

# Legislative Council.

Tuesday, 10th November, 1942.

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

## ASSENT TO BILLS

Message from the Lieut.-Governor received and read notifying assent to the following Bills:—

- 1, Mining Tenements (War Time Exemptions).
- 2, Road Districts Act Amendment.
- 3, Water Boards Act Amendment.
- 4, Supply (No. 2), £1,350,000.
- 5, Albany Reserve Allotments.
- 6, Perth Dental Hospital Land.
- 7, Jury (Emergency Provisions).
- 8, Collic Recreation and Park Lands Act Amendment.

## AUDITOR GENERAL'S REPORT.

The PRESIDENT: I have received from the Auditor General a copy of his report on the Treasurer's statement of the Public Accounts for the financial year ended the 30th June, 1942. It will be laid on the Table of the House.

## QUESTIONS (2).

### FISHERIES, NORNALUP INLET.

Hon. A. THOMSON asked the Chief Secretary: As the files laid on the Table of the House disclose the fact that the Chief Inspector of Fisheries recommended that Nornalup Inlet be thrown open for net-fishing by professional fishermen, and as there is nothing disclosed on the files to indicate why such action should not be

taken, what are the reasons which prompt the Government to refuse to act on its Chief Inspector's recommendation?

The CHIEF SECRETARY replied: In accordance with Government policy after due consideration of all the factors concerned.

## WOOL, TRANSPORT.

Hon. H. V. PIESSE asked the Chief Secretary: 1, Is the Government aware that transport of large quantities of wool is being held up in the Great Southern? 2, Will the Government permit farmers with gas-producers fitted to their trucks to cart wool to appraisal centres? 3, If the brokers cannot handle wool speedily at Fremantle, why not divert it from Wagin south to Albany, where ample storage can be erected cheaply?

The CHIEF SECRETARY replied: 1, Wool is being moved by the Railway Department as traffic conditions permit, but it is not given precedence over other loading. 2, This matter is governed by National Security Regulations. The State Government has no authority in this connection. 3, The Railway Department can only haul wool to the place nominated by the consignees. It is therefore a matter for the brokers or the State Wool Committee to decide as to which port the wool is hauled.

## BILLS (5)—FIRST READING.

- 1, Motor Spirit and Substitute Liquid Fuels.
- 2, Municipal Corporations Act Amendment.
- 3, Bush Fires Act Amendment.
- 4, Legislative Assembly Duration and General Election Postponement.  
Received from the Assembly.
- 5, Legislative Council (Postponement of Election).  
Introduced by the Chief Secretary.

## BILL—PUBLIC AUTHORITIES (POSTPONEMENT OF ELECTIONS).

*Assembly's Message.*

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

## BILL (2)—RETURNED.

- 1, Justices Act Amendment.
- 2, Criminal Code Amendment (No. 1).  
Without amendment.

## BILL—ADMINISTRATION ACT AMENDMENT.

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

## BILL—GOLDFIELDS WATER SUPPLY ACT AMENDMENT.

*Recommittal.*

On motion by the Honorary Minister, Bill recommitted for the further consideration of Clause 5.

*In Committee.*

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

Clause 5—Amendment of Seventh Schedule.

The HONORARY MINISTER: I move an amendment—

That in line 2, after the word “amended,” a new paragraph be inserted, to stand as paragraph (a), as follows:—“(a) by substituting the words ‘three years’ for the words ‘twelve months’ in the fifth line; and (b)”.

This is a consequential amendment, which was overlooked in another place.

Amendment put and passed; the clause, as amended, agreed to

Bill again reported with an amendment.

## MOTION—BUTTER INDUSTRY.

*To Inquire by Select Committee—  
Withdrawn.*

Debate resumed from the 28th October on the following motion by Hon. H. L. Roche:—

That a Select Committee be appointed to inquire into and report upon the butter industry in Western Australia, with particular reference to—

- (a) the circumstances and conditions that make it more profitable for producers to send their cream past their nearest factory to factories hundreds of miles away;
- (b) the conditions under which cream and butter are graded and check-graded;
- (c) the price being paid for second-grade cream and the present demand and price for the product thereof, and
- (d) any practical means whereby the transport of cream to factories could be expedited.

HON. H. TUCKEY (South-West) [2.39]: I have no doubt that it is Mr. Roche's desire not only to ascertain whether the position of the dairy farmer can be improved but also whether the dairying industry as a whole can be advantaged. I am sure no

member will stand in the way of these objectives being achieved, but it appears to me that the present time may not be opportune for the holding of the suggested inquiry. That there is room for improvement is well known, but the wiser course may be to defer the proposed investigation until a more opportune time. The Chief Secretary explained fully the difficulties under which the Agricultural Department is labouring owing to shortage of staff. For my part I also feel sure that in the abnormal circumstances many farmers would be unable to give evidence at present. Improvements have been effected, especially in regard to the quality of butter, since the principal Act was amended in 1939; and there is no reason to fear that the improvement will not continue. While interested to see that the butter industry is placed on a better footing, more especially after the war is over, I feel that at present it would be wise to defer the matter. I trust, therefore, that the mover of the motion will take that view into consideration.

HON. J. CORNELL (South): All I have to say on the motion is that while I very rarely indeed oppose the appointment of a Select Committee, I agree with Mr. Tuckey that it is highly doubtful whether in the present abnormal times a Select Committee would get the butter producers very far. I suggest that members of this House and of another place representing the butter-producing section of Western Australia should reason together and amongst themselves endeavour to arrive at some helpful suggestions, taking into consideration all the circumstances now prevailing, that could be consummated. Having done that, let the Minister for Agriculture be asked to use his best efforts to give effect to the considered improvements which may have suggested themselves to those members. I have served on many Select Committees, and I am convinced that the procedure I now suggest will, in these abnormal circumstances, prove infinitely better than the orthodox course. Certainly it would be less expensive. We know that a Select Committee does not cost much, but it must cost something. What is more, the proposed Select Committee would clutter up the work of the “Hansard” staff. There are many costs associated with such an inquiry apart from what its members may claim by

way of expenses. With a view to being helpful and doing something towards securing economy, the urgent need for which exists today, I suggest that this course be followed by the mover of the motion. It will get him more tangible results than a Select Committee would.

**HON. H. L. ROCHE** (South-East—in reply): I placed this motion before the House with the idea of discovering some means of allaying the very considerable dissatisfaction which exists in certain areas with regard to the butter industry. I refer more particularly to dissatisfaction amongst producers. I have not heard anything during this debate to remove from my mind the belief that there is room for an inquiry such as I suggest, and that an inquiry would prove of considerable benefit to the industry. As a result of discussions I have had with members, and owing to the tone of the debate, it seems to me it would not be in the best interests of the people I wish to serve if I were to proceed with this motion.

Before asking for leave to withdraw the motion, there are one or two points that have arisen upon which I would like to comment. The Chief Secretary, in his remarks, seemed to assume that I favoured some form of zoning, or that my proposal was designed to assist one or other of the country factories in competition with factories in the metropolitan area. If that is the Minister's view I wish to disabuse his mind on that point. As a result of competition from the factory at Spearwood many of the producers in my province are receiving from one penny to 1¼d. per lb. more for their butter fat than it would appear they would otherwise obtain. I am unalterably opposed to any zoning arrangement which might result in reducing the returns to the producers concerned. There was a proposal for compulsory zoning which recently came to the fore as the result of powers conferred under the National Security Regulations. I am somewhat concerned as to whether that proposal may not be brought forward again at a later date.

Had a Select Committee been appointed it would, I think, have been able to establish a very strong case demonstrating why such a proposal could not, in justice to the producers, be entertained. The 1939 Bill, as introduced in this Chamber, certainly

would have provided legislation that might have effected zoning for various portions of the State but, as I said when moving this motion, this House did right when it deleted such portions of Clause 6 as contained those provisions. I do not think the Department of Agriculture or any other Government department is in a position to report as effectively on an administrative matter such as grading as would have been a Select Committee drawn from all parties in the House. The grading of butter fat as it is received into the factories is one of the phases exercising to a considerable degree the minds of many producers. The opinion is firmly held by many producers that there are distinct variations in the grading. The Department of Agriculture does not feel disposed to accept that view, and on more than one occasion statements have been made and information afforded members in order to counteract that impression. It seems that the producers have to a considerable degree taken up the attitude that the proof of the pudding is in the eating, and they have maintained that there is indeed a marked difference in the grading. I think an inquiry apart from a departmental investigation would strengthen the hands of the officials and factories concerned in their future dealings with the producers.

