose is

sauce for the gander. If the Government, merely for the purpose of more or less placating someone, or for political advantage, can say "There is a section of the community that we will not tax, we will ignore the assessment Act and start above the figure," then it is only right that another Government should also be able to ignore the assessment Act and start below it. The position as it appears to me is that if this House calmly accepts this challenge, and does not insist on an amendment of the assessment Act, to square with the starting point of the tax Bill, we can throw overboard the undoubted prerogative that we have always held. There is no question about that. I will pay this tribute to the ex-Premier that during the discussion in 1933, he so far committed himself as to say that the undoubted prerogative of the Council was that it could do what it liked with the assessment Act, but it must leave the tax alone. The position is that while, with the assessment Act, the Council may have to lower the rate of exemption, it is a moot question whether or not the Council can move to lower the starting point of the tax, which is a different thing altogether. If members will refer to past taxing Acts they will find that there is a fundamental departure in the wording of the present Bill. Section 2 of the previous taxing Act sets out "The Financial Emergency Tax Assessment Act, 1932, with its amendments is incorporated with and shall be read as one with this Act." The three taxing Bills have said that, but the Bill before us states—

> For the purpose of the Financial Emergency Tax Assessment Act, 1932, and its amendments (hereinafter called the Assessment Act) financial emergency tax is imposed at the rates declared by this Act.

Clause 3 of the Bill reads—

> For the purpose of Section 3 of the Assessment Act the following are declared to be the rates of tax payable for the year of assessment, etc.

There appears to be a fundamental departure in the wording of the Bill as compared with the three taxing Acts that have already been agreed to by this Parliament. What seems to me to be the position is that it is intended to ignore the figure of £3 12s. as the starting point for a person with dependants. The Government propose to use the machinery of the assessment Act in respect to taxpayers with dependants, and they are to be taxed from the same starting point as in 1931. But they say by the assessment Act "It does not suit us; the £3 12s. will not bring us within our policy, which is not to tax the basic wage earner," and, by the way, in the South-West land division the wage earner has only 3d. to come and go on. To give effect to their policy, the Government intend to ignore the Assessment Act and propose to start at £3 15s. instead of £3 12s.

Hon. G. W. Miles: Will not these figures, if we agree to them, amend the Assessment Act?

Hon. J. CORNELL: Of course. By starting at £3 15s., with the exemption at £3 12s. in the Act, we shall amend not only by inference but by deed. My advice to the House is that if it is prepared to give up a prerogative that has never been challenged, a rightful prerogative, well and good, and pass the tax. But if the House says "We are not going to surrender our prerogative," then in the final analysis we can say to the Government, "We will agree to the starting point of £3 15s., but we will not pass the Tax Bill until such time as you bring down an amendment of the assessment Act fixing the starting point in the assessment Act at £3 15s." Then we shall be on safe ground and there will be no interference with the policy of the Government. The idea is that it should be done as it has been done in the past years and not by subterfuge.

Hon. G. W. Miles: Why should we agree to the policy of the Government if they cannot afford to lose any revenue.

Hon. J. CORNELL: If there is any substance in what the Minister said by way of interjection, there is no need for the assessment Act. The issue is one that practically transcends the question of the tax. My reasoning is that the tax Bill is not bound to stop at the point of the exemption fixed by the assessment Act and if that part does not apply, or if it does not suit the convenience of the Government, other parts may. Mr. Baxter has said that he proposes to move amendments to the Bill. That is one way of delaying it. It is within the province of this House, and it has been done before, to request a reduction in the proposed rate of the tax. We can move an amendment to make 9d. the maximum, but of course the request would not be entertained by another place. Then this House could press the requested amendment and probably the result would be exactly the same as that of 1934.

We will go to a conference of the two Houses and will be politely told that there is no question of assessment before the House and that we must take the Bill or leave it. I felt it my duty to point out the position as it appears to me. There is one other point I should like to mention that is more or less in the nature of an aside. Mr. Baxter quoted at length from an article in the "West Australian." I understand that the "West Australian" is responsible for the publication of the "Western Mail." If the accuracy of the "West Australian" is comparable with that of the "Western Mail," we can dismiss the criticism from consideration. If members turn to the latest issue of the "Western Mail" they will find a very fine photograph purporting to be that of the Leader of the Opposition, Hon. C. G. Latham, but instead of its being a photograph of the Leader of the Opposition, it is a photograph of Sir John Latham, Chief Justice of the High Court. If the paper is as accurate in other things, we can dismiss the criticism from consideration.

Hon. G. W. MILES: I move—

That the debate be adjourned.

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

Ayes	18
Noes	9
Majority for	9

AYES.

Hon. E. H. Angelo	Hon. W. J. Mann
Hon. C. F. Baxter	Hon. G. W. Miles
Hon. L. B. Bolton	Hon. J. Nicholson
Hon. J. Cornell	Hon. H. S. W. Parker
Hon. L. Craig	Hon. H. V. Piesse
Hon. J. T. Franklin	Hon. A. Thomson
Hon. V. Hamersley	Hon. H. Tuckey
Hon. J. J. Holmes	Hon. C. H. Wittenoom
Hon. J. M. Macfarlane	Hon. H. Seddon (*Teller.*)

NOES.

Hon. A. M. Clydesdale	Hon. E. M. Heenan
Hon. J. M. Drew	Hon. W. H. Kitson
Hon. C. G. Elliott	Hon. G. B. Wood
Hon. E. H. Gray	Hon. G. Fraser (*Teller.*)
Hon. E. H. H. Hall	

Motion (adjournment) thus passed.

BILL—GERALDTON HEALTH AUTHORITY LOAN.

Second Reading.

Debate resumed from the previous day.

HON. E. H. H. HALL (Central) [5.37]: I moved the adjournment of the debate to enable Mr. Drew to place an amendment on the notice paper. He has done that. I do not wish to delay the House beyond pointing out that the Geraldton Municipal Council have been guilty of an omission in failing to supply members of the province with particulars pertaining to the Bill. True the member for Geraldton happens to be the Premier and probably the council advised him. From conversation with Mr. Drew after I had moved the adjournment of the debate, I was surprised to learn that he had received no information from the council. I am in Geraldton every week-end and I have not had any information. Both Mr. Drew and I are ratepayers of the municipality. I think I can say that both of us have the utmost confidence in the council and believe they would not do anything that was not strictly correct. Still, when a Bill of this kind is introduced, members representing that portion of the State should be supplied with all possible information.

Hon. J. Nicholson: By whom?

Hon. E. H. H. HALL: When the Honorary Minister replies, I hope he will give an emphatic assurance that the balance of £4,000 odd remaining from the health loan will not be expended until a poll of the ratepayers has been taken. I support the second reading.

THE HONORARY MINISTER (Hon. E. H. Gray—West—in reply) [5.40]: It came as a great surprise to me to learn that no notification of the proposals had been received by Mr. Drew, Mr. Hall or Mr. Moore. Local authorities usually keep in close touch with members on matters affecting their welfare.

Hon. J. Nicholson: They should do so.

The HONORARY MINISTER: They generally do; I have never known the Fremantle municipality to slip. The Geraldton council have been in constant communication with the department and the only explanation I can imagine is that they forgot to observe the essential of notifying their members.

Hon. J. Nicholson: Probably they thought the Minister would do so.

Hon. W. J. Mann: Perhaps they have not paid their rates.

The HONORARY MINISTER: In order to be able to give the House the fullest information I rang the Town Clerk of Geraldton last Friday and asked him a series of questions. He informed me that only the

owners in the particular district sewered would be rated and then only for the loan money expended, an amount of approximately £4,500 out of the total of £9,000 raised. If the Bill be passed, the balance will be utilised for works spread over the whole of the municipality which will pay a loan rate. I made the position quite clear to the Town Clerk and have been assured that that is the position. I asked whether the council had passed the requisite resolution for the Bill to be submitted to Parliament and he assured me that they had. Following Mr. Holmes's question, I asked what was the proposed schedule of works to be carried out if the money were made available to the municipality. The Town Clerk stated that the schedule had not been decided on, but probably the money would be used for roads and footpaths.

Hon. J. J. Holmes: I think there should be a schedule.

Hon. A. Thomson: Yes, in the Bill.

The HONORARY MINISTER: Evidently the municipal council have not kept pace with the proceedings in Perth. I asked what was the procedure proposed regarding the spending of the money, and the Town Clerk replied that it would be subject to the provisions of the Municipal Corporations Act. The proposal would be placed before the council and would have to be passed by the requisite majority, and the resolution would then be submitted to a meeting of ratepayers for ratification. If a poll was desired, it would be held. Under the Act a certain number of ratepayers may demand a poll. That explanation covers the whole of the ground. Everything is in order and Mr. Drew's amendment will adequately safeguard the position. Of course a resolution of one council cannot be binding on a new council, but I understand Mr. Drew's amendment will prevent any untoward development in that direction.

Hon. H. Seddon: What will happen if the ratepayers turn down the proposal?

The HONORARY MINISTER: That is not likely, but if it happened, the council would have to re-invest the money.

Hon. J. Nicholson: What is the amount of the unexpended balance?

The HONORARY MINISTER: Approximately £4,000. The object of the Bill is to save the expense of floating a new loan. A loan is about to be raised for municipal works, and the passing of this Bill will save unnecessary flotation expenses. The Commonwealth Bank has agreed to advance the money required. It appears to me that this explanation should be clear.

Question put and passed.

Bill read a second time.

In Committee.

Hon. J. Cornell in the Chair; the Honorary Minister in charge of the Bill.

Clauses 1, 2—agreed to.

Clause 3—Provision for use of surplus moneys in loan raised by the council for Health Act purposes:

Hon. H. SEDDON: Does not the clause authorise the spending of money for other purposes than roads and footpaths—for health purposes, to give an example?

The HONORARY MINISTER: The object of the clause is to empower the health authority to pass the balance of the money over to the council.

Hon. J. NICHOLSON: The Honorary Minister said the Geraldton authorities had informed him that the money would probably be used for roads and footpaths, although a schedule of works had not yet been agreed upon. The clause lays down that the money shall be used in the direction which the health authority may order. Mr. Seddon has done well to draw attention to the matter.

Members: Read the next paragraph.

The HONORARY MINISTER: The proviso explains the paragraph. The health authority does not want the money, having no purpose to spend it on. Therefore the health authority wishes to hand the money over to the municipal council.

Hon. H. SEDDON: Clause 3 gives power to the council to spend the money either as a council or as a health authority. According to the reply received by the Honorary Minister from the Geraldton town clerk, the desire is to spend the money on roads and footpaths. However, the Bill gives power to apply the money in other directions if thought desirable. In short, the Bill empowers the council to spend £4,500 practically as it wishes, either as a council or as a health authority.

Hon. E. H. H. HALL: I am surprised at the doubts expressed by Mr. Seddon and Mr. Nicholson. The Bill is quite clear. A loan for £9,000 was advanced by the Commonwealth Bank to the Geraldton health

authority for certain sewerage works. Those works have been completed. Amazingly, only half the amount of the loan raised was needed.

Hon. J. M. Drew: There was a grant from the Commonwealth Government.

Hon. E. H. H. HALL: Now the Geraldton health authority wishes to transfer the balance to the Geraldton municipal council. The sewerage was done as a relief work.

The HONORARY MINISTER: The Geraldton Health Authority needs no further legal sanction to spend the money as a health authority. The succeeding paragraph makes plain the legal status. The objects of the loan likewise are fully explained.

Hon. J. J. HOLMES: We cannot be too careful as to what we authorise municipalities to do in this respect.

Clause put and passed.

Clause 4—Protection of debentureholders:

Hon. J. M. DREW: I move an amendment—

That after the word "debentures," in line 6, there be inserted "or the rights, powers, authorities, benefits, and remedies of any other person."

This Bill is remarkable not so much for what is in it as for what has been left out of it. The measure affects a large number of Geraldton ratepayers, and I am not perfectly convinced that their interests are protected. However, the amendment, if adopted, will afford them some measure of protection. The Commonwealth Bank is fully protected, and holders of debentures are fully protected; but the Bill goes no further. Therefore I have moved the amendment. I had intended to go much further, but this is as far as I can go.

Hon. J. Nicholson: You need to go further than you have gone in the amendment.

Hon. J. M. DREW: The money from the Commonwealth Government was a free gift.

Hon. J. J. HOLMES: If I understand Mr. Drew correctly, the Commonwealth made a grant to the Geraldton Municipality for a specific purpose, namely, sewerage. Having obtained that grant from the Commonwealth Government, instead of going back to that Government and asking if they may use it for something else, the Geraldton Council come to the State Government.

The Honorary Minister: They have used it and £4,500 with it. They borrowed £9,000 from the Commonwealth Government.

Hon. A. THOMSON: There is one point that perturbs me. It is a gross reflection on the Geraldton Municipality that they sent the Bill down accompanied by so little information, so that the Minister in charge of the Bill had to telephone to the town clerk to find out what was meant, and how it was proposed to spend the money. The point that troubles me is that a portion of the town has been sewered and I am wondering if the Geraldton Municipality are rating the whole municipality for the service rendered. We have no information on the point.

The CHAIRMAN: Order! The point is, whether the same protection is going to be given to other persons as is given to the Commonwealth Bank as a debentureholder. That is the point before the Committee.

Hon. A. THOMSON: That is the reason I asked Mr. Drew for some information. Neither Mr. Drew nor Mr. Hall is able to supply us with the information. It is definitely laid down in the Health Act that if a particular portion of a district is sewered, it is only those people deriving benefit who will pay rates. In view of the lack of information one is justified in endeavouring to ascertain whether the whole of the ratepayers or only a portion in Geraldton are called upon to pay interest and sinking fund on this loan.

The CHAIRMAN: That has nothing to do with the question before the Chair.

Hon. A. THOMSON: I know it has not.

The CHAIRMAN: Then the hon. member must leave it alone.

Hon. A. THOMSON: But it is a vital point.

The CHAIRMAN: The hon. member should have got that information during the second reading.

The HONORARY MINISTER: I do not want to be too hard on the council. The whole of the facts were given when the second reading speech was made by me. There are no new facts brought to light. The facts have since been verified; that is all. The Act was passed in 1933 for a specific purpose, namely to give the local authority power to instal septic systems. Generally,

the money advanced for sewerage is refunded on the time payment system, but authority is given here to call up the lot. Suppose East Perth requires cleaning up, which I think it does, and the Perth City Council——

The CHAIRMAN: Is the hon. member opposing the amendment?

The HONORARY MINISTER: I am combating the arguments in Committee.

The CHAIRMAN: They were all out of order.

The HONORARY MINISTER: The amendment is not out of order.

The CHAIRMAN: The remarks the Honorary Minister is replying to were.

The HONORARY MINISTER: Let us assume that the Perth City Council discover it will cost £4,000 to do a job. They have then to decide whether to raise a loan or spend the money out of general revenue. If they have plenty of money, it is not necessary to raise a loan, and so they decide to pay out of general revenue. The council will then decide that, as the money is being spent in one area and it is general ratepayers' money, it is a fair thing to strike a rate in order to get that money back.