One consideration that has become clear to me as a result of discussions with members, and also with Mr. Baron-Hay, is that unfortunately, in a sense, the element of centralisation exists. The Spearwood factory is so close to the centres of population and has a big market so readily available for the almost immediate disposal of its butter that it enjoys a marked benefit compared with factories as far removed from those centres of population as is the Albany factory, for instance, or that at Narrogin. One point upon which I have been able to satisfy myself is that the Narrogin factory seems to be run as efficiently as any other and is possessed of machinery as modern and efficient as that which is to be found in any other factory in the State. In view of all the circumstances and the fact that many members feel that the present is not an opportune time to proceed with the motion and because, owing to the season of the year and the shortage of labour, dairy farmers would be loath to give up much of their time to presenting evidence before a

Select Committee, I feel it will be in the best interests of all concerned if I ask leave to withdraw the motion.

Motion, by leave, withdrawn.

## **BILL—INDUSTRIAL ARBITRATION ACT AMENDMENT.**

*Second Reading Defeated.*

Debate resumed from the 28th October.

**HON. H. V. PIESSE** (South-East) [2.53]: This little Bill seems to give power to the President of the Arbitration Court to do that which the Premier has already done without any instruction from this Parliament. During this week we have read in "The West Australian" the manner in which farm labour is to be dealt with, although that is a question which should be left to the Arbitration Court. I am a great believer in that court, and always have been. My father, who was in politics in this State, was also a believer in the court. Every right-thinking member of Parliament and every right-thinking citizen must believe that the court, with its President and advocates for both employers and employees, is the proper tribunal to reach decisions in any matters connected with labour and industrial awards. I have attended the court on many occasions. I have fought on behalf of the employers in one industry, and have had to bow to the decision of the court when the award went against parties in whose interests I had acted.

When one reads of what the Commonwealth is doing today in fixing the wages to be paid in primary industries, one feels, to say the least, that the sooner the State Parliament agrees to leave these matters in the hands of the Arbitration Court, the better it will be. Problems of this kind should not be left to the Premier of the State to deal with under some Commonwealth regulation. We know of the organisation, of which Mr. Blakeley is chairman, that has recently been set up and has taken the place of the President of the Arbitration Court. I have nothing to say against Mr. Blakeley. He has held a portfolio in the Scullin Government, and was subsequently appointed by the Lyons Government to a position that related to the inspection of insurance awards.

Hon. J. Cornell: You mean, arbitration awards.

Hon. H. V. PIESSE: Arbitration awards. Because he was appointed to that position, he must be a man of undoubted ability and repute. What did the Commonwealth Government then do? First of all, it delegated to the Premier power to fix the basic wage. The Commonwealth Government then appointed Mr. Blakeley to the position to which I have referred. He is a man without any experience of that type of work. He was a miner and, to his credit, has risen to high places.

Hon. J. Cornell: He was never a miner.

Hon. H. V. PIESSE: Then he was secretary of a miners' union. To his credit he has risen in life, and today he has been appointed to an important position. What knowledge has he of primary industries? What right has he to judge of the value of wages that we are asked to pay to those employed in primary industries? Those who are engaged in those industries know it is impossible for them to carry on and pay such wages. On top of all that we are now asked to vote for a Bill that will place the Arbitration Court in a similar position.

Hon. C. B. Williams: Are not the wages fixed?

Hon. H. V. PIESSE: I employ a man to whom I pay £4 a week. He is provided with a house, electric light, firewood, butter and vegetables, etc., and yet he can come along during the harvesting period and claim £9 3s. 6d. a week because he may be building a stack. How are the producers going to stand that sort of thing? They are practically bankrupt now. This Bill will only make matters worse. Then we have the absurd conditions to which I have just referred, which mean that the wages men are receiving are to be increased although already they are drawing big wages—and getting their keep. The basic wage is assessed on the cost of living. Who will stand the high cost of living? It is stated in "The West Australian" of the 9th November that the present rates will be increased as the basic wage rises. Mr. Moore, in the course of his remarks, said that the views of members on this Bill provided another incentive for the abolition of the Legislative Council. I say that this is the time when we, as members of this House, have to prove our worth to the State we represent. If the electors decide that this House must be abolished I will bow to their judgment, but meanwhile

I shall oppose the second reading of the Bill.

**HON. H. SEDDON** (North-East): I wish to make only a few remarks as the major issue has been thoroughly discussed. To put it in a nutshell, either the Bill does not go far enough or it goes too far. If its object is to enable the worker to keep up with the tide of inflation, then it definitely does not go far enough, because the experience of the countries that have suffered from inflation has been that there is a great lag between the increase available to the workers and the rises in the cost of living. From that angle, the quarterly adjustment will not be anywhere near adequate.

**Hon. T. Moore:** They will be a quarter behind, anyhow.

**Hon. H. SEDDON:** They are that now. The experience is that once the effects of inflation are felt, it is a matter, from the time the wages are paid, of rushing into the shop to buy goods before they rise in price. To indicate the way in which inflation has taken place in this Commonwealth, we have only to refer to the daily Press. Members who have been following the statistics will realise that the note issue is rising by about £750,000 every week. Although strenuous attempts are being made to control the standard of living, the fact remains that the existing machinery for that purpose is proving most cumbersome and in many ways entirely ineffective.

This House has always adopted the attitude, which has been vindicated, that it should not interfere with the actions of the Arbitration Court, unless the Arbitration Court has specially made such a request. The action taken by the President of the court indicates that he is fully aware of the conditions which control his decisions with regard to the fixing of the basic wage. From that angle, if from no other, I am inclined to say that this Bill is unnecessary, and that the court should be left to carry on with the machinery with which it has been provided, and to fix the variation in the wage according to its own interpretation of the covenant as it is. It is from that angle that I am speaking.

Members will know that there is embodied in the Industrial Arbitration Act at present the foundation upon which the basic wage is to be determined, and it is a very wide one. The court may establish

the basic wage on what it considers to be a reasonable standard of comfort. In other words, if the court determined that a reasonable standard would be a house of 15 rooms fitted with a refrigerator and other scientific appliances so that the housewife could carry out her work under the best possible conditions, there is nothing to prevent it from doing so. In view of the discretion available to the court under that section, I fail to see the necessity for introducing an amending Bill such as the present measure.

An amendment should have been included in the Bill—I consider the Government in the interests of all sections of the working community should adopt that course—to provide that any adult whether a member of a registered union or not, shall be paid not less than the basic wage. If that amendment were included, the Government would be doing something to protect the workers, generally, of this State.

**Hon. T. Moore:** Would it pass this House?

**The Chief Secretary:** Do you think the Legislative Council would endorse that?

**Hon. H. SEDDON:** I think there is a very good argument for it. I have made my position clear. I consider that the question of the determination of the quarterly variation of the basic wage should be left entirely to the court.

**HON. J. G. HISLOP** (Metropolitan): Would that I could give a simple, unthinking answer to this Bill! Rather does it fill me with a sense of awe when I think of the possible consequences of a decision made, either in the affirmative or the negative. It would appear that no matter how I vote, I must in some way do some injustice to someone. In order that the injustice I do shall be the lesser and not the greater, I have given considerable thought to what this Bill means. Members will bear with me if, for the first time, I speak at some length in giving my views on matters of this sort. Perhaps I may be permitted to go on just thinking aloud, or perhaps to put it better, to crystallise my thoughts on this matter so that whilst doing so I may convince myself, and maybe assist others in their thinking. My first duty, therefore, has been to study this Bill, and in doing so I found that I should remind myself that before the 14th June in each year the

basic wage shall be determined and declared by the court.

To use the words of the President of the court, this basic wage is the sum considered to be sufficient to enable the average worker to whom it applies to live in reasonable comfort, having regard to any domestic obligations to which such average worker would ordinarily be subject. This wage shall remain in effect for one year, subject to any adjustments that are made as a result of the investigations and the quarterly report of the Government Statistician. It would appear, therefore, that the Statistician's report is based on these domestic responsibilities and obligations to which such average worker is expected to be ordinarily subject. It thus becomes the responsibility of the court to determine the standard of living of that worker.

Hon. J. Cornell: That is, if the Statistician's report shows a variation.

Hon. J. G. HISLOP: Yes. That is what this Bill means as it stands, and it is important to realise that. It is not an adjustment which was amended by the Premier, but an annual declaration of the basic wage. The court was settling its deliberations regarding the domestic obligations of the average worker; in other words, the standard of living of that average worker. Had this Bill been such that I could have interpreted it to mean that the court could adjust the wage annually, but that quarterly variations in accordance with the cost of living figures as determined by the Statistician should be automatic, I could have viewed it in a somewhat different light. Were the cost of living to rise continually and were we to agree to this Bill, the basic wage would rise steadily without check. Is this wise? At this point I shall pass over my own question for a few moments.

I would call the attention of members at this stage to the fact that the President, in his review of the position, believed that the Federal regulation of the 10th February, 1942, pegged wages as from that date except as far as the basic wage might be affected by changes in the cost of living. I wonder if I interpret the President rightly when I say that he believed that the annual declaration alone could affect the wages as at that date, the 10th February, 1942, and not the quarterly adjustment? But, as the President says, there seems to

be room for some doubt. There can, however, be no doubt that the President was of opinion that in June of this year we were no longer in the same financial position as in 1938.

If members read his report, they will find that he considered that the 1938 standard of living should in some way be reduced and, quoting his words, "We are not the prosperous community we were in 1938." He makes the definite statement that he believes that some reduction on the 1938 standard was essential. It is common knowledge to all, however, that no reduction was made, and it is equally common knowledge that the wage did not rise. Let me here review the position. In 1938 the court made a prosperity allowance of a sum which totalled 5s. 4d. In June of this year, according to the President's own views, that prosperity had left us, and we were no longer the prosperous State we were in 1938. Here, I think, a strong reason for the President's findings may be found. In June, 1941, there was an extraordinary fluctuation, of which members may read the details in that same report. We learn from that that the cause was the increased price of meat, and the President believed that the situation which gave rise to this would soon disappear after the 19th June, 1942.

Having regard to these facts the court was delivering its annual basic wage declaration. It gave cognisance to the fact that it considered the 5s. prosperity allowance could no longer be justified. In addition it felt that the cost of meat would in all likelihood fall and the acute fluctuation that gave the rise in the price of meat in the June, 1941, quarter, would be down—not up. Thus I consider the declaration was made. I believe quite frankly that the court should, under our social system as it exists, have the opportunity from time to time to review its work and the basis on which our standard of living is established. The court did that of its own volition in 1938 and would be quite capable of again acting similarly. Were this standard of living to be judged solely by the standard which we, as Australians, desire to see all workers enjoy, then there might be little need for any annual review. But I would again draw attention to the fact that the President believed that it was essential for some review to take place, according to our standards as laid down in the 1938 finding.

I want it realised also that the court believes, and the President certainly made it quite clear, that it is charged with the necessity of deciding upon the needs of the worker primarily, but the report points out that if the State cannot afford this amount then it must be reduced, or the standard of domestic obligations lowered. These views of Mr. Justice Higgins were first adopted by the court and it has continued to adopt them ever since. It is not only the needs of the worker that are considered, however, but the ability of the State to pay is also taken into account. The whole basis of our social system is that we shall only enjoy that which we can afford. In our private lives we realise that we can only possess or enjoy that for which we can pay. The interpretation of the inability to pay is left to the court to decide. I know it is said that industries that cannot afford to pay a living wage must give way to those that can. I do not think any member of this House will disagree with that principle, but when it comes to the question whether the State can afford to pay, it is a totally different matter.

I would remind members that we are not on safe grounds when we refer to the State's ability to pay. It may be that the State cannot afford a certain standard of living for the worker, but when the decision is reached, it is only because of the fact that the social system under which we live has been taken as a basis for the calculation. It might be equally right to say that the living standard must remain and the social system must be altered to make such standard possible. So long as our present system is in being, the living standard must always be based on the State's ability to pay. But our social system is altering. Everyone can remember the things that we in the Commonwealth said we could not afford—things that have since proved vital to the very defence of our country. We could not afford the money to end the break-of-gauge on our Australia-wide railways. Yet, were we able to use the New South Wales 4ft. 8½in. gauge railway rolling stock today, our defence of this State would be a very different matter. Were the expenditure undertaken today, the cost would not materially alter the total war expenditure. If I had been told four or five years ago that I would pay in income-tax more than I was allowed to live on, I would have said it was absolutely im-

possible. Today I cannot afford not to pay such a proportion. A common danger demands that I and many others shall pay that proportion. So we must realise that our social system is rapidly altering.

Let me try to look at the other side for a while. I was greatly struck by a short story regarding a Chinaman who visited the United States of America. An American asked the Chinese what had impressed him most when he came to that country and the Chinese replied, "I noticed the curious slant of your eyes." This makes one realise that the other fellow's viewpoint is probably just as important as our own. Let me think for a moment that I am a worker dependent on my pay envelope and having a wife and two growing children to support. I see the cost of living rising steadily; I see a number of things I was formerly able to obtain which I cannot now buy and must replace by others; I see tea stabilised at 3s. 2d. and 3s. 5d. per lb., an increase of nearly 100 per cent. I see that eggs are 1s. 9d. a dozen and even higher; I see vegetable prices soaring until I am told that it is impossible on my wages to purchase such things as tomatoes, because they are 2s. or more per lb. I could go on reciting this rise in prices. It does not help me to be told that the State is unable to pay me as a worker sufficient to buy these necessities; nor would I be very impressed by the statement that the country was not as prosperous as it used to be. It does not make any sense either in arithmetic or in living. I am quite candid when I say it is nothing short of amazing to me how the average worker lives on the basic wage, caring for a wife and bringing up two children.

Hon. T. Moore: At least two children: sometimes a few more.

Hon. J. G. HISLOP: At least two children. I have often wondered how it was done, and without knowing how it was done, I have always regarded the average worker as being able to do something which I thank my stars I am not called upon to do. This at any rate has impelled me to try to save, lest some disaster overtake me and deprive me of my ability to earn by my profession. In such an event I should be faced with the necessity of living on the basic wage or even less. I am not going to delve greatly into my wonderings as to how I would live, but I may be permitted for a short while to philosophise.

There are certain basic reasons why I work as I do and try to save, although the present taxation makes saving impossible. Firstly, ambition sways one's viewpoint and alters one's needs, but this is not what I want to discuss. Secondly, the fear that illness or accident will deprive me of my earning capacity. Thirdly, should I die I wish to leave my family able to continue living in the same standard of comfort they are now enjoying. Fourthly, I have an inherent dislike to the thought that when my working years are over and my physical ability is leaving me, I shall have to reduce my standard of living. Fifthly, and here two and three are complementary, I desire to be able to provide for my children, and in particular for my son, that education and opportunity which will allow him to spend his life according to his choice of occupation, provided he has the ability, and then, finally, to leave behind me some amount that will guarantee my family against adversity at least until they are established in life. When I look at this broadly, I realise that these desires of mine are not mine alone but are common to all men, even though many men in these times realise that they are absolutely unattainable. Yet I do not believe that any one of these five essentials in my life is provided for in the basic wage.

I can quite well imagine that when in June last the Arbitration Court decided for the second time not to raise the basic wage and not to allow increased costs as given in the Government Statistician's report, some uneasiness should have arisen in the minds of the workers. Thus, before I decide how I shall vote on this matter, I must myself answer some very pertinent questions. Firstly I ask: Is the basic wage now the amount on which the average worker has to meet his liability? From inquiries I have made I believe that there is not a large proportion of the workers facing life on the basic wage, but their margins for skill have to a certain extent altered the standard on which such workers live. I am glad that is so. But again, there comes the fact that even so, a standard of living has been established and it is the view of the worker that this standard must not be lowered. Against this must be placed the fact that our whole national outlook has been that we acquire only what we can afford. If the view can

be taken as correct that our standard of living must not be reduced, is this likely to be accomplished by allowing the basic wage to chase the cost of living figures? Unless controlled, this means inflation, and although this may sound a bogey to some people, to those who have seen the effects on a nation it is not a bogey but a nightmare.