Hon. J. J. Holmes: A rate for that particular area?

The HONORARY MINISTER: Yes. They have power to do that, though if they are good-natured they will not strike a special rate. Mr. Drew said that a subsequent council could upset that, and demand——

The CHAIRMAN: The hon. member must not in Committee reply to second reading speeches.

The HONORARY MINISTER: It is necessary to explain matters. No resolution of a local authority can be upset, provided they have kept within the Act. The Geraldton Municipality wanted to instal a septic tank system. One portion of the municipality was not suitable for the septic tank system. The sum of £9,000 was borrowed to do the job. The Commonwealth grant came along later. The municipality got £4,500 as a Commonwealth grant.

Hon. J. Nicholson: I think Mr. Drew's point is that the council could impose a rate on those who have benefited.

The HONORARY MINISTER: Mr. Drew's point was that what was being done by the council was all right, but a subsequent council might upset that. That would amount to repudiation.

Hon. J. Nicholson: Mr. Drew's amendment is worthy of consideration.

The HONORARY MINISTER: Mr. Drew's amendment seeks to remedy that, but it must be apparent that we cannot put something in a Bill that has nothing to do with it. The £4,500 spent in that area has nothing to do with the Bill.

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

Schedule, Preamble, Title—agreed to.

Bill reported with an amendment, and the report adopted.

Third Reading.

Bill read a third time, and returned to the Assembly with an amendment.

BILL—NORTHAM MUNICIPAL COUNCIL VALIDATION.

Received from the Assembly and read a first time.

BILL—DAIRY INDUSTRY ACT AMENDMENT.

Assembly's Message.

Message from the Assembly received and read notifying that it had agreed to the amendments made by the Council.

BILL—LOTTERIES (CONTROL) ACT AMENDMENT.

Assembly's Message.

Message from the Assembly received and read notifying that it had disagreed with the Council's amendment.

Sitting suspended from 6.15 to 7.30 p.m.

BILL—DAIRY PRODUCTS MARKETING REGULATION AMENDMENT.

Second Reading.

THE HONORARY MINISTER (Hon. E. H. Gray—West) [7.30] in moving the second reading said: The purpose of this Bill is to strengthen certain sections of the Dairy Products Marketing Regulation Act by providing for the clarification of certain definitions and the better control of cream transport, storage butter, and butter imported from other States. Since the appoint-

ment of the Dairy Products Marketing Board early last year, the conduct of the industry has been characterised by a marked improvement in the working relationships of both producers and manufacturers. By assisting in the improvement of the quality of local butter, which is now the equal of that produced in any other part of Australia, the Board has been largely instrumental in breaking down the Western Australian consumers' prejudice in favour of the imported article, thereby expanding the market for local production. The most important feature of the Board's activities, however, has been associated with orderly marketing. The Act confers certain powers on the Board in this connection, and it has been able to ensure that each section of the producers has received an equitable proportion of the local market, with its accruing benefit of stabilised prices. The producer has also benefited from the result of the exercise of the Board's powers in connection with storage. During the flush period, good quality butter has been stored for use over the periods of curtailed production. Payments to producers on account of this stored butter have naturally been much greater than those that would have been received had the same butter been exported, instead of stored. Although the amount of butter stored last season fell somewhat short of expectations, it is expected that a considerably greater quantity will go into store this year. The amount stored up to the beginning of November approximated 10,000 boxes, compared with 3,500 at the same time last year. Apart from the enhanced returns accruing to producers on account of storage, the increase in the State's cheese production, by proportionately reducing the quantity of milk offered for butter manufacture, has also had a beneficial effect on the stabilisation scheme. Although the Act has operated with a fairly uniform measure of success since its inception, certain weaknesses have been revealed, which it is now proposed to remedy under the provisions of this measure. It is proposed to extend the scope of the existing Act in certain directions. The Bill provides for an alteration of the definition of the term "dairy products" to enable the Board to deal with dairy products that are not already covered by the principal Act or the Metropolitan Milk Act. These other milk products will be proclaimed "dairy products," whenever circumstances warrant their inclusion. Another amendment, however, provides that the Governor in Council may exempt from the provisions of the Act relating to the Stabilisation Fund, and contributions to expenditure, any dairy products coming under its operations. This is a necessary provision, in that cheese is at present included in the definition of "dairy products," and should accordingly be subject to the stabilisation scheme. To date, however, no contributions have been collected from those engaged in the cheese industry, owing to the fear that the industry, which is not yet fully developed, would be ruined if suppliers of milk for cheese manufacture had to pay contributions for stabilisation purposes. It is probable, however, that the industry will require a stabilisation scheme next season. Should this be found desirable, these provisions will enable such a scheme to be operated under conditions especially designed to meet the requirements of the industry. In order to improve the present control exercised by the Board in respect of imported butter, and also to provide for the better collection of contributions made thereon for administration, it is now proposed to bring agents of Eastern States principals within the ambit of the Board's operations. Amongst the more important provisions of this measure relating to definitions, is the proposal to define the term "margarine." Although under the existing Act margarine is subject to the same conditions as butter, it has, nevertheless, never been defined. As a result, the Board is unable to control certain butter substitutes which, technically speaking, are margarine. In this connection, it is interesting to note that, during the last fiscal year, while the board collected contributions on only 13,055 half boxes of imported margarine the Government Statistician's figures for the same period set forth total imports at 21,280 half boxes. However, as I have pointed out, the Board is not in a position to insist that the balance of 8,000 half boxes, in respect of which no contributions were collected, came within the generally accepted defintion of the term "margarine." Another technical amendment proposed by the Bill, provides for the definition of "renovated butter." The existing definition of "milled butter" covers this commodity, but I understand that the definition is not quite technically correct. The Bill accordingly makes provision for a separate definition of the term. It is considered necessary that packing

places should be brought under the control of the Board, in order to prevent the evasion of certain conditions laid down in the parent Act. The Bill therefore makes provision for the licensing of such premises. Consequential amendments defining "packer" and "packing place" are set forth in Clause 2. Under the existing Act, any person who produces milk for the manufacture of butter is entitled to record a vote at the election of the Producers' Board representatives. Actually speaking, only those producers who supply milk or cream to factories are directly concerned with the organisation of the industry. The Bill proposes to restrict enrolment to the latter. Another amendment seeks to prevent an anomaly under the present Act whereby manufacturers of farm butter may outvote factory manufacturers in the election of a representative to the board. It is now proposed that there shall be two manufacturers' representatives on the board, one of whom shall be the nominee of the co-operative companies, and the other the nominee of the factory manufacturers. No company or person shall be eligible to make a nomination unless they produce at least 52 tons of dairy products per annum. With regard to producers' representatives, it was originally intended that the representatives of producers should themselves be producers. The present position is somewhat obscure. This measure, therefore, contains an amendment that will give effect to the original intentions of those who drafted the Act. A further amendment provides for the retirement of the producers' representatives in rotation. It is not considered necessary that storage places, other than those used for storing dairy products either for subsequent export or pending their re-sale under the stabilisation scheme, should be licensed. The proposed amendment to the definition of the term, as at present set forth in the Act, will exempt all storage places not used for the purposes I have mentioned. Manufacturers of high quality butter for storage have frequently urged that, in segregating cream for this special purpose, they have incurred additional manufacturing expenses. It has also been claimed that, under the present Act, manufacturers of such butter are entitled to compensation from the board on this account. Some doubt, however, has been expressed as to whether any such action taken by the board would be correct in law. The Bill now proposes to clarify the relevant section by providing for the payment of a premium in respect of "choice" dairy products manufactured for storage purposes. Other proposals include a provision giving the board discretionary power to refund to the producers any surplus which may be available in the Stabilisation Fund at the end of the financial year. Power is also given to the board to place on fixed deposit their surplus funds in a bank, to be approved by the Minister, and also to enable the board, if necessary, later to draw against these funds. It is also provided that the board may advance, by way of loan, to the Stabilisation Fund such moneys as are available in the Administration Fund. At present, the Act makes no provision for an overdraft for temporary finance to meet the position where the board may require to make additional payments from time to time. Similarly there is no provision in the Act to enable the board to invest any surplus moneys that may accumulate in the Stabilisation Fund. To date, the board has been unable to suggest how that section of the Act which provides for cream payments to be made at the factory, could have been enforced without gravely disorganising the industry. It is proposed to make certain amendments to the section in question in an endeavour to achieve the desirable condition I have mentioned. Thus Section 32, subsection (5), has been amended by deleting the provision which fixed the maximum rates to be paid by the producer for the transport of his cream or milk to the factory. The new subsection provides merely for the regulation and organisation of such transport by the board. No method has yet been suggested by which the desired objective of factory door payments can be achieved, but it is believed that the proposed amendment, combined with the co-ordination of the Transport Board, will be useful in this connection. I fully expect that the South-West country will be able to get considerable benefit from the passage of the Bill. It is the result of experience, and the amendments contained in it are designed to give the board more efficient power, and thus give the industry a chance of making progress. I move—

That the Bill be now read a second time.

HON. L. CRAIG (South-West) [7.43]: This Bill is essentially a Committee Bill. Although there may be some amendments moved in the Committee stage, I cannot

imagine any opposition to the second reading. Those of us who were privileged this afternoon to listen to Sir Basil Brooke, the Minister for Agriculture in Northern Ireland, will appreciate how necessary it is in these modern days to have marketing powers in certain cases to control certain commodities. Those who heard Sir Basil will remember that he told us that in three years the production of pig carcases in Northern Ireland had increased from 250,000 to 700,000, while the quality had risen from that of a definitely inferior pig to a pig greatly sought after in the markets. The same thing applies in Northern Ireland to the production of eggs. In that country people were producing inferior eggs. As a result of marketing control by a board, the quantity as well as the quality were greatly increased. These eggs are now much sought after on the London market. Members may imagine that marketing boards have been created by producers in order to boost their own products, to raise prices irrespective of anything else. That is not so. These boards are appointed to regulate the price to producers, to ensure the consumers getting the product at a reasonable price, that no undue costs are incurred in marketing, and one of the principal uses of these boards is to improve the quality and thus improve the sales of these products. When the dairying industry in Australia commenced to go down—that is, when a price was reached that was unprofitable—the producers embarked upon a voluntary scheme. This was evolved by Mr. Paterson, a Federal Minister, and is known as the Paterson scheme. Butter was more or less pooled. A levy was made upon all the butter produced. A certain quantity was exported, and a bounty paid on it. Thus the price obtained for the exported butter was raised. If manufacturers could send butter to England for 1s. 4d. a lb. they would not sell it locally for less than that price. That was the beginning of organised marketing. The price was raised in Australia, and this enabled the producer to show a profit. Eventually production improved to such an extent that the scheme broke down of its own weight. The exports became so great that the levy was not sufficient to bring up the export price to a payable figure. Manufacturers then began to export to other States, there being no legislation to prevent it. Consequently the scheme broke down, or would have broken down but for the action of the Commonwealth Government under Section 92 of the Constitution Act in fixing a price for the whole of Australia at 1s. 3d. a lb. Each State had to pass marketing legislation to control the product within its borders. That scheme worked well until the James case went from the High Court of Australia to the Privy Council, and judgment was delivered against the Commonwealth Government. Although the Federal scheme is still working, it is working more or less as a voluntary agreement. If a manufacturer was strong enough, he could send butter, as was done recently, to Western Australia and break down the price. In 1934 this legislation was first passed in Western Australia. As is the case with the Whole Milk Act, it was more or less experimental. In the case of all new Acts, where full information is not available, they are of necessity experimental. The Whole Milk Act is working satisfactorily. The Act now under consideration has also done good work. Through experience it has been found that certain amendments are necessary, and others will no doubt be made as time goes on. Under the Act a board of six persons was appointed to control the marketing of the product. It comprises one Government representative as chairman, a consumer's representative appointed by the Government, two producers' representatives, one manufacturers' representative, and one dealers' representative. It is proposed by the Bill to add one more member to the board representing the manufacturers. It was found from experience that the manufacturers' representative could speak with authority on behalf of co-operative or proprietary manufacturers. The Bill proposes to give proprietary manufacturers and co-operative manufacturers one representative. There can be no objection to that. The board is essentially a marketing board and has very little to do with manufacture. It issues licenses to manufacturers and dealers, licenses places for storage and licenses places where butter and cheese shall be packed, etc. All this is done with a view to seeing that the perishable commodity is kept in a decent place that is suitable for the purpose. The board also regulates and organises the sale and distribution of dairy

products. Naturally it has to incur certain expenditure. This money is contributed by the dealers in butter and the manufacturers. They contribute a certain amount which is levied by the board for its expenditure. The money is limited to one per cent. of the gross proceeds. I need not go into the details appertaining to stabilisation generally. The board has power to levy on manufacturers and dealers a contribution towards the stabilisation of price. That levy is limited to 33 per cent. of the gross proceeds. Both of these contributions are deducted from the producer. When the producer is paid for his cream at the factory, the amount of the levy is deducted from him, so that the dealer and manufacturer are not out of pocket. In the case of any stabilisation scheme a big fund may be required. The selling price of butter in Perth to-day is about 147s. cwt., but in London it is being sold at 105s. less the cost of shipping, commission, etc. In order to even up the price of butter sent to London, it is necessary to insist that people shall send their over-production abroad.

Hon. H. S. W. Parker: What percentage is deducted now.

Hon. L. CRAIG: About 16 per cent. I understand it is not proposed to make any deduction this December. It is presumed there is sufficient money in the fund to make up to the exporter the level of the local price. If certain money is required for the purpose of levelling up the price on export, or for the storage of butter, that money is taken out of the fund. If the fund is sufficient, no levy is collected. It represents a certain sum taken out of the whole of the industry to level up prices of the industry. The board has power to say to the dealer or manufacturer he shall store a certain quantity of butter. That power is given to enable Western Australia to supply its own requirements when local production is insufficient. During the winter we produce more butter than we can consume, but in the summer we consume more than we produce. If we exported all our surplus butter in the winter and spring we would sell that surplus in London at say 10d. a lb., which would be considerably lower than the local price. In the opinion of the board, if we store our butter and hold it until the time comes when we are producing insufficient for our requirements, we shall be able to sell it locally for 1s. 3d., instead of paying 1s. 3d. for Eastern States butter. The scheme is a good one. It means storing butter in the flush period to make up for the deficiencies in the lean period. The board is able to say in effect, "If you do not store butter you will not get the equalisation levy." The board also decides on the quantity and quality of the butter which shall be stored. Butter of inferior quality will not keep; it must be good for it to be kept in store. The board, therefore, stipulates the quality which shall be put into store. The board pays the exporter of the butter the difference between the London price and the local price. The levy is for that purpose. When the butter is stored, the board guarantees that the storer shall receive the price he would have got on the day when it was put into store. He, therefore, cannot lose money. If, on the other hand, the storer shows a profit he must hand the difference over to the board. The board may also pay a premium on the production of choice quality butter. It is desirable that the standard of our butter should be raised as high as possible. It has not been good, but is now better than it has been. It is still capable of improvement. To encourage this, the board has power to pay a premium on stored butter of choice quality. The board must keep proper accounts concerning its expenditure fund and stabilisation fund. These are subject to audit by the Auditor General, and his report and the accounts must be presented to Parliament. The board pays for the audit, so that there is no charge on the public funds. Everything connected with the scheme is paid for by the people who benefit from it. An extraordinary position has arisen concerning the storage of butter. The board has power to compel manufacturers or dealers to store. That involves a considerable sum of money. It may be desired to store 20,000 boxes valued at £3 a box, and involving a sum of £60,000. Last year storers were able to arrange their own finance on, I think, a little over 3,000 boxes. This year a great deal more butter has been stored, and storers in some instances have been unable to arrange finance with the banks. Butter that has been stored has already been paid for on the basis of 147s. per cwt. That butter has been manufactured and placed in store. One of the Associated Banks adopted the attitude that since the James case there

is no guarantee that local prices can be maintained; that local prices may possibly collapse, in which case the producer will have to take what he can get for his butter, which will be London parity. In view of that attitude, the bank authorities said that they would advance only up to 80 per cent. on the London price for butter, which is much lower than has been paid for the butter by the manufacturer. The board has power to borrow money, but only from the Government. I maintain that if the board has power to compel manufacturers or dealers to store butter, the board should provide the funds with which to finance storage. That is merely reasonable. We cannot compel a man who has nothing, to store his commodity at a cost of much money. The board approached the Government who indicated they were unable, or unwilling, to provide the necessary finance. The storer, or manufacturer, was in a difficult position. He had to continue making payments to the producers on the basis of 147s. per cwt., and to arrange finance himself. The cost ran into colossal figures. As I have indicated, the board approached the Government in order to borrow money, but the Government said they were not prepared, or were unwilling, or could not, make available the necessary money.