When money loses its value all stability in a country goes. Men on receipt of their wages rush to convert their money into goods, knowing full well that on the morrow that same amount of money will buy less. And he who has the goods is reluctant to sell, knowing very well that on the morrow he may receive more for them, though he realises that it will be valueless paper money that he in turn must quickly convert into goods again. I have walked around with pockets stuffed full of money received in exchange for a Bradbury. And then at the end when things get so impossible that a halt must be called, a new currency must be established. Those who had, now have not, and those who had not still have not, but, as in all systems, some will have benefited by the misery of the nation, though not the majority and certainly not the man on the basic wage.

I would much rather see our living standard, already high in the list of nations, lowered temporarily, than witness the upheaval that such a financial policy would impose on us. I do not desire to see again crowds, hungry and hopeless, pressing their noses to cafe windows. I would much rather give up my five essentials till the emergency is over—and there are many who with me feel that the castles we had built will never materialise. And we are prepared without grumbling to start again if need be, but in a British manner, working out our salvation without resort to panic measures.

May I here digress for a moment to point out that there are two processes of inflation—one slow, the other rapid. The first may be called the variation of money values. It makes interesting reading to learn of the pensions paid to the monks and nuns in the 16th century, and then compare the value with that of today—

The pensions of abbesses and prioresses were large, in the case of rich houses very large indeed. Abbess Bodenham of Wilton's £100 pension would amount nowadays to nearly £3,000; in addition she had a country house at Fovant. Abbess Barley of Barking had an



even larger pension, while Abbess Zouche of Shaftesbury with her £133 pension enjoyed the equivalent of some £4,000 a year.

Eighteen years later Prioress Missenden was living in the neighbouring village of Corby. She had by this time made the best of a bad business and had become Mrs. Otley. Her pension of £7 (£200 nowadays) must have made a useful addition to the family income.

All the nuns who were in the houses which surrendered between 1537 and 1539 got pensions. Prioress Wells, of Littlemore, notwithstanding the illegitimate daughter to whose existence she had confessed to the bishop in 1519, was awarded by Cardinal Wolsey a pension of £6 13s. 4d. (nearly £200 a year).

Hon. E. M. Heenan: What are you quoting?

Hon. J. G. HISLOP: From a work entitled "English Monks and the Suppression of the Monasteries," by Geoffrey Baskerville. These extracts make me realise that money is only value in relation to what it will purchase. The second method is the rapid one, the one which I have been describing, the one in which the purchasing power of money falls and continues to fall until the printing presses are unable to keep pace with the production of so-called money. Still, I may be wrong. Perhaps the State can afford this rise in the basic wage. Let us consider for a moment. Members will recall that Sir Hal Colebatch drew attention to a few public requirements that we could not afford while it was considered by our Government that we could afford to raise the basic wage.

Here, again, it is a matter of policy. Is it better to put the money into the worker's pocket, or instead to provide other essentials of living for him? It may be a matter of opinion whether it is better to raise his wages or to provide increased facilities for midwifery attention. It appals me that our Government is content to shelter behind the fact that it has a policy under which, if midwifery hospital attention is required, the local governing body shall subscribe equally to the cost. If this body cannot do so, the Government is satisfied not to provide it, even though 98 per cent. of the population of that area is dependent on the weekly pay envelope. However, I do not wish to intrude this subject too far into the debate, but I say I am still as much as ever in favour of some very definite policy in regard to the essential requirements of our citizens, both from medical and other aspects.

I have endeavoured to find out, for instance, what it will cost the State to meet the rise in the basic wage by the recent Cabinet decision, and I am informed that the cost will be about £700,000 annually. I ask members whether they realise how far that amount would go in providing one of the essentials—free medical attention to all workers on the basic wage, and possibly to those receiving above the basic wage.

Members: Hear, hear!

Hon. J. G. HISLOP: Which is better? Money in the pocket? Is it better to chase the rise in the cost of living or to provide essentials? I have referred previously to the fact that in our present system the State might not be able to afford this rise, but that it might be equally true that under some other system it might be possible for us to afford it. I believe this latter to be true. I am quite sincere in saying that I believe the unequal distribution of wealth is something which we will have to solve if there is to be a new order. To many comes a feeling that, so long as we work for profit, we will never be able to afford a new order. Today there can be very few working for profit. It is my firm conviction that had we had the courage to do for ourselves what today has been forced upon us—to marshal manpower and the industry of the nation to the nation's good and the security of the people—we would have been much nearer to an equal distribution of wealth. It is interesting to realise that other people are with me in believing that the essentials which I have laid down are more necessary to the individual than is the money which is given to him as a result of his labour. If the House will bear with me, I shall make a quotation from an informative article by "Archimedes" in an English journal called "Horizon." The writer deals with this fascinating subject by dividing the needs of the individual into biologic and sociologic needs. I make the quotation because the writer puts my views on the subject in far better words than I could use. He says:—

The general object of human society, which could be realised only by our becoming conscious of it, is, in scientific terms, the establishment of the best possible biological and social environment for every man, woman and child. A good biological environment means for human beings what for years past it has meant for domestic animals—plenty of good and agreeable food, freedom from excessive

heat or cold, a pleasant atmosphere to work and play in, security from the attack of all avoidable diseases, and medical treatment for all unavoidable ones. All these things are the common human birthright, and, owing to the war, they are beginning to be generally recognised as such. That all men should have to fight for food, that some men should starve, that children should grow up stunted and diseased, that conditions of work should make that work a misery, that old age should be passed in pinched anxiety, are now seen not only as avoidable evils but also as intolerable handicaps to an effective social life. To put it in its lowest terms, a country which allows such conditions cannot be making full use of its manpower. Work is a social responsibility. The right to work and the right to good living and working conditions implies the obligation to work of all who can.

He goes on—

The securing of the best biological environment is only half the story. The social environment is, in fact, more immediately important than the physical one. Unless a man is starving, freezing, ill or wounded—and often even then—he is more affected by how he stands with other people than by his physical sufferings. To have a place in society and be recognised and approved, to feel that one's work is valued, to be able to enjoy companionship, to have a sense of security in family relationships and respect in old age, are actual necessities more keenly felt than most physical ones. A sense of grievance or inferiority, a lack of hope for oneself or one's children, are social conditions as destroying as most diseases.

Then, again, while we cannot afford to give up our idealism we must temper it with realism. Our resources have been marshalled to fight the common foe, and to win this battle we might be temporarily compelled to give up some of our standards of living. We might yet be called upon to marshal the entire wealth of our nation. It would seem to me that there is still abroad a feeling among our people that victory will bring great riches and wealth to our country. Nothing could be more false or misleading. The days when armies brought home slaves and much booty are over. In very truth, there can be none but losers in world wars, no matter which side wins. Even the winners must lose, and lose a lot. It is appropriate that only a few days ago the Rt. Hon. R. G. Menzies said that the post-war world would be a poor one; it will be short in everything, so great will have been the wastage of men and materials.

Two things seem obvious to me at this stage. The first is that this State cannot continue to have a standard of living, or

even a wage, that is greater than that of the more populated and more industrialised States of eastern Australia. Secondly, after this war is over our living standard will depend on our desire and our ability to work equally with other lands. If we are to move forward with any stability of progress, we must do it not as a State, but as a nation. I believe there comes a time when we must realise that we are Australians and that we must all live as such and on the same basis. I have looked at the Atlantic Charter, and if it is to bring peace to the world, it does not mean a high standard of living for the British peoples only, but for all that vast mass of Chinese people, 400,000,000 of them, and for the 180,000,000 Russians, who together have been fighting valiantly, fearlessly and long with the same goal as we have. I feel also that the Atlantic Charter must include our enemies as well as ourselves. Just think what this means! To trade with these people means to sell to as well as to buy from them. That cannot be done while we have a wage or standard of living much greater than theirs. I do not want to visualise for a moment a drop in the living standard equivalent to that of Asia, but the problem is there.

Hon. J. Cornell: It has always been there.

Hon. J. G. HISLOP: That problem will have to be solved in the future. I do not know that it will ever be solved by raising our own standard of living and our basic wage. It is well to remember that hundreds of millions subscribe to that charter. It is going to mean as much to them as Magna Charta did to us. They are going to stick to it as closely as we stuck to Magna Charta. What is more important to us, they will keep us, who conceived the Atlantic Charter, just as closely to it as we held to that Magna Charta King John and the kings who followed him. The responsibility lies on us. I firmly believe that I am causing the lesser injustice when I vote against the second reading of the Bill. I do so because I believe that to vote for it will not be in the interests of the man on the basic wage; because I believe it essential that a review be made from time to time in the interests of the worker and of the State's economy; because I believe that to vote for this Bill will be the surest manner in which to set in motion a rise in the cost of living, chased by a rising wage, and that such

rapid inflation would be the worst disaster that this State could suffer; and because I believe we should not do anything now which will debar us from immediately doing our best, the moment this war is over, to trade with our neighbouring nations. I think the duty remains with the Government to see that the cost of living does not rise out of all proportion to a basic wage controlled in any manner. It is the duty of the Government to see that the worker is still able to have a standard of living which is reasonable in view of what the nation may be going through at the time. In voting against the Bill, my last few words are that I charge the Government not to go on raising the basic wage against a rise in cost of living, but rather to scheme ahead for a planned production and for a State in which all work will be for the benefit of the State.

**HON. E. H. H. HALL** (Central): If the fate of this Bill depended on, or could be influenced by, the well-reasoned and considered opinions so ably expressed by Dr. Hislop, I feel sure those who want to see it defeated would have no cause for fear. Unfortunately those of us who have been here for any length of time have begun to realise the dismal fact that no matter what orations are delivered, no matter how full of meat or how thoughtful or well-considered they may be, such utterances are of little or no avail. So at this late stage of the debate I shall briefly define my attitude on what was described this afternoon by one member as "a very innocent little Bill" but which, if given any consideration, cannot be lightly dismissed with such words. It is one of the most important Bills we have had brought before us.

At a time of crisis or in a time of storm, I do not think there can be any two opinions as to the necessity for those who are able to keep calm and show some judgment to act accordingly. When the ship is in calm waters and things are going along quite all right, it may not be nearly so dangerous if people begin to play up a bit. At this time of crisis, unparalleled in the history of the Empire, we need to give heed to the words uttered by the Prime Minister in this city only last week. He told the people in the theatre and over the air one thing that surprised us, namely, that we had no right to be sick. So important is it for everybody to play his part that we have no right to get sick! We must keep well

so that we may use all our efforts, financially and physically, in the task of defeating the enemy. When we come to compare those words of the Prime Minister with his action, as head of the Commonwealth Government, in authorising the Premier of this State to interfere, as he did, with a judicial decision, we find it a little bit hard to square words and actions.

As I have maintained previously, that is what is causing concern in the public mind in this State and throughout the Commonwealth. Our leading men say one thing and immediately do something exactly the opposite. Dr. Hislop quoted ancient authorities. I do not intend to go back quite so far. I have here a pamphlet entitled "Progress." It was printed in Melbourne on the 1st May, 1942. Amongst other things it contains the following:—

Writing of the fifty years preceding 1890, Brian Fitzpatrick states: "While capitalism showered benefits upon the western world, Australian, like English trade unionism, enjoyed what was perhaps its fastest rate of growth and greatest influence in the key industries. Trade union organisations, bothering little about Marx and Engels, were able to win by direct action a greater and greater real wage. Probably the worker more than doubled his real wage in the half century between 1840 and 1890. . . . A vast unprecedented increase of the world's production and exchange of goods took place, which made a substantial improvement in the lot of the workers in industry. But the experience of the next half century up to the present day had been quite of a different kind. . . . After about 1890, in the next fifty years to our own day, though production continued to increase, the workers' real wage remains (allowing for unemployment) much what it had been at that heyday. There are abundant statistics for this statement."

I come to another authority, no less than Senator Don Cameron.

*[The Deputy President took the Chair.]*

Hon. G. W. Miles: Is he an authority?

**HON. E. H. H. HALL**: Writing in the Labour "Call" and dealing with conditions during the last 35 years, Senator Cameron stated—

Actually there has been no real improvement in the position generally of workers since 1907. What appears so, or is said to be an improvement, is merely so much make-believe, or an illusion. The purchasing power of wages has not increased since 1907, and practically all improvements in working conditions have been more than offset by added disadvantages or the intensified exploitation of the workers.

I quote now from the periodical itself—

With rising political power, those hitherto oppressed are instead seeking to tyrannise. Originally there was resistance to the unionist. Now is staged a legislative fight against the non-unionist, while meanwhile in the Labour Party monopolies have staunch friends.

Last session in another place, the Labour member for Mt. Magnet made observations similar to those of Senator Cameron. He said—I am speaking from memory—that the basic wage was an obsolete method of improving the lot of the worker and it was about time that some other formula was devised. I said that I admired him for facing the facts and I think, with him, that it is about time some more up-to-date method was arrived at to endeavour to enable the worker on the basic wage to meet the increased cost of living. I ask to be allowed to quote a few lines from "The West Australian" of the 30th July of this year—

It is simply the fault of Parliament if it does not reflect and express (and even help to create) a very real and effective measure of agreement on certain policies which may be vital to the future of the whole State, and which are certainly not the prerogative of any particular party. The State Parliament should aim to be a rallying point for a constructive public opinion. In matters of Federal policy towards this State, a practical line of action, supported by all three State parties, might decisively influence the votes of our Federal representatives. But the State Parliament, if it wishes to focus State opinion, and influence Federal policy, must be realistic.

That brings me directly to this Bill. We have been asked not to take authority out of the hands of the Arbitration Court, but we are now asked to remove from the Industrial Arbitration Act that permissive word which has hitherto enabled the court to use its discretion. Whatever other claims they may make, I do not think that the 80 members of the State Parliament can claim to have that close knowledge of the working of Arbitration Court awards and laws that is possessed by the President of that tribunal. Concerning him it has been stated before—and there is no reason why it should not be, because it is the truth—that he was a Labour member before he became President and his sympathies have for years been strongly with that party. I submit there is no harm in stating that fact.

Hon. L. B. Bolton: His sympathies have been with the working man.

Hon. E. H. H. Hall: Thank you! That is a better way of expressing it. After

due inquiry, the Arbitration Court decided that it would interpret in a certain way, the law which Parliament passed and under which the Court works. After taking everything into consideration, it decided that no increase should be made at that time. What happened? You yourself, Mr. Deputy President, from your place in this House told us. A certain individual connected with the trade union movement flew to the Eastern States and it was not long before we saw the result of his visit. Like other members of this Chamber, I can conscientiously and truthfully claim to have the interests of the basic wage earners at heart but I am concerned, as I think all members should be, about the repeated refusal of trade unionists to obey the awards of the court.

Hon. C. B. Williams: In Western Australia?

Hon. E. H. H. HALL: If we are going to sit down, as we have done, and allow these awards to be openly and flagrantly broken, one wonders what is the use of the court. I contend there is only one way for the court to hold its high place in the estimation of the people of this State and that is by both sides loyally abiding by its decisions. Only during the last few weeks we have had a glaring example of this. If I am not right in saying so, I ask to be forgiven, but I understand the Honorary Minister had early association with the baking industry. Like him, I also was connected with that industry. As a boy or young and tender years, it was my duty to work night shift in a bakehouse and I am much opposed to night work of any kind. Night baking should be abolished. I cannot see the slightest need for it; but for any body of men to flout an award which they are in honour bound to obey, is wrong and it should not, in any decent country, in any law-abiding community, be tolerated. What happened later still. There was a most unfortunate occurrence. I am not saying who was blameworthy, but the action taken was utterly wrong. There was a stop-work meeting of tramway men. I am aware of what tramway conductor and motormen have to endure. They have trying time. But as a civil servant of 25 years' standing, I was not allowed to take the law into my own hands. It was most unfortunate that the tramwayman in this instance was dismissed.