Hon. W. J. Mann: Money was not required, only a guarantee.

Hon. L. CRAIG: When the board received that intimation, the bank authorities were informed, and they said, "We will be satisfied to get a guarantee from the Government." Such a guarantee would be as safe as the Bank of England because, first, there is the butter itself, and then there is the levying power of the board, who can levy up to 33 per cent. on the proceeds. It will be realised what that means when I say that a levy of ½d. per lb. would represent something like £12,000 a year. Seeing that the levy has been about 3½d., members can imagine what it has represented. Obviously the security was there. Nevertheless the Government maintained that they would not guarantee that amount, and naturally the bank was unwilling to advance money without security. Now it is proposed to include an amendment, which appears on the Notice Paper—it will be moved by the Chief Secretary—the object of which is to give the board power to borrow. That will mean that the board will be able to finance the storage of butter, and that is as it should be. It is certainly not right for the board to have power to compel manufacturers to store butter unless prepared to arrange the finance. The Bill deals with margarine, and it is provided that that commodity must be sold as margarine and not as butter. That is quite reasonable. Power is also taken in the Bill to place other dairy products under the control of the board. Probably the object of that is to bring cheese under control, because there is no such control over production at present, and the production of cheese is greater than the consumption. There is nothing in the Bill otherwise that may be regarded as serious, and I shall not waste the time of the House any longer in discussing the measure. I support the second reading and hope the Bill will be taken into Committee without delay.

HON. G. B. WOOD (East) [8.5]: I agree with Mr. Craig that this is a Committee Bill, and therefore I do not intend to take up much time in discussing it at this stage. I congratulate the Minister for Agriculture in another place upon the introduction of the measure. It is a genuine attempt to amend the parent Act, which was more or less experimental legislation. It was realised that no matter how successful it proved, in the course of time defects would be disclosed that required legislative attention. I shall deal with two phases only, and when we are in Committee I propose to submit two amendments. One has relation to the board. As at present constituted, it consists of seven members and the producers have the right to elect two representatives who shall be producers. I intend to move an amendment to eliminate the restriction which sets out that the producers may only elect producers as their representatives on the board. I cannot understand why that amendment is included in the Bill.

Hon. L. Craig: Are not the producers capable of saying who shall represent them?

Hon. G. B. WOOD: The producers are capable of selecting their own representatives, but I do not think the provision is necessary.

Hon. L. Craig: You know what happened once before.

Hon. G. B. WOOD: There are many producers who have retired and are now living in the city who would be worthy representatives.

Hon. L. Craig: But they get out of touch.

Hon. G. B. WOOD: They will not get out of touch with the genuine producers. I do not intend to restrict their choice to other than producers, and if my amendment be agreed to, they will still be able to elect producers as their representatives.

Hon. H. S. W. Parker: What about the consumers?

Hon. G. B. WOOD: That is a different matter altogether.

Hon. H. S. W. Parker: I suppose there are not enough consumers.

Hon. G. B. WOOD: Another amendment I shall place before members has reference to the definition of "producers." The Bill contains a provision setting out that producers are only those who send butter fat to factories. That is not fair. In the wheatbelt and elsewhere there are many producers who are turning out quite good butter. Mr. Macfarlane will bear me out in that statement. The butter they produce is sold in country towns. Why should not those people have the right to exercise a vote to select their representatives on the board? Those farmers have been urged to go in for mixed farming in order to help themselves, and I do not see why they should be debarred from having a voice in the election. It is said they do not produce butter of an exportable quality, but many of the factories are in that position too. I hope members will see eye to eye with me on this matter, and agree that the mixed farmers shall have the right to cast a vote in the selection of the producers' representative. I am a producer myself, and I know that the proposal to take away privileges from the men I refer to is grossly unfair. I shall have more to say during the Committee stage.

HON. H. V. PIESSE (South-East) [8.10]: I listened with great interest to Mr. Craig's explanation of the Bill. I congratulate the Government upon the introduction of the measure as it is most necessary in the interests of the dairy industry. Mr. Craig has spoken on the basis of what occurs in that very fine part of the State known as the South-West.

Hon. J. Nicholson: The fertile part.

Hon. H. V. PIESSE: Did I understand the hon. member to say the "spoon-fed part"?

Hon. J. Nicholson: No, the fertile part.

Hon. H. V. PIESSE: The South-West is well served by the provision of butter factories. I speak from the standpoint of a province that is not so well served in that respect, and where there is a much greater spread of population over the farming areas. As soon as cream has to be reconditioned on account of the distance it has to be transported by train or otherwise, the butterfat at once becomes subject to the levy. On the other hand, we were given an undertaking when this legislation was first before Parliament that there would be no levy charged against farmers whose butter was produced and sold in their own districts.

Hon. H. Tuckey: Up to 20 lbs.

Hon. H. V. PIESSE: Owing to the conditions that operate in my province, butter has to be reconditioned and the levy is chargeable as soon as it is reconditioned. I wish members to agree to an amendment in that respect, but I am afraid we cannot command a majority to give effect to my wish. However, I protest against that phase on behalf of the farming community in my province. Mr. Craig raised another point regarding the premium for choice butter. I agree that we should produce choice butter so as to be able to compete with the Eastern States product, and in order to compete in the world's markets. The only part of Western Australia where the choice butter premium is received is in the South-West, and conditions in that part are helpful from that standpoint, owing to transport facilities. When we consider the position at Denmark, Narrogin, Katanning and elsewhere in the Great Southern district, it has to be admitted that there is very little butterfat that can be classed as choice. In the Great Southern district there is a purely mixed farming community, and unless we can engage in butterfat production there, mixed farming cannot be carried out successfully. Therefore we should encourage that phase of production in every way possible. In the existing circumstances the choice cream premium is really a perquisite for the south-western portion of the State. As Mr. Wood said, there is a fine future before Denmark and Albany in this respect. In the wheatgrowing areas, however, there is very little opportunity of those engaged there participating in the premium. I intend to support the second reading, and when the Bill is in Committee if amendments are put up that are considered advantageous to

the mixed farming areas, I hope they will receive support.

HON. W. J. MANN (South-West) [8.17]: The Honorary Minister gave a very comprehensive recital of the activities of the Marketing Board, and my colleague, Mr. Craig, in a splendid survey of the industry said most that need be said in favour of the Bill. I shall not detain the House at any length, because what I could say would be largely recapitulation. The Bill in its present form is the result of numerous representations, quite a number of discussions, and even some conferences between representatives of all interests in the marketing of dairy products. For that reason it represents the considered opinion of all sections and for those reasons I can recommend the Bill to the House. As stated by Mr. Craig, the Bill corrects some anomalies discovered in the working of the Act during the last year or two and those amendments will, I am sure, make for the more effective working of the scheme. There is no doubt whatever that the creation of the board and the work the members of it have been able to do have very materially encouraged dairy farmers, and it has also had the effect of bringing about the culmination of many of their anticipations. Dairy farmers have for a number of years been endeavouring to build up their herds and improve their pastures, as well as to use more hygienic methods on their farms. The factories have spent a great deal of money in bringing their plants up to the highest possible standard, and the combined result has been that we are in the very happy position of having made a distinct advance in the production of choice butter during last year. On previous occasions I informed the House that we had shown something like a 20 per cent. increase in the quantity of choice butter manufactured in the State, as compared with the previous year. That is a very distinct advance, and while the methods that have been put into effect by the varying interests have had a good deal to do with that increase, much has been the result of the offering of the premium for choice butter. I hope the premium will continue because there is no doubt it is an incentive to the dairy farmer to do the very best he possibly can. It is an added amount to his monthly cheque, and in that way makes, in many instances, a substantial difference. The producer of farm butter is a very desirable section of the community; but a person who is producing ten or 20 lbs. of butter a week can hardly expect to be put on the same plane with regard to electing representatives to the board as the people producing not less than a ton a week. I do not consider that any disability will be suffered by the small dairy farmer. He has benefited very largely by the work of the marketing board. He has been able to receive a price for his product without contributing anything towards it, and for that reason he should be fairly well satisfied. I support the second reading of the Bill, and commend it to the House as a measure of value to those interested in butter production.

THE HONORARY MINISTER (Hon. E. H. Gray—West—in reply) [8.21]: There are only two points that call for a reply. I am pleased with the reception given to the Bill by members. Mr. Wood referred to producers' representatives, but the views he expressed did not convince me that he is possessed of sound business acumen. It would be possible for farm butter producers to out-vote the factory suppliers.

Hon. G. B. Wood: That shows what a lot of butter they must produce.

The HONORARY MINISTER: The other point is that with regard to representation. It is necessary nowadays that those who hold positions on a board of this description should be up-to-date, and actually engaged in the industry, as well as being advocates of a progressive policy. Consequently it is necessary to elect men who are engaged in the industry. The question about premiums was, I think, effectively answered by Mr. Mann who said that the manufacturer of choice butter pushed the industry along and received his reward through the medium of the premium.

Question put and passed.

Bill read a second time.

In Committee.

Hon. J. Cornell in the Chair; the Honorary Minister in charge of the Bill.

Clause 1—agreed to.

Clause 2—Amendment of Section 7:

Hon. J. NICHOLSON: In the definition of "dealer" it is proposed to add certain words so as to provide that the term includes a person residing in the State and carrying on business as a dealer merely as

the servant, agent, or representative of another person carrying on business at its principal place of business situated elsewhere than within the State. When this was framed the point must have been overlooked that it is proposed by Section 20 of the Act that no person shall carry on business unless he shall have first applied for and obtained a license from the board. I contend that every servant in the employ of any dealer, and every agent and representative of a dealer, will likewise require to apply for a license. Who is it that it is intended shall be licensed? Will it be the servant who happens to be on the premises, or will it be the dealer, as provided by the Act? I cannot see why a servant, agent or representative should be classed as a dealer. I have consistently opposed efforts to make servants and others liable for the acts of their principals. The principal, who would be the dealer in this instance, is the man to look to. If there is any infringement of the law, why should the servant be made liable for acts that are really those of the principal? I move an amendment—

That paragraph (c) be struck out.

The HONORARY MINISTER: This is a vital part of the Bill. The object is to bring under the control of the board agents who merely book orders for Eastern States principals. The board consider the paragraph necessary for the better control of imported butter and to facilitate the collection of contributions for administration.

Hon. G. B. WOOD: Mr. Nicholson evidently does not understand the paragraph. I agree with the Honorary Minister that it is vital. Some people in the Eastern States not controlled by the board flood the market with butter at certain times.

Hon. W. J. MANN: I hope the amendment will not be accepted. Great difficulty has been experienced, and without means to prevent butter being dumped from the Eastern States, the board would be in a worse position in future. To delete the paragraph would deprive the clause of much of its strength.

Hon. J. NICHOLSON: I admit that I did not appreciate the position as it has since been explained. Still, I think that "dealer" should not include a servant, even though the definition were extended to an agent or representative to ensure that the board should have the necessary control. If we retain the word "servant" he will require to be a licensed dealer, the same as is the employer, and that would extend to every man employed by a dealer.

Hon. H. TUCKEY: I hope the paragraph will be retained. Wide powers have been sought and are necessary. The matter may safely be left to the board to decide.

Hon. J. Nicholson: The board could not alter the Act.

Hon. H. TUCKEY: We can leave the matter to the good sense of the board.

Hon. J. Nicholson: But a penalty of £100 is provided.

Hon. W. J. MANN: No loophole should be left for people to evade the provisions of the measure. If the word "servant" were deleted, a way would be found to circumis provided.

Amendment put and negatived.

Hon. G. B. WOOD: I move an amendment—

That paragraph (g) be struck out.

Many producers in the country pay the levy and should have a voice in the representation on the board.

Hon. L. CRAIG: I hope the paragraph will be retained. Producers who do not send dairy produce to a factory and who make less than 20 lbs. of butter per week are receiving the benefit of the local price without contributing anything. The levy today is 16 per cent. Mixed farmers in the wheat belt make small quantities of butter and contribute nothing.

Hon. H. V. Piesse: I say they do contribute.

Hon. L. CRAIG: A farmer may make up to 20 lbs. of butter on his farm and sell it to a local store. He contributes nothing to the stabilisation scheme. Many farmers making 10 to 12 lbs. of butter a week send it to a large central company store and the storekeeper forwards up to 100 lbs. to Perth to be reconditioned and made into eatable stuff. It is in a fairly low condition when it reaches Perth. The board take the view that that is a large quantity and they expect a contribution towards the levy. There is nothing unreasonable in that.

Hon. H. V. PIESSE: I disagree with Mr. Craig's statement that the producers in question do not pay the levy. A man makes up to 20 lbs. of butter and sends it to a local store to be sold. If the district cannot absorb the whole of the butter, the merchant has to get it reconditioned. Does

the merchant pay the full value for the butter? No; he deducts the levy from the producer's proceeds. Yet Mr. Craig would have us believe that the producer does not pay any levy.

Hon. G. B. WOOD: Do South-Western members want to control the entire industry? We must encourage wheatgrowers to go in for cows and other lines. I hope the Committee will give them that representation on the board to which they are entitled.

Hon. A. THOMSON: Mr. Craig does not quite realise the position. There is no gainsaying that the farmer who can sell his butter direct to customers does not contribute to the levy. There are persons who prefer farm butter. The hon. member would have the Committee believe that the producers do not pay. They do pay. Mr. Piesse has definitely shown how they pay. Stores fix the price of butter requiring reconditioning at a lower level. Small producers of butter are entitled to some consideration.

Hon. L. Craig: They cannot have it both ways.

Hon. A. THOMSON: The hon. member wants it both ways. I hope the amendment will be carried.

Hon. H. V. PIESSE: Mr. Tuckey asked would we be prepared, as producers, to join in?

Hon. H. Tuckey: I said you were prepared.

Hon. H. V. PIESSE: In our district we cease to make butter in the summer months.

Hon. L. CRAIG: Mr. Piesse is condemned out of his own mouth. The hon. member says that in his district butter producers cease to produce in the summer months.

Hon. A. Thomson: In the Great Southern district we are still making butter.

Hon. L. CRAIG: It has been suggested that the producer of only 20 lbs. of butter should have all the benefits of the industry and should not be called upon to pay anything. Surplus butter above the small producer's own requirements is sold at the store. It pays such producers better to sell butter in this way than to deal with a factory. They should not have a say in the appointment of representatives on the board.

The HONORARY MINISTER: There is danger in the amendment. Hon. members from the Great Southern districts are laying too much stress on the anxiety of their constituents to have a vote on the board. The Committee should take no notice of Great Southern representatives.

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

Ayes	9
Noes	14
Majority against	5

AYES.

Hon. L. B. Bolton	Hon. H. V. Piesse
Hon. E. H. H. Hall	Hon. A. Thomson
Hon. V. Hamersley	Hon. C. H. Wittenoom
Hon. J. M. Macfarlane	Hon. G. B. Wood
Hon. H. S. W. Parker	*(Teller.)*

NOES.

Hon. A. M. Clydesdale	Hon. J. J. Holmes
Hon. L. Craig	Hon. W. H. Kitson
Hon. J. M. Drew	Hon. W. J. Mann
Hon. C. G. Elliott	Hon. J. Nicholson
Hon. J. T. Franklin	Hon. H. Seddon
Hon. G. Fraser	Hon. H. Tuckey
Hon. E. H. Gray	Hon. E. M. Heenan
	(Teller.)

Amendment thus negatived.

Hon. J. NICHOLSON: In common, I suppose, with other members I have received a letter from the Women's Service Guild of Western Australia.

The CHAIRMAN: Does the letter deal with the Bill generally?

Hon. J. NICHOLSON: No. It deals with this particular clause.

The CHAIRMAN: Does the hon. member propose to move anything, or to speak against the clause?

Hon. J. NICHOLSON: The Minister at present may appoint one representative of consumers. The guild in its letter points out that that representation is not sufficient. There are 400,000 odd consumers, on whom the industry depends, and yet they have only one representative on the board. On the other hand the producers, who may, figuratively speaking, be numbered on the fingers of one's two hands as compared with the consumers, have two representatives. Clearly the consumers should have a larger representation than is provided now. The guild's letter points out that requests for increased consumer representation on the board are made by the following organisations: the Labour Women's Organisation of Western Australia, the Women's Service Guild of Western Australia, the National Council of Women, the Women's Christian Temperance Union, the Western Australian Housewives' Association, the Growers' Association of Western Australia. These bodies constitute a large and influential part of the population. I hope the Honorary Minister will see

his way to provide that increased representation of consumers which is requested.

Hon. G. B. WOOD: I fail to see why consumers should have any more representation than they have now. They are not wrapped up in the dairying industry, but that industry represents the living of butter producers. I move an amendment—

That paragraph (c) be struck out.

I shall not repeat what I have already stated. I fail to see why producer representation should be restricted to a producer. No other representation on the board is restricted similarly. On the Dried Fruits Board the representation is not restricted to growers of dried fruits.

The CHAIRMAN: The hon. member's course will be to vote against the clause.

The HONORARY MINISTER: The purpose of this clause is to make definite the original intention that the producers' representative should be a producer. I think it is a splendid idea.

Hon. W. J. MANN: When this Act was first agreed to the idea was that the producers' representative should actually be a producer; but what happened? Two gentlemen went to Bunbury and called a meeting of butterfat producers, as a result of which they were appointed as nominees of the producers to this board. One was an architect living in Perth, and the other a representative man well known to members. Neither of these men had ever produced a pound of butter in his life. When publicity was given to what had been done, the producers rose in a body and said, "We are not going to stand for that," and those nominees were refused.

Hon. G. B. WOOD: This does not mean that the producers are going to elect a non-producer, but they should be given the right to do so if they want to. They might like to elect a retired producer.

Hon. H. Tuckey: What is your objection to the present arrangement?

Hon. G. B. WOOD: I want to give the producer wider scope.

Hon. H. V. PIESSE: After listening to Mr. Mann I intend to oppose Mr. Wood in this matter. Surely the producers should be the judges of the people who should represent them.

Hon. H. TUCKEY: I also intend to oppose the amendment.

Amendment put and negatived.

Clause put and passed.

Clauses 4 to 22—agreed to.

New clause:

The HONORARY MINISTER: I move—

That the following new clause be added to the Bill:—

Amendment of Section 43.

Section forty-three of the principal Act is amended by adding thereto a subsection, as follows:—

(2.) If at any time the Treasurer is unable to make advances to the Board as provided for in Subsection (1) of this section, and the Board is unable, by reason of not having any funds invested or for any other reason, to borrow from a bank by means of an overdraft on current acount as provided for in section forty-two of this Act, and moneys for the time being in the Dairy Products Stabilisation Fund are not sufficient to enable the Board to make to any person willing to store dairy products for purposes of deriving benefit from the Dairy Products Stabilisation Fund in accordance with this Act, payments in accordance with this Act out of the said Fund, the Board may with the approval of the Governor do either or both of the following things, namely:—

(a) Borrow such amount as may be required by the Board for such purpose from any bank, corporation, or person willing to lend the same on the security of the Dairy Products Stabilisation Fund upon such terms and conditions as may be mutually arranged between the Board and the lender; and in such case the repayment of the sum so borrowed, together with interest payable thereon shall be a charge upon the said Dairy Products Stabilisation Fund; or

(b) *By arrangement with any bank, corporation or person willing to lend direct to the person willing to store dairy products as aforesaid, money up to the amount which the Board is willing and authorised by this Act to pay to such person out of the Dairy Products Stabilisation Fund to guarantee to such bank, corporation or person on the security of the Dairy Products Stabilisation Fund repayment with interest thereon of such amount as such bank, corporation or person may lend pursuant to such arrangement; and in such case any principal or interest which the Board may be required as guarantor aforesaid to repay to such bank, corporation or person as lender aforesaid shall be a charge upon the Dairy Products Stabilisation Fund: Provided that if and when after the Board as guarantor aforesaid has made payment to any bank, corporation or person as lender, any payment is recovered by the Board from the person to whom money was lent by such bank, corporation or person, shall be placed to the credit of the Dairy Products Stabilisation Fund.*

New clause put and passed.

Preamble, Title—agreed to.

Bill reported with amendment, and the report adopted.

Third Reading.

Bill read a third time and returned to the Assembly with an amendment.

BILL—FEDERAL AID ROADS (NEW AGREEMENT AUTHORISATION).

Received from the Assembly and read a first time.

BILL—INDUSTRIAL ARBITRATION ACT AMENDMENT.

Second Reading—Defeated.

Debate resumed from the previous day.

HON. C. F. BAXTER (East) [9.14]: This Bill deals with one of the most important Acts on the statute-book—the Industrial Arbitration Act. The Act sets out conditions and wages in the State's industries, the most important feature of the State, and the success of which affects every individual. When the Arbitration Act was assented to by Parliament it was supposed that by its means industries would be stabilised. The actual results have not only been disappointing, but some industries have suffered considerably and others have been forced out of existence. No consideration has ever been given as to whether an industry can carry the conditions imposed on it. It must readily be admitted that the intention of the Act has not been honoured, inasmuch as awards of the Arbitration Court have on many occasions been flouted. Any amendments to the Act should be in the direction of making it more effective, but the Bill before the House will create just the opposite, and place such obstructions on industries that more will go out of existence. Is it any wonder that industries outside the State can supply our wants and undersell our own people? There is not one clause in the Bill that will assist in any way to prevent the all-to-frequent flouting of the court's awards. One need only consider the developments in this direction during recent years. The gold mining award was delivered on the 24th December, 1934. This award was to apply from the 1st January, 1935. The Arbitration Act is the creation of Labour unions, but how was it respected in this case? On the 5th January, 1935, there was a general strike affecting all workers in the gold mining industry, which ended on the 18th February, 1935. The previous mining award, made in August, 1927, prescribed 44 hours per week underground, and 48 hours for all other workers. The present award, made on the 24th December, 1935, prescribes 44 hours for all workers. The whole question respecting hours was fully discussed by both parties, and argument and evidence were brought to bear before the court made the award. This gave a reduction of four hours per week to surface workers. Immediately on delivery of the award, hostile action from the union followed and the union passed the following resolution, "That all miners' hours be 44 per week to be worked in five days of 8 hours and 4 hours on Saturday. Any attempt to introduce 88-hour fortnight will be regarded as hostile action." The workers on the Sons of Gwalia, approximately 300, as a result of a vote taken as to whether they would work a 44-hour week or an 88-hour fortnight, decided to work the 88-hour fortnight. The workers on the Associated Mine, Kalgoorlie, approximately 200, as a result of a similar vote did the same. The strike lasted for seven weeks. During the course of the strike the Minister for Mines, interested politicians, and later a committee of four Ministers of the Cabinet, all encouraged the strikers by stating that they supported their action in defying the court's award and the law of the country. During the week in which the Cabinet representatives and the sub-committee of the Chamber of Mines were at the Premier's office attempting a settlement of the strike, the Government were requested to honour the Arbitration Act by enforcing the penal sections. Instead of doing so they redeemed their promise to the strikers and forced a settlement on the Chamber of Mines. The Government accepted full responsibility for their action in this matter in the correspondence between the Premier and the Chamber of Mines, which stated the final terms of settlement. What is the use of Parliament enacting laws if they are not honoured? Had action been taken under Section 140 of the Arbitration Act the loss of £216,000 in wages and the consequent drop in the gold returns of £500,000 would not have resulted. In addition, all services and concerns associated with the industry have suffered considerably and there is very little doubt that

speculators lost confidence and as a consequence a large amount of speculative money has been diverted to other countries. Encouraged by their success in defying the Arbitration Court, those engaged in the mining industry have recently flouted the award of the court and an attempt was made through the Mines Regulation Bill to meet their wishes. On 25th May, 1935, just a few months after the strike in the gold mining industry, the Kalgoorlie Foundry strike occurred. This strike lasted nearly 12 weeks. The unions demanded a special industry allowance of 12s. per week per man, as paid by the mining companies under the award which came into operation on 1st January 1935. They also claimed away-from-home-allowance when engaged on installation work outside Kalgoorlie. A further claim was made for increased rates on shift work. This strike was encouraged by the success of the miners strike in defying the Arbitration Court. These matters were discussed at a conference between representatives of each union and the employers at Perth, in March, 1935. As a result hours were reduced from 48 to 44 per week by the employers, and the various unions gave specific undertakings to submit the remaining points for decision by the court. Their demand in May, 1935, that these points be conceded by the employers immediately without reference to the court, and the employers refusal to do so, was the cause of the strike. This was a specific instance of refusal of the strikers to submit matters in dispute to arbitration or determination by any other tribunal. It was also a flagrant breach of confidence, in that undertakings given in good faith were deliberately ignored by the union. On 28th May a compulsory conference was convened by the president of the court at Kalgoorlie. This sat for three days and permitted the fullest possible discussion by each union advocate and the employers' representative. No agreement was reached, but the president referred the cases into court and said in delivering this decision that he would not deal with the case until the men returned to work. The men refused to return to work, and thus flouted the order of the court. Provision is made in the Arbitration Act to deal with this position, but the strikers were given free licence. No action under the penal sections of the Arbitration Act was taken either by the court or by the Crown Law Department. On 25th July the strikers rejected the recommendations of the disputes committee to submit the whole matter to the court. On the 6th August, 1935, the strikers unanimously carried a motion of no confidence in the disputes committee and assumed full control. Mr. J. J. Kenneally convened a conference of the parties at Kalgoorlie on the 14th June, 1935. Again under his presidency the fullest opportunity was given for discussion. The Minister's efforts also failed. On the 19th August the parties approached the court for the appointment of an industrial board to deal with the dispute, thus ignoring the legalised authorities to deal with disputes. The Board made recommendations to the court which were embodied in the subsequent award. This is a specific instance in which five unions joined together in the use of the strike weapon to enforce acceptance of certain conditions by the employers. In each case they were supported by their union, and defied the Arbitration Court, the Minister for Labour and the State Disputes Committee. Finally after refusing to submit the matters in dispute to the president of the court they asked him to approve of the appointment of an industrial board. The president accepted this position without raising any objection. There were 200 men connected with this strike, and whilst the loss of £12,000 in wages is important, the most serious part is that heavy purchases of machinery and mining replacements were supplied outside the State, thus diverting a large amount of money which was badly needed here, and in addition, mining operations were curtailed. On the 15th October, 1934, a general strike occurred of woodcutters at Kurrawang, affecting 500 workers. The men claimed increased rates for cutting and two weeks' leave for piece-workers, neither of which was contained in the existing award. The workers' committee, without referring the matter to the parent union at Boulder, counselled the workers to stop work. A committee of eight workers headed by one M. Marelich as spokesman, a Slav of questionable origin, defied the A.W.U. executives, and refused settlement by arbitration until the 23rd October when at a mass meeting at Boulder, at which Marelich and the committee attended, the action of the woodcutters was condemned. Work was resumed on the 25th. This is an instance of the refusal of strikers to submit their grievances to the union concerned and is also notable for the belligerently impudent attitude displayed towards the Presi-

dent at the compulsory conference, and at the mass meeting of workers in the bush. He was officially informed that the workers decided "to have no dealings in any shape or form with the Arbitration Court." Thus the workers, headed by a foreigner, not only ignored the law, but insulted the President of the Arbitration Court. There have been many strikes in this industry. The losses cannot be estimated and there is very little doubt that such an unreliable source of supply of fuel influenced the Lake View and Star in installing oil fuel, thereby sending abroad moneys which are so badly needed in this State, and also giving employment to many men. The omnibus strike is another instance of ignoring the Arbitration Court. The union made application to the court for an award but owing to the court's congestion demanded on 11th May an early settlement on threat of strike. The employers agreed to make a consent application to the court for appointment of an industrial board. The court appointed the board which commenced the hearing on the 26th June, and after several days, during which a large volume of evidence was submitted by applicants and respondents, the board submitted recommendations for the making of an award. Each member of the board submitted a written report with recommendations, and the court gave advocates the opportunity of discussing reports and recommendations. The court then issued minutes of the proposed award and gave further opportunity to both parties to discuss it. Eventually the court issued an award on the 7th September. On the 2nd October the union made demands upon the employers' committee for a variation of award. These demands were refused. All points in demand had been covered by evidence and agreement before the board and court. No change had occurred in the industry since the award was made. On the 4th October, a month after the award was made, the workers decided to stop work. A conference between the State Disputes Committee and employers was held on the 5th October, but there was no settlement and the strike commenced the next day. On the 19th October, on the application of the Registrar of the Arbitration Court, the president issued an order for the cancellation of registration of the union, but stayed execution of his order for four days to enable the union to take one of the following courses:

(a) Remove bus drivers from membership of the union for breach of the rules; or
(b) Force them back to work.