Hon. C. B. Williams: What has this to do with the measure before the House?

The DEPUTY PRESIDENT: I am wondering that myself.

Hon. E. H. H. HALL: But for the tramway union to call a stop-work meeting—

Hon. C. B. Williams: I rise to a point of order. Has the tramway strike anything to do with this measure?

The DEPUTY PRESIDENT: No.

Hon. E. H. H. HALL: I am going to continue until you, Sir, order me to stop. I intend to connect my remarks with the Bill. Other speakers have been allowed considerable latitude. I am endeavouring to point out where we are heading. If Mr. Williams does not like my talking in this way, he can rise as often as he likes. I am perfectly justified in saying from my place in this House that if any Government continues to allow Arbitration Court awards to be openly and flagrantly broken, there is a bad time in store for us. Why are we fighting today? We are fighting to maintain law, order, and decency—whether you, Sir, agree or not. I am sorry the President is not in his Chair. It is my misfortune that he has vacated it.

The DEPUTY PRESIDENT: Has the hon. member been burked?

Hon. E. H. H. HALL: I have the right—

The DEPUTY PRESIDENT: Will the hon. member please resume his seat?

Hon. E. H. H. HALL: I will.

The DEPUTY PRESIDENT: The hon. member has, by inference, made an assertion that he has been burked in his discussion, but he has not been.

Hon. E. H. H. HALL: I said nothing of the kind.

The DEPUTY PRESIDENT: I ask the hon. member to withdraw.

Hon. E. H. H. HALL: I did not say I had been burked. I took exception to your remark.

The DEPUTY PRESIDENT: By inference, the hon. member said he would receive a better deal from the President.

Hon. E. H. H. HALL: The Deputy President may think that. I did not mean anything of the kind.

The DEPUTY PRESIDENT: Then that is all right.

Hon. E. H. H. HALL: I would much rather that the President had been in the Chair than you, Sir.

The DEPUTY PRESIDENT: Now the hon. member is making it worse.

Hon. E. H. H. HALL: I said nothing of the kind, and ask to be allowed to proceed.

The DEPUTY PRESIDENT: Nobody is stopping the hon. member. He is drawing on his imagination.

Hon. E. H. H. HALL: I ask to be allowed to proceed and make my point.

The DEPUTY PRESIDENT: Who is stopping you?

Hon. E. H. H. HALL: The Arbitration Court has been established to determine industrial disputes, and if the awards issued by that tribunal are not loyally and faithfully carried out, what is the use of that body? I have given two instances to indicate that some of its awards have been openly and flagrantly broken. It is my duty to point that out.

The DEPUTY PRESIDENT: That may be so, on the Address-in-reply, for instance, but the hon. member is pretty close to the wind in doing so on this Bill.

Hon. E. H. H. HALL: It is my duty to point out that fact when dealing with the Bill now before us, seeing that it seeks to deny the Arbitration Court discretion in its functioning. The measure attempts to make mandatory what has hitherto been in the discretion of the Arbitration Court. You, Mr. Deputy President, know as well as I do that that is the position, and I have been endeavouring to point out why I am opposed to the Bill, especially at this juncture when we have been reminded by the Prime Minister of Australia that in these days all our energies and efforts should be centred in the task of defeating the common enemy. That is all I wish to say, and I would have concluded my remarks long before this had I not been interrupted. I ask members to appreciate the fact that the Bill represents a two-edged sword which may be used against those in whose favour its acceptance is urged today. I listened with interest to the remarks of Dr. Saw—

The DEPUTY PRESIDENT: Dr. Saw died years ago.

Hon. E. H. H. HALL: Perhaps it is just as well that I did not catch the remark you, Mr. Deputy President, made. I am told that you, Sir, indicated that Dr. Saw died years ago. What wonderful information to impart! However, I listened with great interest to the views of Dr. Hislop, especially in regard to the lack of funds experienced by the maternity

wards in our country hospitals. From time to time I have reminded members of this Chamber of the treatment accorded to country hospitals in that respect, and yet with a mere wave of the hand, as it were, an expenditure of some £700,000 can be incurred and Parliament totally ignored in the process. We are asked by means of the legislation now presented to Parliament to take away discretion from the Arbitration Court which has given universal satisfaction; its awards have been observed, apart from the few instances, some of which I have mentioned, in which its decisions have been ignored. However, I have given my reasons for my decision to vote against the second reading of the Bill.

**HON. C. B. WILLIAMS** (South): I support the second reading of the Bill, just as I opposed the legislation years ago that was passed to alter the methods by which the Arbitration Court was allowed to reach its basic wage decisions. It is futile for Mr. E. H. H. Hall to talk as he has this afternoon. He supported a Bill introduced by a Government he favoured years ago, the object of that Bill being to give the Arbitration Court the necessary authority to enable it to reduce wages quarterly—or increase them, if necessary. Members of this House have always been solid on the point that contracts should be honoured. They have claimed that one of the greatest virtues was the honouring of contracts. Despite that fact, this House some years ago, against the strenuous representations of the Labour Party, agreed to legislation, the effect of which was to break then-existing contracts. Although Labour representatives spoke strongly against the proposals submitted at that time, this Chamber passed the measure, largely on the votes of men who, in this Parliament, are determined to oppose the Bill now under discussion. Their attitude is most illogical. They were warned years ago that the legislation then passed would have a boomerang effect.

We told them that once they commenced interfering with the functions of the Arbitration Court, as they did in 1930 or 1931, their legislative actions would have a boomerang effect, and that is the position today. At that time the workers were employed under a wage contract that covered a period of 12 months. I do not say that they

did not appreciate the quarterly adjustments on the basis of the fluctuations in the cost of living and did not find the effect better than under the annual adjustments, but that is not the point. At that time, the workers had a contract covering the 12-monthly period. I do not like traversing ancient history, but the fact remains that, apart from the Federal Labour Party, no Government that endorsed the swindle that was worked in those earlier days has been returned to power. The National-Country Party Government in this State has never been returned to power since it participated in that political action when wages were reduced by 22½ per cent. and the Arbitration Court was instructed to break the contract between employers and workers so that the basic wage could be reviewed every three months. The Labour Government in Victoria and the Labour Government in South Australia have never looked like being returned to power, and the same position holds good in Queensland and Tasmania. In New South Wales, because a section of the Labour Party twisted, the Government did get back to office. In Western Australia, the Country Party and National members have never even looked like being returned in sufficient numbers to hold power.

**Hon. G. W. Miles:** You will not give them a chance.

**Hon. C. B. WILLIAMS:** The hon. member perhaps wants to put the country to huge expense to secure the enrolment of soldiers who are now engaged in fighting in different parts of the world. They are the men who should have a voice in the election. I shall not speak about the time when Mr. E. H. H. Hall and Mr. Miles, with other members, fought for the Bill to alter the powers of the Arbitration Court—it was ten or 11 years ago—and now complain about the present legislation. We have to admit that that was one of the biggest mistakes we ever made. We certainly made no mistake in opposing that earlier legislation and predicting that it would have a boomerang effect. For years the workers had tolerated the reduction in their wages; they had to be content with the position. It should be borne in mind, however, that, apart from a small section of the industry, the reduction, amounting to 8s. a week, was never tried on in the gold-mining industry. The authorities did not dare to try that on, because they realised

it was not applied as a true reflection of justice. Just as the present Government is adopting an opposite attitude, the legislation was passed by an earlier Government to instruct the gentlemen of the Arbitration Court—I refer to them with all due respect—just what they were to do.

*[The President resumed the Chair.]*

Hon. G. W. Miles: What about the loading of 5s.?