On the 23rd October, on the application of the union, the stay was extended until Monday, November 2nd, to enable the regulations as to calling a general meeting of the union to be complied with. The award appointed a board of reference to which all matters in dispute had to be submitted, but this course was ignored by the strikers. There was no action under the penal section taken by the Crown Law Department, although under Subsection 2 of Section 140 the registrar must have reported the breach to both the Court and Crown Law officers. Both individuals and the union were guilty of a breach under Part 9 of the Act. This is a specific instance where workers in order to enforce acceptance by employers of certain conditions broke the law.

Whilst there are other instances on similar lines to those I have mentioned I will deal with just one more, but even more serious on account of its far-reaching effects. I refer to the Collie miners' strike. This strike caused a complete stoppage of coal production at Collie, and approximately 700 men were affected. A new award was delivered on the 6th October last, and was made after exhaustive inquiry by the Court, involving a three weeks' hearing. The Court made its previous award on August 13, 1934. By the latest award workers received distinct benefits, including a fortnight's paid holiday for the first time in the history of coal mining in Australia.

Hon. J. Cornell: Qualifying conditions were attached to that.

Hon. C. F. BAXTER: They do not seem to have been much appreciated. The dispute arose at the Co-operative mine regarding the appointment of a set rider to assist wheelers in the portion of the mine newly opened—a most trivial matter. Employers repeatedly offered recourse to the board of reference as provided by the award, which also provides no stoppage shall occur pending submission to the board of reference. The workers refused to submit matters to the board, and a stoppage occurred on Monday, the 19th October. A stop-work meeting involving all miners was held and work ceased on all mines. On the application of the employers a compulsory conference was called at which the president of the court heard both par-

ties. This conference proved abortive and was adjourned sine die. On application of the employers in open court for an injunction restraining the union from a continuance of the breach of the Act and the award, an order was delivered under Section 134. This is another instance of the refusal of strikers to submit matters in dispute to the channel provided by Parliament, the Arbitration Act. It is also an instance of the union endeavouring to force compliance with its demands by concerted direct action. Troubles in the coal mining industry in the past have been the means of deciding shipping companies to change over to oil fuel, and the loss in this direction is a serious matter to the industry. The duration of the strike meant a loss that could ill be afforded, and had it continued many industries would have been forced to discontinue operations. No doubt Newcastle coal suppliers find pleasure when such troubles occur here, but such actions are very detrimental to the State. The coal mining industry is the key industry to varied activities. One disgruntled employee could very easily have been the means of throwing thousands out of employment, with the consequent suffering of such workers and their dependants, cause chaos in industry, and disorganise the State's commercial activities. The "West Australian" recently published the following:—

Rejection of Bills.

Labour Party Indignant.

Indignation at the attitude of the Legislative Council in rejecting three important Bills recently was expressed at a meeting of the State executive of the Australian Labour Party on Monday night, and a resolution was carried that the Parliamentary Labour Party be recommended "not to introduce legislation beneficial to the interests represented by the majority of the members of the Legislative Council."

A long discussion took place and speakers referred to the treatment in the Legislative Council of the Factories and Shops Act Amendment Bill, the Workers' Compensation Act Amendment Bill, and the Financial Emergency Tax Assessment Bill. It was claimed that many of the amendments sought by the Bills were of a nature beneficial to every section of the community, and that many of them were necessary to the better working of existing Acts.

The resolution carried was as follows:—That in view of the scant consideration given to industrial legislation by the Legislative Council, the State Executive of the A.L.P. recommends to the Parliamentary Labour Party that it does not introduce legislation beneficial to the interests represented by the majority of the members of the Legislative Council, and further, that the executive give consideration to the best ways and means of combating the attacks on legislation beneficial especially to the workers.

Now we know where these Bills have been fostered. Those who are grumbling about their being thrown out are the very people who would have suffered had they been placed on the statute-book. Industry could not have carried the provisions they contained. A glance at the "Western Australian Industrial Gazette" will show that there are 100 union secretaries, the salaries of whom would reach £30,000 per annum, in addition to the cost of office accommodation, organisers, transport, typistes, etc., to cater for 43,738 members. What a burden that is upon industry! I state definitely that it is not a case of amending the Act, but the enforcement of it as it now stands. What is the use of Parliament deliberating and passing Acts if they are to be flagrantly ignored as the Arbitration Act has been? There cannot be stability or peace in industry if employees are not only permitted, but encouraged to defy the law provided to set out wages and conditions. After all that has occurred, Parliament should expect that if any amendments are proposed they should be in the nature of tightening up the existing sections so that the employers would have reasonable consideration. So far they are compelled to observe the Act strictly, whilst the employees are allowed to treat the Arbitration Act and Court with disdain. We are requested to consider a Bill to give advantages to those who do not respect the Act—the employees. I intend to oppose the second reading, and as a consequence find it necessary to deal with some clauses of it. Clause 2 amends definitions and under "employer" the Bill seeks to strike out "worker" and insert "persons." This is intended to break down legitimate contracts and prevent contracts being entertained. It also brings the "foreman" in as an employer. How can a foreman occupy such a position when he is subject to and covered by other awards? Under the definition of "worker," domestic servants are included, as well as farm labourers.

The Chief Secretary: What is wrong with that?

Hon. C. F. BAXTER: I know there is a scheme on foot to get them in. This House has always shown very strong objection to

such extensions. If this were agreed to there would be no privacy in the home; it would become subject to the Act and those associated with it. The inclusion of the word "engaged" is meant to interfere with partnerships. Paragraph (i) speaks of "contract for labour." That is quite different from "contract of labour." If this were agreed to it would prevent the many small contracts which are carried out now. Subparagraph 3 of Clause 2 dealing with the definition of "worker" provides that the term shall include a person—

> Working with any vehicle which has been leased, hired, or lent to him and which is used by him in the delivery of goods or the conveyance of passengers for hire or reward: Provided, however, that the court or industrial magistrate having jurisdiction in the matter under this Act is satisfied that the relationship is substantially that of a master and servant, and that it was entered into for the purpose of avoiding the application of any award or industrial agreement.

That will automatically cancel many agreements and arrangements under which men are earning a living. Some firms provide vehicles, and the men do the carrying of goods under conditions that are suitable to both parties. This amendment will do away with that practice.

The Chief Secretary: And so it should.

Hon. C. F. BAXTER: Why should it? A very important matter is dealt with in Clause 3 which sets out—

> The trade union or body known as the Australian Workers' Union may be registered under this Act as if it were a society complying with the provisions of Section 6.

Hon. J. Cornell: That is an old stranger that is re-appearing.

Hon. J. J. Holmes: With a dragnet proviso behind it.

Hon. C. F. BAXTER: There is no doubt what that means. That means the One Big Union. The Chief Secretary laughs!

The Chief Secretary: I should think I would.

Hon. C. F. BAXTER: Some time ago we had awards distributed throughout the country districts, but by a clever move they were done away with. The One Big Union is what this will lead to. It will cover many branches that, as unions, now approach the court in connection with their respective callings. What will happen if we register the One Big Union?

Hon. G. Fraser: That has been tried for 20 years past.

Hon. C. F. BAXTER: And they will still be trying for another 20 years. Let members think what power One Big Union would wield, political or otherwise.

Hon. J. J. Holmes: It would paralyse industry.

Hon. C. F. BAXTER: There is no doubt about that.

Hon. V. Hamersley: And that is what they want.

Hon. C. F. BAXTER: Clause 7 also contains an important provision. In the first subclause there is the following:—

> Subject as hereinafter provided an award shall whilst in force be a common rule and shall, subject to any exceptions, limitations, or exemptions contained therein become binding on all employers who engage workers (whether members of an industrial union or association or not) who carry on any of the vocations set out in the award at any time whilst it is in force.

That is a dragnet clause that will bring in the casual workers. I hope members appreciate how far that will extend. The present award applies only when it affects the joint work of employer and employee. All small jobs that are now done for householders, no matter how small, will be brought under awards if this provision be agreed to. As an illustration, I might mention that the present gardeners' award, which covers municipalities and road boards in the metropolitan area, would also apply to every person who may be engaged casually by someone even for a small job. The Minister told us the other night that the amendment was designed to correct anomalies. To my mind, the amendment is obviously designed to nullify two Supreme Court judgments, which were given in the Parker and Fletcher cases. Under the present Act the Arbitration Court has jurisdiction over other matters dealt with in Clause 7, particularly in Subclause 3, and in every case makes the necessary provision in awards. Clause 9 proposes to amend Section 90 of the principal Act. Last night the Minister referred to the fact that 12 months would have to elapse before an award could be varied. But paragraph (b) of the proviso to Clause 9 sets out that—

> The court may when delivering an award or any amendment to an award reserve liberty to apply to any party to the award to amend the award in regard to any matters to be stated in the order conferring such leave, and such order may state the period of time (which may be less than 12 months) within which an application may be made under such order.

The Minister stated that an award could not be varied within 12 months. I would like some further explanation on that point. If that means that an award can be varied in less than 12 months, then it is most unreasonable. Surely we should have at least 12 months during which an award should operate and thus allow some peace in industry. I will deal with one other important matter, although there are quite a number of other points that I could stress. Clause 14 seeks to repeal Section 106 of the principal Act which, among other things, provides the right of appeal to the Court of Criminal Appeal for any person who has been convicted by the court of any offence and—

(a) A term of imprisonment is imposed on him without the option of a fine; or (b) a fine or penalty is imposed on him exceeding £20.

The clause will cut out that provision and although a fine of over £20 may be imposed, there will be no right of appeal to the higher court. It is just as well to know that all the appeals that have been made under that provision have been successful, showing that frivolous matters are not taken to the higher court. Whereas the Bill will take away the right of appeal where fines are concerned, it is retained where imprisonment is ordered. The clause states—

Proceedings in the court shall not be impeached or held bad for want of form, nor shall the same be removed to any court by certiorari or otherwise, and no award, order, or proceeding of the court shall be liable to be challenged, appealed against, reviewed, quashed or called into question by any court of judicature on any account whatsoever: Provided that an appeal from the decision of the industrial magistrates shall lie in the prescribed manner to the full bench of the Court of Arbitration, as constituted under this Act.

Instead of that appeal being to the Court of Criminal Appeal, it is to be taken before the Arbitration Court. How can we expect the Arbitration Court to deal with a matter requiring the interpretation of the law? There is only one trained legal man on the bench—the President. The other two members of the court have had no legal training. Such a proposal should not be thought of, and I cannot see that there is any justification for that proposal. The State has had many years of experience of the Arbitration Act, which has been amended on various occasions. No further amendments of the description indicated in the Bill should be considered unless the Act is honoured and its provisions enforced, as originally intended. If there is to be increasing industry, it is imperative that before a strike is commenced or any drastic move is made by the employees, it shall be compulsory that a secret ballot be taken to ascertain the views of the employees engaged in the industry affected. What objection could their be to such a course? I think some such provision should be included in the Act.

Hon. H. Seddon: It is absolutely essential.

Hon. C. F. BAXTER: Of course it is, and my experience is that if there were such a provision in the Act we would not have so many strikes. To sum up the position, I would point out to members that the miners' strike in 1935 was brought about owing to a dispute as to how the hours were to be spread. It was a matter of small importance compared with the serious effects of that strike. The strike this year was caused by another matter of minor importance.

Hon. J. Cornell: There were other issues as well.

Hon. C. F. BAXTER: I do not know sufficient about the matter to express an opinion, but according to what has been stated in this House there seems to be some merit in the request for the institution of the bank-to-bank system. My opinion is that the recent trouble had nothing to do with that question, but if there is any merit in that phase, why should not the parties approach the court to secure a decision along those lines? In the two strikes I have mentioned the workers ignored the Arbitration Act and the Arbitration Court. The Kalgoorlie Foundry strike was another instance of direct action in open defiance of the Arbitration Act and the court. The most recent strike on the Kurrawang woodline, which was one of many such occurrences, was an instance of the men not only ignoring the award of the court and openly defying the court, but they also defied the union with which they were associated. The bus employees went on strike following from their demand for conditions that the Arbitration Court, after full consideration, refused to grant. Such instances plainly indicate that the employees respect the law only when it is in their favour. The Collie miners' strike was occasioned because a set rider for the afternoon shift was not provided. That was a trivial matter, but the

effects dealt a severe blow to many of our State industries. It would have taken years to recover from the full effects of such a blow, and the action was taken by a body of men who had been granted a privileve never before allowed to any other such section of industry in Australia, namely, a fortnight's paid holiday per year. Is it reasonable to expect Parliament to agree to further amendments of the Arbitration Act providing further privileges for employees who have shown no respect for the law that was instituted for their protection, and who treat the Act like a scrap of paper, deliberately defying both the law and the awards of the court? There is nothing in the Bill to promote industry and increase employment; on the other hand, many of the clauses will impose conditions that will increase unemployment. I oppose the second reading of the Bill.

HON. J. CORNELL (South) [10.0]: There is much I could say on the Bill, and on compulsory arbitration, but to do so would savour of flogging a dead horse. The position is that the Bill has been brought down at a stage of the session when it should not have been submitted.

The Chief Secretary: That argument is worn out.

Hon. J. CORNELL: It should have been brought down much earlier.

Hon. C. F. Baxter: It was before another place for a long time.

Hon. J. CORNELL: But it did not come here. Anyway, I am not going to be told that after a lapse of 11 years there is not some need for bringing the arbitration laws up-to-date. Ten years passed between the time the Arbitration Act was introduced in 1902 and before it was amended by the 1912 Act, and then a further 12 years elapsed before it was submitted to a comprehensive overhaul. On those occasions the amending legislation was brought down at a much earlier period of the session. Again in 1925 amending legislation was submitted, and after a 20 hours' conference between both Houses a compromise was arrived at. Since then 11 years have elapsed, and there has been practically no amendment of the Act.

Hon. V. Hamersley: That was a perfect Act.

Hon. J. CORNELL: Even perfect men go wrong sometimes, and also perfect women. I have yet to learn that anything remains perfect that is subject to usage. This Act has been subject to usage for the last 11 years. Would members ask themselves the question whether they would refuse to amend the marriage Act because certain people apply for a divorce?

Hon. C. F. Baxter: The cases are not analogous.

Hon. J. CORNELL: After all the only test of arbitration is in retrospect, and one could ask himself whether there would have been greater success in the industrial sphere without arbitration. Whether we like it or not Australia and New Zealand are irrevocably committed to settlement of disputes by arbitration. I am not one of those who seek faults on one side. In the administration of the arbitration laws there are faults on both sides. My experience is that no more has been got out of the employer than has been obtained from the worker, and that both surrender at the point of the gun. But everything goes on whether difficulties are settled by arbitration or not. My experience is that we cannot blame the great bulk of trade unionists who subscribe to arbitration, and I believe the majority of them in Australia to-day do heartily subscribe to arbitration for the settlement of industrial disputes.

Hon. G. W. Miles: Then why do they go on strike?

Hon. J. CORNELL: One of the factors that has caused dislocation in industry is a new factor which has entered the arena of the industrialists, and it is that which is out to destroy the present social system. That factor is very often responsible for involving an industry in a dispute. I regret that Mr. Baxter referred to the 1935 trouble, because it was all thrashed out here during the Address-in-reply of the same year. I said then, and I repeat it now, that I warned the men in Boulder. I said then that it was not a matter of hours or the 88-hour fortnight that was the determining factor in the men carrying the resolution they did. The real determining factor was a general resentment amongst the underground workers against the award that had been made. That award gave the underground workers practically nothing, whereas it gave the surface workers everything. That psychology permeated the underground worker and as we very often do as the heart directs, and not as the head guides, the men on the Golden

Mile were got out on a false issue. After all, the employers were as much to blame as the workers because of the fact that with undue haste they endeavoured to put the award into practice when it was an innovation so far as 80 per cent. of the men in the mining industry were concerned. The mining managers of the olden days did not attempt to take advantage of an award or technicality when they thought it was going to work out to the detriment of those concerned. The representatives of the companies were very considerate towards their employees. A tactical blunder which delayed the settlement of the 1935 dispute was committed by the representatives of the mining companies who definitely refused to meet a deputation from the men in the persons of the Minister for Mines and the Minister for Lands. It is one thing to refuse to meet, say, Mr. Drew or myself in our ordinary capacities as private members of Parliament to negotiate a delicate situation, but it is another thing entirely to refuse to meet two Ministers of the Crown. If the employers' representatives had met the two Ministers as they were requested to do, I am positive there would have been an end of the dispute. Regarding Mr. Baxter's indictment against the Kalgoorlie Foundry employees, it was in the President's room here that the man most concerned admitted the justice of the men's claims. Mr. de Bernales told Mr. C. B. Williams and myself that he had been misinformed, that he was advised that the men were striking against the award, but after investigating the matter for himself he was perfectly satisfied that the men were striking for an award. That was what was said on that occasion. I also desire to correct Mr. Baxter regarding the reason he gave for the installation of oil fuel for the Lake View and Star Mine. The industrial question had nothing to do with it. The reason for the installation of oil fuel on that mine was that the management could not come to an understanding with those in control of the Kalgoorlie power corporation to supply current. An agreement as to price could not be arrived at, and so the Lake View and Star management decided to instal their own oil fuel plant. Had an understanding been arrived at which could have been arrived at with the Kalgoorlie Power Corporation, oil fuel on the Lake View and Star would to-day be used perhaps only to a barely appreciable extent.

Hon. G. W. Miles: The woodcutters also went on strike and the mines could not get firewood.

Hon. J. CORNELL: The Kalgoorlie Power Corporation were more or less responsible for the use of oil fuel on the Lake View and Star mine. Of the bigger mines of the world, such as those in Johannesburg, not one has its own power plant. I do not take the slightest notice of what the executive of the A.L.P. have said about the actions of this House in rejecting legislation. Years ago I took a hand myself in framing similar motions. I do not think the resolution of the A.L.P. will make any impression whatever upon the older members of this House. If they carry their memories back, they will recall that when Mr. Drew was ably leading this House, one of his colleagues went out and made a drastic attack upon members of this Chamber, and Mr. Drew, from his place, repudiated the statement, said he was not a party to it, and let it be taken for what it was worth. We can take the latest resolution regarding our power to reject legislation for what it is worth. I shall vote for the second reading, though I think that by so doing I shall be more or less throwing my vote in the air. There are one or two immediate improvements which can be made if the second reading be agreed to. I again protest against the Bill reaching us at such a late stage of the session. I am perfectly satisfied that if we are going to bring our arbitration laws up to date, a policy of give-and-take must be adopted by the Parliamentary parties such as was manifested in 1912 and 1925.

The Chief Secretary: Not too much of it then.

Hon. J. CORNELL: We had an interchange of opinions, and there was give-and-take. The Bill in 1912 went to a conference, and a working arrangement was arrived at which I consider gave satisfaction all round. I know there are members not associated with the Ministry who possess as much knowledge of the working of arbitration as do Ministers, and who could give quite helpful suggestions to the House. One of the suggestions I offer is that the Arbitration Court to-day lacks elasticity. It has reached practically the position of the Repatriation Commission when Mr. Hughes got rid of the members and appointed new ones. The court should be easier of access; it should be easier to settle objections,

breaches of awards, and interpretations, and it should not be necessary for unions to wait for 12 months in order to get to the court.

The Chief Secretary: That is not their fault.

Hon. J. CORNELL: Whose fault is it?

The Chief Secretary: It is the fault of the Act.

Hon. J. CORNELL: There are not enough tribunals to deal with the volume of business. After many years of observation, my impression is that the sooner the same elasticity is given to the work of the Arbitration Court as is given to the work of the other courts, by the establishment of more presidents or more industrial courts, the better. Otherwise, we should scrap the whole thing. I have heard my colleague, from his place behind the Minister, express himself in similar terms, and I do not think anyone would say that Mr. Williams does not know what he is talking about when he deals with arbitration. Unfortunately he is not here to help in the discussion to-night. However, I am pleased to plead what seems to be a forlorn case. I am generally on the losing side, and I dare say I shall be there on this occasion also.

HON. J. NICHOLSON (Metropolitan) [10.20]: The Bill has been debated fairly fully, and I shall not speak at length. When we recall the history of arbitration, we associate it with the introduction of the means by which we hoped to reach that happy stage that we seem not to have attained as yet, namely, peace in industry. Unfortunately the history of arbitration in Western Australia does not show that it has produced the results so fondly and earnestly hoped for it. One has only to recall many of the instances in which the court has not been treated with that respect due to it, but rather has been treated in a manner very different from that which should have been adopted towards a court seeking to introduce conciliation between those engaged in industry. The Bill seeks to vary and extend the existing law. I shall not occupy the time of the House by discussing the features of the Bill beyond mentioning that by previous measures introduced on various occasions, efforts have been made to incorporate some of the amendments that appear in this Bill. I perceive in one, dealing with the interpretation of "worker," an effort to extend the definition to domestic servants. To that I am distinctly opposed. Likewise am I opposed to other amendments sought to be embraced within the definition of "worker." An important matter is dealt with in Clause 9, which proposes to amend Section 90 of the Act. It proposes to give power, by leave of the court, to apply for and obtain any addition, alteration or rescission of any of the provisions of an award after the expiration of 12 months from the date of the award, and, at any time after the expiration of an interval of not less than 12 months, to continue those applications. I call attention to that provision because variations that might be made in that way are bound to react upon the people dependent upon industry for a living. I suppose we are all more or less dependent upon industry of some kind or other, whether we are employers or employees, and it is essential in the interests of both to keep the wheels of industry moving as smoothly as possible. When an employer entered into a contract, possibly a contract extending over one, two or three years, for the supply of certain goods, the effect would be that an alteration in the award governing the industry might lead to increased cost of production. Such a result would be disastrous to contracts and to the undertaking of contracts, and therefore would re-act, I contend, to the detriment of industry.

The Chief Secretary: How do you make that out?

Hon. J. NICHOLSON: In order to secure the benefit of trade, employers have to undertake the supply of goods on contract over varying periods. If they get a contract that will endure for a long time, so much the better for those engaged in the industry, because they are assured of constant employment. Under the power proposed to be given by the Bill to make variations, the particular industry would be affected because the employer, instead of being able to carry out his contracts at a profitable price and at a price that would benefit those employed in the industry, might find it disastrous and such as to cause his bankruptcy.

The Chief Secretary: Are you suggesting that an award should extend longer than 12 months?

Hon. J. NICHOLSON: In order to encourage the maintenance of industry and the continuance of employment, protection should be afforded to contracts and an

opportunity given to enter into contracts that would be beneficial to all concerned.

The Chief Secretary: What is your suggestion?

Hon. J. NICHOLSON: I suggest that the amendment is too wide. Section 90, which it is proposed to amend, provides that the term of an award may be any specified period not exceeding three years from the date of the award, though it may be prescribed that any provisions may be referred to the court for review at such intervals as the court may think fit, with power to the court to vary or rescind such provisions. Then follows this provision—

> Provided also that at any time after the expiration of the first 12 months from the date of an award, and after the expiration of any subsequent period of 12 months, application may be made to the court, by leave of the court obtained by any party to the award, for a review of any of the provisions of the award, and the court shall have power to vary or rescind such provisions.

That is sought to be extended by the provision in Clause 9 of the Bill. I also direct attention to the fact that by Clause 6 a further extension is proposed that will have the effect of making an agreement an award. We cannot tell what effect the proposed new Section 40 will have; but in any event where an agreement is made for a definite period, it would fall within the provisions of Clause 9 of the Bill. There are many other clauses to which I might refer, but I shall not take up the time of the House in doing so. I do, however, join in the protest which has been made against the late introduction of a measure of so controversial a nature as this. I feel that it is not right to submit such a measure in the closing hours of the session. I can see that not one clause but many clauses would involve hours of debate before any settlement could be reached. I can only repeat my regret that the Bill should have come forward at this late hour. In the circumstances I cannot support the second reading.

HON. H. SEDDON (North-East) [10.32]: There are one or two points to which I should draw attention in connection with the Bill, because, as pointed out by previous speakers, the time we have for considering the measure is so very short. It is known that the intention is that Parliament shall rise at the end of this week. We are discussing the Bill practically for the first time to-night. I have always stood for arbitration in industrial disputes, and any attempt to improve the Arbitration Act will always have my serious consideration. Two years ago a Bill to amend the Arbitration Act was introduced here at the very end of the session, and I then protested against the attempt to induce the House to give consideration to that Bill when there was practically no time to consider it. There is another point I wish to bring under the notice of hon. members in connection with the present Bill. A few evenings ago I went to get a copy of this Bill, which was then before another place, in order that I might study it; and I found that no copies were available. Obviously, if members are to give due consideration to a measure, they should have at any rate a few days to look it over. However, that was the experience I had.

The Chief Secretary: Did you try very hard to get a copy?

Hon. H. SEDDON: I went to the other end of the building, and was informed that the Bill was out of print. Although a large number had been obtained, so many copies had been sent out of the House that a copy was not available for me. I hope I shall not have to repeat that experience with regard to any other Bill.

The Chief Secretary: There is nothing to get excited about. You could have asked me for a copy, and then you would have got one a few days ago.

Hon. H. SEDDON: My experience was as I have described.

The Chief Secretary: You cannot have tried very hard.

Hon. H. SEDDON: I hope that in future arrangements will be made for a certain number of copies of Bills introduced in another place to be reserved for members of this Chamber, should they require them. Hon. members of this House are entitled to copies for the purpose of getting an idea of the general tenor of amendments proposed. However, that is in passing. It is quite fitting that I should bring the matter under the notice of the House. I find myself in the position of not having had an opportunity to study the provisions of this Bill.

The Chief Secretary: Members have been in a worse position.

Hon. H. SEDDON: That may be so. I am not prepared to cast a vote on many of the clauses contained in the Bill without going into them thoroughly. I have always supported industrial arbitration, and am prepared to give careful consideration to any attempt to improve the operation of the Act and to increase the efficiency of the Arbitration Court. In connection with the Bill I may mention certain circumstances relating to the strike in Kalgoorlie. I happen to know the circumstances pretty well, and I wish to say quite definitely that if ever a crowd of men were forced on strike, those men were forced on strike. The way in which repeated demands for consideration were treated, the way in which the men were sidestepped, and the way in which their efforts to secure discussion were evaded, were such that eventually, as a last step, the men went out on strike. Then, and only then, were attempts made to bring them, practically by the scruff of the neck, into the Arbitration Court. There were certain peculiar circumstances associated with the strike. Rightly or wrongly, the men had got into their heads the idea that the President of the Arbitration Court had prejudged their case. Upon an attempt being made to bring them before the Arbitration Court, they adopted the attitude. "We are not going to have our case judged by a man who has prejudged it." After all, we have to realise that the men were driven into striking. As a result, the thing dragged on week after week. Eventually a solution was obtained by the formation of a board to consider the whole question, and thus an agreement was arrived at. Those are the circumstances associated with the strike. I know many of the men personally—men who are members of my own union. I may add that the facts I have stated are pretty well known on the goldfields. Now, there is the question of striking generally. I was pleased to hear Mr. Baxter say that before a strike is called on, there should be some arrangement whereby a secret ballot can be taken of all the members of the union concerned. That is an essential provision, especially in view of developments taking place in the industrial world to-day. In our political world the secret ballot has been the safeguard of our freedom and liberties; and so I say the introduction of the secret ballot into deciding important questions of union policy is a most desirable step. I am surprised to find that in this amending Bill there is no general provision of that nature. In the interests of the men themselves, apart from any other consideration, it is highly desirable that such a provision should be introduced into our trade union rules. A ballot should be taken on the question of a strike, free from any undue influence, in the same way as political ballots are carried out today. I find that I am not able to support various clauses of the Bill. At the same time, the Bill should receive full consideration. Therefore it would be wise either to extend the session so as to give time for study of the measure, or else to defer consideration of the Bill until next session, when there will be plenty of time to go into it.

HON. G. B. WOOD (East) [10.39]: I shall vote against the Bill. I realise that it may contain some highly desirable clauses, but we have not the opportunity to study the measure as we should. The Bill has been before another place for at least two months.

The Chief Secretary: You have had all that time to study it.

Hon. G. B. WOOD: The Minister could not have been serious when submitting the Bill during the dying hours of the session. Portions of the measure may be quite desirable. I advise him to postpone the further consideration of the Bill till next year. I shall vote against the second reading.

THE CHIEF SECRETARY (Hon. W. H. Kitson—West—in reply) [10.40]: I have been surprised to-night at the attitude adopted by various hon. members towards the Bill. A statement made by one member who decided to support the Bill probably gives, to my way of thinking, the reason for the surprise I have experienced. First of all I was under the impression from various debates which have taken place in the Chamber during the last few weeks that we would have quite a number of supporters for the Bill. However, those hon. members have not seen fit even to speak on the measure. I refer to members who have said, "Hands off the Arbitration Court; do not interfere with the Arbitration Court at all by means of other measures; if there is no power to deal with these questions, we will amend the Arbitration Act and give the Arbitration Court the right and power to do so." Those members have had an opportunity

on this occasion of showing their bona fides in that direction, but they have not even spoken to-day. I think they have refrained from speaking because, as one hon. member has said, they are prepared to vote for the Bill, realising that it is a forlorn hope, and knowing full well that the decision of hon. members is generally against the Bill, that the numbers are against it, and that therefore it does not matter very much which way a member's vote goes. Still, that hon. member declared he would vote for the second reading in order to give the Minister a little support. That represents the general attitude of members. I will admit that Mr. Wood is one of the younger members, and that probably he has not had much experience of industrial measures in this House. The hon. member had very little to say. All that fell from him was that there were some clauses in the Bill with which he could agree, but that he had not had an opportunity to study the measure and therefore would not support it. I want to draw the hon. member's attention to his attitude of a very few months ago, when he posed as being almost a Radical in industrial matters. On the other hand, during the last few weeks he has shown that he is one of the most Conservative members that ever sat in this Chamber with respect to those matters. A little earlier in the evening the hon. member was dealing with a Bill which has been here only a little while and which came before another place only recently. He showed great anxiety for that Bill to pass. The present Bill has been before another place for two months, during which time the hon. member had an opportunity to study its contents and form an opinion as to whether he should vote for or against it. Because I, as Leader of the House, have the temerity to introduce this Bill at such an hour of the session, the hon. member advises me to postpone its consideration until next year.