Hon. C. B. WILLIAMS: There was no question about restoring the 22½ per cent. cut in wages but only a variation in accordance with the rise or fall in the cost of living. Mr. E. H. H. Hall talked about strikes. What strikes have we had in Western Australia that were worth twopence? I do not refer to petty little disputes but Mr Hall did not take any trouble to put the other side of the question when he mentioned the tramway strike. He did not say that the soldier was dismissed next day for his part of the trouble in insulting a public servant who was merely doing his duty. If the tramway men were not justified in that strike, will members tell me who would be justified in adopting such an attitude? Where are these strikes that have been mentioned? I admit there was one some time ago. Generally speaking, the member who refers to strikes in this State and urges that the basic wage is too high for industry to cope with merely talks with his tongue in his cheek, and is a sheer hypocrite. It is done so that later on reference can be made to "what I said in 'Hansard'." Everyone knows that very few strikes have occurred in this State. In fact there has been only one decent strike here and that occurred when the miners refused to work longer hours in defiance of a decision arrived at by the court. We know that a great mistake was made, but the court was not altogether to be blamed for that fact. This was the only decent strike during the history of this State.

Members have said that all they desire is justice. We would have had justice had a different attitude been adopted in the past. Because the Commonwealth Government made a mistake in one of its regulations and tied up the unions in this State, then when the President of the court decided that he would set himself up as a judge of political matters he himself made the greatest mistake of his life. Surely

Parliament and the Government must deal with the question of inflation should it arise! The President of the Arbitration Court was not appointed to undertake that duty. There are those who have denounced the action that was taken when the President decided that there should be no increase in the basic wage. Some of the workers are in a worse position than the men in the mining industry who receive £1 above the basic wage for the State, whereas others have to accept the bare basic wage itself. However, what was sauce for the goose ten years ago must still be sauce for the goose today.

Those who made use of politics for the purpose of reducing wages and breaking an Arbitration Court contract are now protesting against the Government rectifying the position. Had the Government not adopted that course it would not be worthy of its name. If others could adopt a like course 10 or 11 years ago, the present Government would be unworthy if it did not follow suit now. The effect of this legislation will be to rectify the mistake made by the Commonwealth Government and to direct the President of the Arbitration Court to be guided by evidence so that wages shall be increased if the evidence indicates that should be done. Does any member think the situation could have lasted any longer if the workers had continued to be deprived of upwards of 10s. per week? Chaos would have followed. We do not want those nit-wit strikes like they have had in Sydney when the manpower officials went to the wharves and rounded up the lumpers thereby creating dissatisfaction and turmoil. All we want is justice. Let the workers know that the position regarding the basic wage adjustments will continue as intended. We should not break the contract that the workers possessed through an Arbitration Court award.

I ask members to be loyal to our system of arbitration and conciliation which, taken by and large, has worked fairly satisfactorily. I am not interested in the smaller aspects of the question. I desire peace in industry and do not want strikes. All we ask is that the President of the Arbitration Court shall be guided as a judge should be—by the weight of the evidence presented to him. It should not be his business to take into consideration any question of inflation. It is the job of the Commonwealth

Government to control the nation's currency. I do not like red herrings being drawn across the trail. For any member to talk about strikes in this State is sheer hypocrisy. I support the second reading of the Bill.

**HON. W. J. MANN** (South-West): I had not intended to speak on this Bill, but to do as I have always done—vote against any attempt to interfere with the Industrial Arbitration Court. Mr. Williams, whose integrity in these matters we respect, has, I think, hardly stated the question fairly. He would have the House believe that the reduction made in wages years ago, whilst the result of some action on the part of the then Government, was definitely intended to deprive working men of their rights. Unless my memory does not serve me rightly, 10 years ago this country was in a parlous condition. Members of this Chamber and another place suffered a cut of 22½ per cent. in their allowances. Throughout the length and breadth of Australia, cuts were made even greater than the figure I have mentioned. To assert, as the hon. member has done, that the action taken on that occasion was sinister, is something that the hon. member would not attempt in calmer moments.

**Hon. C. F. Baxter:** The cuts resulted from an agreement arrived at by all the Australian Governments.

**Hon. W. J. MANN:** Yes. That was the position we had to face. Those were the outstanding facts not only for Western Australia but for the whole of the Commonwealth. To cast an affirmative vote on the second reading of this Bill would, in my humble estimation, negative the whole theory of arbitration and conciliation. Arbitration, in my judgment, implies a controversy between two parties.

**Hon. C. B. Williams:** On the facts!

**Hon. W. J. MANN:** Yes, calling for an examination of the facts of the position. All reasonable means of getting at the truth of the matter having been exhausted, a decision is made. The Bill seems to me to do something that will, in effect, put the Arbitration Court out of existence, at all events as an institution of any great value. I have had some little experience of arbitration, though nothing like that of Mr. Williams. I am sure that hon. member knows much more than I know about In-

dustrial Arbitration Court proceedings. There are only two factors I see in arbitration—that the court shall prescribe conditions and prescribe wages. After that, there is nothing more for the court to do. If we get down to the question of giving a mandate to the court on either of those two things, what will be the use of the court? We might just as well say that we will not have an Arbitration Court at all. For that reason I shall not be a party to passing the Bill. It irritates me sometimes to find that there are in this world people who are concerned with the wage question and seem to think that as long as an award suits them, all is well. If it does not suit them, they want to become a law unto themselves, saying, "We will do this thing and we will not do that thing." The Arbitration Court was established to overcome that very attitude, established to get some law and order and uniformity. It seems to me that by this Bill we are setting out to negative the very principle that brought the Industrial Arbitration Court into existence. Positively, I cannot support the measure; and I fail to see how anyone can do so who views Arbitration Court awards as decisions given after hearing evidence. If awards are to be ignored, there is nothing to be said for industrial arbitration. I shall vote against the second reading.

**THE CHIEF SECRETARY** (in reply): The discussion on this very small Bill has covered a very wide field.

**Hon. C. F. Baxter:** The Bill has a wide effect.

**The CHIEF SECRETARY:** I cannot agree with that interjection. It will have only a just effect if it goes through. For the life of me I cannot follow the reasoning of members who say that if the House passes the Bill, we shall in effect be interfering with the Arbitration Court.

**Hon. W. J. Mann:** If we give an instruction, we do that.

**The CHIEF SECRETARY:** After all is said and done, Parliament lays down the powers placed in the hands of the Arbitration Court. Mr. Mann remembers quite as well as I do the long debate in this Chamber in 1925, when the existing Industrial Arbitration Act was placed on the statute-book. All that the present Bill seeks to do is to amend the Act in one particular only. That is the point which deals with the automatic variation of the basic wage in accordance



with the cost of living when quarterly adjustments are made between the Arbitration Court's annual determinations of the basic wage. That is the only point the Bill touches. It matters not how far afield one goes for arguments against the Bill; one must always come back to that one basic fact. I have been told that when the Act was amended in 1930, I expressed myself in a way assumed by Mr. Cornell to be in conflict with the attitude I take on this Bill. I have checked up my remarks in the 1930 debate, and I now challenge Mr. Cornell or anyone else to show that anything I said on that occasion was contrary to the argument I put up now. I then pointed out definitely what would happen, that when the quarterly readjustment was being made and the Government Statistician presented his figures to the Arbitration Court, the court would act on those figures, which would mean that after the first quarterly adjustment the workers of Western Australia would find their wages reduced by many shillings per week.

That is just what happened. At the very first quarterly adjustment their wages were reduced by 8s. per week. Not by a few pence, but by 8s. per week! And the downward trend carried on until the wage had fallen, by successive adjustments, from £4 6s. per week to £3 8s. That was on the basis of the Statistician's figures. The Act had been amended to provide that the Arbitration Court shall take into consideration the variation proved by the Statistician's figures—with one qualification only, that the variation must amount to at least 1s. per week. If the variation was less than 1s., no change should take place. Ever since 1931, the Arbitration Court has acted in the same way. It has accepted figures produced by the Government Statistician each quarter, and varied the basic wage at periods between annual declarations in accordance with those figures—until we come to this year. This year the Arbitration Court decided that on this occasion it would not make any variation. It claimed that it had a permissive right to refuse to do so, because of the word "may" appearing in the appropriate section. By this time it is old history that the decision was tested in the Supreme Court and that the Supreme Court decided that the Arbitration Court did have that right; that it could ignore, if it liked, the Statistician's figures, or, in any event, please itself whether it made any variation

or not. It was that decision of the Arbitration Court which created so much trouble.