Hon. G. B. Wood: I said you had not given us an opportunity to study it.

The CHIEF SECRETARY: That is what the hon. member said. I do not take any exception to it, because I really do not think the hon. member knew what he was talking about.

Hon. G. B. Wood: We want time.

The CHIEF SECRETARY: Yes, I think some of you do want time. I am sorry I should be called upon to speak in that way, but I cannot help it. We have had an exhibition during this session of some of the most hypocritical attitudes I have ever known to be taken by members of the House.

The PRESIDENT: I hardly think the hon. member should speak in that way of hon. members of this House. There is a Standing Order which states an hon. member must not reflect upon either House of Parliament. I ask the hon. member to withdraw the word "hypocritical."

The CHIEF SECRETARY: I will withdraw the word. I cannot let the opportunity pass without referring to a number of Mr. Baxter's statements. He reviewed a series of strikes which have taken place during the last 12 or 18 months.

Hon. J. J. Holmes: And which were aided and abetted by the Government.

The CHIEF SECRETARY: He made certain statements in connection with them. It was very pleasing to hear one or two members a little more closely associated with the districts in which those strikes took place, point out to the hon. member that his facts were a little astray. It was also pleasing to hear those members give the actual facts of the case and claim that there was some justification, at any rate, on the part of the men concerned. I would go further and point out that at the present time in this State there are no fewer than 122 awards, and 147 industrial agreements in existence, and yet the number of strikes which have taken place during the last 18 months and which have had to be dealt with by the Arbitration Court can be counted on the fingers of both hands.

Hon. G. W. Miles: That is too many.

Hon. J. J. Holmes: The Act was passed to prevent strikes.

The CHIEF SECRETARY: Hon. members may say that that is too many and that the Act is to prevent strikes. But the hon. member knows that we will never entirely prevent strikes so long as employers adopt the attitude which some of them adopt and have adopted during the last 18 months. He knows that very well indeed, and if he were fair he would admit that the experience of Western Australia in regard to industrial disputes is far better than in any other country in the world or any other State in Australia. He would mention too, that there was no State in the Commonwealth

where there have been fewer industrial disputes than we have had in Western Australia, and no country in the British Empire which can compare with the record of this State in that direction. I remind the hon. member that the more important of the strikes referred to, which eventually were settled in most cases by the Arbitration Court, were confined to two industries, both of which are particularly susceptible to this kind of thing. Take the dispute in the gold mining industry. There is no more virile set of men in this Commonwealth than the gold miners, and no fairer set of men than gold miners are, speaking as a general rule.

Hon. H. Seddon: Why was not a secret ballot taken?

The CHIEF SECRETARY: Even a secret ballot is not going to stop what the hon. member complains of. The coal mining industry is in a similar category, and when I hear Mr. Baxter asking why we do not enforce penalties on the men, and why does not the Crown Law Department do this or that, I ask what would he do if he were in a position to do it. He would adopt the same attitude adopted by these people in the past. If he were in a position to enforce what he says should have been enforced, he would be the last man in the world to do so, or he is not the Mr. Baxter I know, and the reason he would refuse to do it would be because he would want peace in industry, a phrase he has used several times and which other members have used.

Hon. V. Hamersley: And destroy industry.

The CHIEF SECRETARY: There is no industry being destroyed in this State as stated by Mr. Baxter as a result of the Arbitration Act. I have asked him by interjection to mention one. He did not. I doubt whether it is possible for him to quote one case in which an industry or any section of industry has been put out of business as the result of the Arbitration Court.

Hon. J. J. Holmes interjected.

The CHIEF SECRETARY: The hon. member had an opportunity of speaking on this debate but he kept quiet.

Hon. J. J. Holmes: You know why I did not speak.

The CHIEF SECRETARY: No, I do not.

Hon. J. J. Holmes: I told you that when you set the law at defiance I would never be a party to amending the Act. I would vote for its abolition but not to amend it.

The CHIEF SECRETARY: I have a recollection of the hon. member saying only a day or two ago that if power is not there for the Arbitration Court to deal with a certain matter, the Act should be amended in order to provide that power.

Hon. J. J. Holmes: I do not think I did. You are confusing me with someone else.

The CHIEF SECRETARY: I am not confusing the hon. member with someone else, but he was not the only one who said the same thing and yet has not been game to speak on this Bill.

Hon. V. Hamersley: We are trying to save your time.

The CHIEF SECRETARY: There is ample time to deal with this measure, notwithstanding everything Mr. Seddon has had to say with regard to the lateness of the session. There is plenty of time to-night to deal with this particular Bill. As pointed out by Mr. Baxter it is one of the most important measures in this State and there is ample time for its consideration. We can sit here until members have satisfied themselves; we can sit here to-night, to-morrow night and the night after and next week if necessary. I would like to refer to the remark of Mr. Baxter that "now we know where these Bills come from." I supposed he had really known that for a long time. It is not only to-night since he read the paragraph in the paper that he knew where these Bills came from.

Hon. C. F. Baxter: The paper gave me a clue.

The CHIEF SECRETARY: There is no question about where they arise. They arise from the workers themselves. There is nothing wrong with that. I notice that we get quite a number of Bills dealing with other subjects in this Chamber and we do not take exception to them because we know where they had their source. At any rate, I have never complained because, when a certain section of the community desires an Act to be amended, that section takes the initial steps to have the measure brought down. If we had to take exception to all Bills on that score we would not have many before the House at all. So what the hon. member put forward as an argument against the Bill in this respect falls to the ground. There is nothing in it. But when it comes to a question of dealing with Bills, we do not have to go to the workers to get directions or instructions from them. In respect of one clause in the Bill the hon. member

said it would break down all legal contracts. There is no truth in that. All that that particular clause will do will be to say that those contracts which are entered into with the object of evading awards of the court shall not be valid. If the hon. member had listened to what I had to say when I introduced the Bill I think he would have agreed that if there was any truth in what I said—and I say there is truth in what I said—it is a very desirable amendment indeed. Mr. Nicholson talked also about peace in industry. He went on to deal with amendments in the Bill which he said were very similar to amendments introduced previously. I told the House that when I introduced the measure I recognised that in view of the reception some of the amendments had received previously, notwithstanding certain changes that have taken place in this House, there would still be extreme difficulty in securing approval to some of those amendments. But that did not deter me from introducing them and letting the House know that we were again trying to get the approval of the House to something that we have considered for years should be incorporated in the Act. The hon. member said he would vote against the clause providing for domestic servants to have the protection of the Arbitration Court. Earlier this evening we had him taking up the cudgels on behalf of the women of this State, and I would have thought that in view of that attitude he would have been inclined to be a little sympathetic at least towards those persons called upon to perform domestic service particularly in the metropolitan area. He complained about amendments to Section 90 of the Act, and said it was necessary that industry should know just where it stood. I tried to get him to clarify his statement but he was not prepared to go any further. The inference behind his remarks was that once an award is given and an employer has a contract which will extend over a period of two or three years, the award which is operating at the time the contract is entered into should continue to operate in the interests of the employer who might possibly lose money if it did not. Of course the hon. member is a member of the legal profession. I am assuming he has read the Bill and the clause, and he must know that by this Bill we are endeavouring to give to the employer a little more stability than he has at the present time under the existing Act. We are at least providing that it shall not be possible for two applications to be made to the court within a period of two months, which is possible under the present Act, and we say that an award, with one or two exceptions, shall remain in operation for a period of 12 months after each application.

Hon. J. J. Holmes: Until the men strike.

The CHIEF SECRETARY: The hon. member knows that these strikes have been confined to the larger industries such as the mining industry, and we have heard that there has been justification for those strikes.

Hon. H. Seadon: What about the bus strike?

The CHIEF SECRETARY: The hon. member is aware of the cause of that, and I think he sympathises with the men who went on strike. I do not think he is in agreement with the idea of the employers to enforce a privilege, which was merely made for an emergency, as a regular condition of employment for those employees. One could say also in regard to some of those strikes that cause was given to the strikers to take the action they did take. In some instances it would have been difficult to justify those claims, but they were only minor cases and did not involve any large number of men. When introducing the Bill, I think I said that on account of the fact that so much time had been spent in dealing with some of these amendments in detail on previous occasions, I did not propose to speak at great length on the second reading, and then having to repeat myself again in Committee. So I do not propose to go over any more of the points than have been raised in regard to these specific amendments in the Bill, although I realise that if I were to take any notice of what some members have said, there is little possibility of the second reading being carried. Yet I exhort members to agree to the second reading, because there are in the Bill certain provisions that members could well support.

Hon. J. J. Holmes: One amendment that has not been mentioned is that which, I understand, would close up every registry office in Perth.

The CHIEF SECRETARY: If the Bill gets into Committee I will deal with that

at greater length. As a result of the hon. member's interjection I might refer to one other point, namely, the remarks made by Mr. Baxter to the effect that this Bill would make it possible for the A.W.U. to obtain registration under the Arbitration Act. The hon. member said that if we were to agree to that provision, it would mean that we should have one big union. As a matter of fact, this organisation is here to-day and has been here for many years past, and whether or not it gets registration it will still continue to operate So we have one big union, even without registration. Then the hon. member tried to influence those members who represent farming districts, when he said that if the Bill were agreed to all farm labour would come within its scope when it became an Act. It is very easy to see the implication. The hon. member did not tell the House that that position will not be affected if registration be granted, because the union already have registration governing the farming and pastoral industries in this State. What is required is that by means of this registration they shall be able to assist, not so much the farm workers as the large number of miscellaneous workers. The farm workers have plenty of power at present if they refer to the Arbitration Court any matters relating to the agricultural industry. It is only for those miscellaneous workers throughout the length and breadth of the country that the A.W.U. desire registration. There is much more that could be said on behalf of that amendment, but I do not propose to deal any further with it at present. I think I have pretty well covered the statements of those members who have spoken to the Bill, and it seems to me there is no necessity to spend any further time on it. The measure is one that I believe to be very desirable, and those members who do believe in peace in industry, particularly those who believe that the Arbitration Court is the proper tribunal to deal with industrial disputes, should see that if the Arbitration Court has not the power to deal with industrial conditions of certain workers we should give the court that power. I want to suggest to those members that here is their opportunity. It is of no use blowing hot and cold on this subject. On another measure, the Factories and Shops Act Amendment Bill, a number of members committed themselves to the principle of the Arbitration Court. Yet they are not here to rise in their places and speak for the Bill. So there is every reason for Mr. Cornell suggesting that it is a forlorn hope. I trust that the hon. member was wrong, and I hope to deal with the Bill in Committee.

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

Ayes	10
Noes	15
Majority against	5

AYES.

Hon. A. M. Clydesdale	Hon. E. H. Gray
Hon. J. Cornell	Hon. E. H. H. Hall
Hon. J. M. Drew	Hon. W. H. Kitson
Hon. C. G. Elliott	Hon. H. Seddon
Hon. G. Fraser	Hon. E. M. Heenan (*Teller.*)

NOES.

Hon. E. H. Angelo	Hon. J. Nicholson
Hon. C. F. Baxter	Hon. H. S. W. Parker
Hon. L. B. Bolton	Hon. H. V. Piesse
Hon. L. Craig	Hon. A. Thomson
Hon. J. T. Franklin	Hon. H. Tuckey
Hon. V. Hamersley	Hon. G. B. Wood
Hon. J. J. Holmes	Hon. W. J. Mann (*Teller.*)
Hon. G. W. Miles	

PAIRS.

AYES.	NOES.
Hon. C. B. Williams	Hon. J. M. Macfarlane
Hon. T. Moore	Hon. C. H. Wittenoom

Question thus negatived; Bill defeated.

BILL—APPROPRIATION.

Second Reading.

Debate resumed from the previous day.

HON. G. W. MILES (North) [11.12]: Yesterday Mr. Seddon when speaking on the Loan Bill put forward some very good arguments as to why we should curtail our loan expenditure. He said we were fortunate when we had deficits during the depression, for we had the Commonwealth and the Loan Council to come to our rescue. I interjected, "Unfortunately we had them to come to our rescue." It is a great pity. Had they not provided us with finance we would not have gone on in the manner that we have done. We had no right to restore the cuts made during the depression. I said at the time that the country was not in a position to restore the salaries of members of Parliament or of public servants. We go on borrowing year after year and increasing our indebtedness, which means increased taxation. Yet we have the Government wanting to let up on some form of taxation, and so lighten the burden on certain people. That is what they call carrying out their policy, namely,

increasing the financial emergency tax exemptions. I say the Government cannot afford to do that, that they want all the revenue possible to carry on the affairs of the country. They are budgeting for a deficit of £800,000. Where is it all going to end? Everybody comes along to the Government for assistance, and then when taxation measures are brought down they object to increased taxation. Sooner or later we shall have to be prepared to face the situation. If we continue borrowing, we must pay a higher income tax and a higher emergency tax. The Government must get in more revenue, and this House must be prepared to assist them to do so. The Government must economise in every possible way whilst getting in that extra revenue. Too many sections lean on the Government. Whenever they have any troubles, they go to the Government for assistance. There is not sufficient self-reliance on the part of the people, such as we had in the old days. Thank God, in our province we have people who rely upon their own resources. They do not run, cap-in-hand, to the Government when they get into difficulties. This leaning on the Government must come to an end. I am reminded of something I read in "Punch" recently concerning what is going to happen if we go on in the future as we have done in the past. The extract to which I refer deals with taxation in 2036, one hundred years hence.

Hon. W. J. Mann: Will you connect that up with the Bill?

Hon. G. W. MILES: Most assuredly. "Punch" says:—

Taxation, 2036.

In his "Reflections on Taxation in 2036" (Button and Button, 12s.) Sir Benjamin Bott carefully examines the difficult task of the Chancellor of the Exchequer.

"Since the State," he says, "became something for people to lean on instead of, as in the past, something to support, it has been obvious that sooner or later some limit would have to be put on the number of leaners. At first only the very poorest classes assumed that it was the function of the State to provide them with their every need, but such an attractive theory could not be expected to remain the monopoly of a favoured few.

"People began to see a new meaning in Disraeli's theory of Two Englands. The Two Englands were the England that earned and the England that leaned. First the lower-middle classes joined the lower classes in the ranks of the leaners. The leaners received from the State free education for their children, free milk, free food, free houses, free hospitals, free clubs and eventually free beer and free cigarettes. Then the middle classes, getting tired of paying for the upkeep of leaners with large families when they could afford no children for themselves, joined the ranks of the leaners and only the upper-middle and upper classes were left to be leaned against.

In this State we have the group settler class leaning on the Government; the wheat-farmer class leaning on the Government; and the worker class leaning on the Government.

Hon. J. Cornell: And it will be a terrible thing when the North-West leans upon the Government.

Hon. G. W. MILES: "Punch" continues—

"When things arrived at this stage the Cabinet met to consider what could be done. One Cabinet Minister said that unless drastic steps were taken fairly soon he would be obliged to give up earning, which he could no longer really afford with income-tax at twenty-one shillings in the pound. Then the Chancellor of the Exchequer suggested that taxation on a class basis had failed owing to the law of diminishing returns, and that in future only bachelors should be taxed.

"It was one of those brilliant ideas that when thought of make everybody wonder why it hasn't occurred to them before. Of course bachelors must be taxed! They had been taxed in a mild way for years by the system of marriage allowances and child allowances, but as the Cabinet at that time consisted entirely of married men it was unanimously decided that in future bachelors should bear the whole brunt of taxation.

"Bachelors being by nature a meek and diffident race, did nothing but utter a grumble or two, and had the State been satisfied with a mere pecuniary penalty all might have been well; but once having started, the Government with true British thoroughness went on.

"Why, it was argued, should married couples push their own perambulators? It did not seem right that bachelors should sit at home while married men toiled along with pram-loads of heavy babies. So the Perambulator-Pushing by Bachelors Act (2011) was passed. Under this Act every bachelor had to do at least half-an-hour's pram-pushing every day. Further Acts were passed to make bachelors take their fair share of other household jobs. There was the Lawn-Mowing Act (2013), the Taking the Dog for a Run Act (2014), the Washing-up Act (2015), and the Taking the Children to the Cinema Act (2016).

"It was felt that, by thus finding a taxpayer who was too much of a worm to turn, the Government had finally solved the financial problems of the country; but unfortunately in 2036 the last bachelor joined the ranks of the leaners by the simple expedient of getting married."

That is the position in which we shall find ourselves in a few years time. We are borrowing millions every year. Notwithstanding that we have had conversions of

our loans and reductions in interest, taxation must increase. Whilst members of Parliament continue to ask Governments to find money for their constituencies, they must be prepared to support Government measures for taxation.

Hon. G. Fraser: You have not taken a lesson from that yet.

Hon. L. B. Bolton: What about the money spent on the new ship for the North-West?

Hon. G. W. MILES. That need not have been spent. If the Government had subsidised the private lines, that money would have been saved. The interest and sinking fund and depreciation on the new ship would have more than paid for the subsidy to a white crew to run along this coast. The Chief Secretary referred to the new ship that is to take the place of the "Kangaroo" along the coast. What will happen to the latter? The Government are opposed to private enterprise, and they have prevented the people of the North from obtaining proper facilities for the carriage of passengers and goods. Until the new ship arrives I hope the Government will assist ships that are already on the coast. The new "Charon" will soon be here, and should be assisted to secure permits to render the necessary service until the Government are in a position to do so.

The Chief Secretary: Is it off the slips yet?

Hon. G. W. MILES: Even if the "Charon" is not off the slips, the Government could still take steps to remove the restrictions from the ships already on the coast, namely the "Gorgon" and the "Centaur." Instead of waiting until the eleventh hour, they should suggest to the Federal Government that they should permit those ships to run along the coast until the State Shipping Service can come into full operation again. Despite statements to the contrary, I have never been a supporter of State shipping. I have always maintained it is not the function of the Government to run ships, but that they should subsidise private lines to run white crews along the coast. They would then know what the service was going to cost, and it would be far cheaper than running the service themselves. That is my reply to the interjection. Several good arguments have been advanced during the last day or two as to fostering the tourist trade. Mr. Mann is to be congratulated upon his constant advocacy of this policy. I hope the Government will take notice of his and Mr. Clydesdale's suggestions. This traffic is a wonderful source of revenue. Mr. Mann spoke of the beauties of this State, and I think he mentioned the North.

Hon. G. Fraser: The State ships attend to the North.

Hon. G. W. MILES: I would tell members how the State ships look after the tourist service in the North, and the extent to which they induce people to travel along that coast as tourists. I have here the menu of a State ship. One receives splendid attention on board, and the accommodation and food are excellent. The menu I have is dated the 2nd April, 1936. Under the heading of "Items of interest," the following appears:—

> Camden Harbour was the site of the ill-fated Camden Harbour Pastoral Association, which was formed in Melbourne in 1864. The first band of prospective settlers arrived towards the end of that year. The project was a failure from the start and had ceased to exist in May, 1865, though it was not finally abandoned until the following October. Within a year it had ruined most of those who embarked upon it, had caused the deaths of several, and had cost the Western Australian Government over £5,000.

That is the type of propaganda the Government are issuing to induce people to travel as tourists.

Hon. E. H. Angelo: What is on the menu now?

Hon. G. W. MILES: I think it was in 1865 that a settlement was started on the De Grey River, by Mr. Walter Padbury. He subsequently abandoned his holding and brought the cattle back to the Swan River. Notwithstanding this, the De Grey River country was developed, and to-day the De Grey River pastoral area is one of the best sheep stations in Australia. The Government could have quoted Camden Harbour, and what Sir George Grey said in 1837, namely, that it was the best watered and most magnificent country he had seen in any part of the world. They could have quoted what the late Alexander Forrest wrote in his diary in 1878 in reference to the Kimberleys. I regret that Mr. Drew was head of the department when these items of interest in the North-West were being advertised.

Hon. W. J. Mann: Another injustice to the North!

Hon. G. W. MILES: I showed this to Mr. Drew when he was Chief Secretary, and I understand that he had it altered.

Hon. J. M. Drew: Does that affect the Tourist Department?

Hon. G. W. MILES: I brought it under the hon. member's notice and expressed the hope that he would put some other attractive items on record, as an inducement to tourists to take an interest in that part of the State. In the Far North we have magnificient harbours where the whole of the British Navy could be accommodated. Many of them are surrounded by high cliffs reaching up 300 to 400 feet.

Hon. V. Hamersley: In some places the vessels sit on the mud at low water.

Hon. G. W. MILES: Yes, for there is a tidal rise and fall of 30 feet or more. I want to emphasise the point that if we are to continue as in the past, and members of Parliament are to run along with requests merely because their constituents have had a bad time and are up against it, there can be only one ending. Instead of members being leaders of their constituents, they come along saying that they want another £800,000 because they have had a bit of a drought. One Country Party member said that he wished to God Mr. Miles had had some connection with the agricultural industry. I have had some connection with it. I hear something about it every time I go to my son's farm. These farmers cannot help themselves. It is either a case of not enough rain or too much. Sometimes it is smut in the wheat, or something else. It does not matter what it is; there is always something to growl about. Unfortunately for me, I have a daughter who is married to a farmer. When I visit them, I always ask, "What is the trouble now?" Sometimes it is a hailstorm.

Hon. L. B. Bolton: But you are always looking for trouble.

Hon. G. W. MILES: The trouble with these parliamentary representatives of the farmers is that they are bigger moaners than the cockies themselves. They must remember that they cannot have their cake and eat it.

Hon. J. Cornell: But they have not had their cake.

Hon. G. W. MILES: Last year the Commonwealth made available funds for the reduction of debts of farmers. On that occasion we had Mr. Piesse advocating that the money should be given to the farmers. He was not satisfied with the bare right to waive portion of the farmers' indebtedness.

Hon. H. V. Piesse: And they would have had it but for you.

Hon. G. W. MILES: And, thank God, I did something to save that expense to the taxpayers. Every time the representatives of the farmers speak, they want the debts of their constituents written off. What will happen? Who will have to foot the bill if we agree to anything of that sort? The taxpayers generally will have to shoulder the burden. The pastoralists have to pay their interest and sinking fund charges and then turn round and pay their proportion of the interest and sinking fund requirements in respect of the money written off the debts of the farmers. In due course, when we have good seasons, as we shall have, and the prices of commodities are right, then the farmers whose debts have been written down will be home on the pig's back and the rest of the community will have to carry the burden of their liabilities. The sooner we realise the position, the better. There has been a lot of criticism in this House regarding the chairman of the Agricultural Bank Commission. For my part, I congratulate the Government on their choice, and I am glad that we now have Commissioners in charge of the Agricultural Bank who have the courage to say "No."

Hon. J. Cornell: As one hero to another!

Hon. G. W. MILES: The Commissioners have the courage to safeguard the assets of the taxpayers. That is quite different from earlier days when there was political interference all along the line. I know of one instance in the Great Southern in which a bank inspector, time after time, refused applications for a further increase in the overdraft on a property. When I was looking for a farm for one of my boys, I was accompanied by a practical man acquainted with the Great Southern areas. We were told by an Agricultural Bank inspector to inspect a certain property. We had a look at it. We saw machinery lying out in the open and deteriorating all for want of work for an hour or two to open up soaks. Gates were open to allow the sheep to go to the homestead for water, and were left open. We met a Scotsman who represented a stock firm and he asked us if we had gone into the house. When I told him we had not, he said we should have gone there because we would have found the hessian ceiling falling down but in the corner a £60 wireless machine and outside a motor

car valued at £350, although there was a liability of £7,000 on the property and a thousand sheep represented the only asset on the holding that comprised 3,000 acres. There are scores of such cases.

Hon. H. S. W. Parker: What is the inference?

Hon. G. W. MILES: The member for the district went to Perth over the heads of the Agricultural Bank inspector and used his political influence with the Government of the day to secure a further increase in the man's overdraft. There are scores of such cases and I am pleased that the present Government decided to amend the Agricultural Bank Act.

Hon. H. V. Piesse: Is that the farm you bought?

Hon. G. W. MILES: No, the hon. member knows that. In the South-West millions of pounds have been thrown away on group settlement. To-day we listened to a lecture on the pig-raising industry in Northern Ireland. I stated 14 years ago that there was a market to be developed in this State for pigs. We hear a lot about wheat, butter, eggs and wool, but we should go further than that. In England over £60,000,000 worth of pig products are bought each year. I know of one man who spent thousands of pounds on a scheme for the training of public school men and young retired army officers in the work of pig-raising. Later on we put up a proposition to the then Premier of this State that he should provide partially improved farms for men who had received that training. He said that they could go to the group settlement area. I said that those educated men should not be required to grub trees and engage in such work. Nothing was done and, in consequence, those young men, who had been trained in pig-raising, drifted off to South Africa and elsewhere. In Western Australia we can produce pork and pig products that would find a ready market in the Old Country. In fact, there is no limit to the market available for Western Australia if the matter be handled properly. I do not like talking about the Far North but it is a country that could produce pigs and lots of other things. If the Kimberley district were handled as it should be, facilities would be given for a chartered company to operate there and progress would be made. Instead of that we pay a lot of men to go to the Wyndham Meat Works and have joy rides round the coast after spending a few months at Wyndham. The workers there get more out of the cattle industry than the pastoralists after three or four years of effort. They have killed pigs in the Kimberleys that have been inbred for years and years and they have scaled 300 lbs. or more in weight. That shows what can be done if the country is handled scientifically. There is no limit to the possibilities of production in the North. I support the second reading of the Bill. I hope there will be less tendency in the future to rush the Government for the expenditure of more money in the various constituencies, unless we are prepared to carry the burden by paying more taxation.

HON. H. S. W. PARKER (Metropolitan-Suburban) [11.40]: I shall not speak at length on the Bill. I did not address myself to the Loan Bill because I was under the impression that the Government wished to conclude the session by Friday next. I was somewhat surprised at hearing members chided for not debating the Arbitration Act Amendment Bill, concerning which I could have spoken at great length in dealing with many matters with which I did not agree. I did not think it necessary to delay the House by indulging in stonewalling. I trust that the Chief Secretary will realise that if I do not speak on some of the Bills that will be before us directly, I have no desire to ignore my duty. I am simply desirous of finishing up the business in order to assist the Government. If the Government were sincere and honest in their wish to amend the Arbitration Act, they would have introduced the amending Bill much earlier in the session.

The PRESIDENT: Order! The hon. member should not discuss a Bill that is not before the House.

Hon. H. S. W. PARKER: Then I shall not say any more on that point. I desire to offer some constructive criticism to indicate a few economies that could easily be effected without diminishing the services rendered by the State and at the same time enabling a considerable amount to be saved in the interests of the general taxpayer. During the coming recess, the Government will have ample opportunity to consider those phases and prepare the necessary legislation. There is a tremendous amount of overlapping. Take the position regarding health matters. In some instances we have Federal, State and local governing authorities carrying out

the same functions. There are health boards, marketing boards and many other boards that could be eliminated. Each of these means the employment of secretaries, clerks and other officials, the provision of offices, motor cars and the incurring of travelling and other expenses, and all this cost could be cut down considerably. Then there is the Police Department. The officers of the department should control all activities involved in the protection of public interests. The police are trained and capable of looking after all traffic matters in the metropolitan area. For some reason, the taxpayers are mulct in additional expense in the country areas because of the provision of traffic inspectors there. Should a fatal accident occur in the country, the local traffic inspector is more or less powerless to act and the local police step in should the man responsible be charged with manslaughter. That has to be paid for.

Hon. V. Hamersley: They retain the money in the country; you want it all in the city.

Hon. H. S. W. PARKER: I do not want that at all; I merely want what is reasonable. Country members are always growling about expense; I am pointing out where expenditure can be avoided. The country authorities can still retain the fines. I do not suggest that the traffic fees should not be distributed. Then there are the Harbour Trusts. They have their own policemen, not trained individuals. They may be very good men; I do not know one of them by sight. But we have our trained police force and why should not constables maintain a watch over our wharves instead of the Harbour Trust police? There again, unnecessary expense. True, it might mean that we shall want a few extra policeman; but we shall not want so many. Again there are travelling inspectors, and so on. Take the Arbitration Court: there we have a bench consisting of the president and two advocates. Obviously we do not want advocates on the bench. We might save a certain amount in, say, an engineering case if the employers were to appoint one person from that trade while the unions concerned appointed another. That would be better than having the same two individuals there all the time, each a Jack of all trades. Rather let us have two men, well versed in the business being discussed before the court; to guide and assist the President. In that way we would save quite a lot of money, and maybe each party would be prepared to pay the fees. Take again the Licensing Court. It seems ridiculous that the State should pay merely because somebody wants a licence at Wyndham, in consequence of which the court has to travel all the way to Wyndham. Formerly a magistrate and two justices used to preside. That was altered because there was to be a reduction of licenses. Now that has all gone by the board. Surely we could have a chairman, say a magistrate from Perth, and have a local magistrate to preside with him. Surely the local magistrate could decide when somebody at Wyalkatchem wanted a billiard-table licence, without the court having to go all the way up there to determine the issue. The chairman could well allow the local magistrate to take certain applications, such as the renewal of a license. I do not see why we should go to all the expense of maintaining courts of all sorts when we have available people who could do the job more or less in their stride. I hope the Government will do something to lessen this expense on the taxpayers.

On motion by the Honorary Minister, debate adjourned.

House adjourned at 11.48 p.m.