I am afraid that many members who have spoken in opposition to the Bill have overlooked one fact which is highly important, that the Commonwealth Government in February of this year actually pegged wages and did it at a time when the statement was current that the Commonwealth Government was also going to peg profits. One was to be the corollary of the other. However, it has not been possible to put into effect the regulation pegging profits. This regulation dealing with the pegging of wages has, however, been in operation ever since February last. The same regulation contained a provision that wages shall be paid as at a particular date, with the exception that where the cost of living rises or falls, or in other words where a change in the cost of living takes place, and where State legislation provides for automatic adjustment, such adjustment shall take place. I do not think that a single member who has opposed the Bill has mentioned that fact. I am advised that it was understood, when that regulation was promulgated, that in Western Australia, as in the other States of the Commonwealth, variations in accordance with the cost of living were automatic. When it was pointed out that such was not the position in Western Australia—by virtue of the decision of the Arbitration Court—steps were naturally taken to put the matter right.

The Commonwealth Government considered that as this State alone was affected in that way, it was desirable that Western Australia should promulgate the necessary regulation under powers given to this State by the Commonwealth Government. That is all that has happened. Some time certainly elapsed before a regulation enabling the State Government to do what is now done could be carried into effect. In the meantime every Western Australian worker was losing the difference between the basic wage and the variation disclosed by the Government Statistician's figures, while workers in every other State of the Commonwealth were allowed the benefit of such variation. I put this to the Chamber: Is it a fair thing that the workers of this State should be debarred from receiving an increase in the basic wage when the workers in all the other States of the Commonwealth are receiving it? That is all there

is to this Bill. I would like members to understand that the action of the Premier in this matter was dictated by a desire to place our workers in the same position as are those elsewhere. When I am asked why the Government did not come to this House and introduce the Bill that it has now presented, I reply quite frankly that it was well understood, and certainly the debate has proved my point to the hilt, that had we come to this House with a Bill to amend the Industrial Arbitration Act so as to provide for retrospective pay back to the beginning of this year, there would have been no hope of the workers receiving it.

Hon. L. B. Bolton: Of course not; nobody believes in retrospective pay!

The CHIEF SECRETARY: So this Government, although it desired that the Commonwealth Government should do the job properly, and place the workers of this State in the same position as are those elsewhere, did eventually have the power to promulgate the regulation which placed these workers in the position I have just described. They have received the increase in the basic wage indicated by the Statistician's figures. If this House does not agree with this Bill it will mean that when the National Security Regulations cease to apply, the court will still have discretionary power in regard to quarterly adjustments.

Hon. W. J. Mann: Is not that the position today?

The CHIEF SECRETARY: No. I say definitely that, just prior to 1930 when the basic wage was fixed for 12 months, the Arbitration Court now fixes by its annual declaration what it considers should be the basic wage for 12 months, but it also agrees under the Act which it administers, that at three-monthly periods during the year, it shall adjust the basic wage in accordance with the variation that has taken place in order that the worker shall receive the full value of the wage declared in the first instance—that was the annual declaration delivered in June. I see nothing wrong with that. If the court decides that £5 is a fair basic wage on the 1st July of the year, and if by an increase in the cost of living figures between that declaration and the next, the workers have been seriously affected, I see nothing unfair in the difference, whatever it may be, being granted to the workers. It simply maintains the standard laid down on the 1st July by the court for a period

of 12 months. When the next annual declaration is due, the court can take into consideration anything it likes. It not only listens to the arguments put forward by the representative of the workers and the representative of the employers, but it can inform its own mind by any means it chooses. It can go to any extent in order to do that and find out what would be a fair basic wage for the coming year.

Do not forget that it is an annual declaration! It is a declaration for 12 months, and is the one which is affected by each quarterly adjustment in accordance with the Statistician's figures. I cannot understand why on this particular point there should be the objection which has been raised in this debate. More than one member has suggested that if we agree to this Bill the Arbitration Court might as well get out of existence. That is a futile argument indeed! No member could seriously put it forward. When all is said and done, the Arbitration Court in this State administers an Act which covers a tremendous number of matters. It covers not only the quarterly adjustment of the basic wage but many other items. We have every right to feel somewhat satisfied that, since 1925 when the Act was first placed on the statute-book, we have been relatively free from industrial trouble. I think we have a better record than has any other State in that regard.

Hon. W. J. Mann: Is that not a reason why you should leave the Act as it is?

The CHIEF SECRETARY: No. Here is something which has occurred and which I claim to be an injustice to the great body of workers in this State. First of all a regulation was framed that wages should be pegged, with certain exceptions. Then our Arbitration Court comes along and says that, notwithstanding these exceptions, it is not going to take any notice of the Statistician's figures—despite the fact that the increase is considerable. So, in two ways the workers have been penalised. First of all they have had no chance to make representations for an increase in their wages, quite apart from the basic wage; and in the second place, in view of the decision of the Arbitration Court, they have had no chance to get an increase in the basic wage which the Statistician's figures showed was justified. There are two reasons why we should introduce this Bill. One is that the Arbitration

Court shall be able to give effect to what the Federal regulations provide at the present time, and the second is that the Federal regulations will not always prevail. This war will end some day, and these regulations will then go out of existence. We desire that the provision contained in this amendment shall be in our Arbitration Act so that when the court is dealing with the basic wage at intervals between the periods of the annual declaration the workers will be entitled to receive whatever the Statistician's figures indicate to be the proper amount having regard to the increase in the cost of living.

I recognise that it will cut both ways; that whilst the cost of living is rising at the present time, notwithstanding all the methods adopted by the Commonwealth Government, there will come a time when it will commence to fall. If this amendment is passed, when it does fall then the workers will be expected to accept the decision of the court just as we are asking this House to agree that the court shall provide the increase for the workers at the present time. There is nothing unfair in that. I cannot for the life of me see why there should be all this strong objection and why some of the arguments that have been used should have been raised. Some aspects have been introduced into this debate which have no connection with the subject matter of the Bill. I, of course, could deal with the various statements made but I do not propose to do so. I think sufficient has been said to indicate that all that this Bill does is to render to the workers of this State a measure of justice which has been denied to them. It will give to them something which the workers in the other States have received. We are not asking for something unfair or unjust.

This Bill will put right a state of affairs which should not have arisen, and which only occurred because of a misunderstanding in another sphere. Had it been known or understood at the time that there were no automatic adjustments in this State, I feel sure that the regulation would have been so worded that our workers would have been placed in no different position from those in the rest of Australia. I hope, notwithstanding the strong objections raised, that the House will agree to the Bill as it stands. I give my assurance that it only affects the quarterly adjustments and nothing

else. When the Arbitration Court declares an annual basic wage, these quarterly adjustments will only have the effect of maintaining the full basic wage so declared on that annual occasion. That is the whole position, and the Bill is one to which members could agree.

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

|                  |    |    |    |    |
|------------------|----|----|----|----|
| Ayes             | .. | .. | .. | 9  |
| Noes             | .. | .. | .. | 16 |
| Majority against |    |    |    | 7  |

#### AYES

|                   |                     |
|-------------------|---------------------|
| Hon. J. M. Drew   | Hon. T. Moore       |
| Hon. G. Fraser    | Hon. C. B. Williams |
| Hon. E. H. Gray   | Hon. G. B. Wood     |
| Hon. E. M. Heenan | Hon. W. R. Hall     |
| Hon. W. H. Kitson | (Teller.)           |

#### NOES.

|                        |                    |
|------------------------|--------------------|
| Hon. C. F. Baxter      | Hon. J. G. Hislop  |
| Hon. L. B. Bolton      | Hon. G. W. Miles   |
| Hon. Sir Hal Colebatch | Hon. H. V. Pliesse |
| Hon. J. Cornell        | Hon. H. L. Roche   |
| Hon. C. R. Cornish     | Hon. H. Seddon     |
| Hon. J. A. Dinwiddie   | Hon. H. Tuckey     |
| Hon. E. H. Hall        | Hon. F. R. Welsh   |
| Hon. V. Hamersley      | Hon. W. J. Mann    |
|                        | (Teller.)          |

Question thus negatived.  
Bill defeated.

*House adjourned at 4.47 p.m.*

## Legislative Assembly.

*Tuesday, 10th November, 1942.*

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

### QUESTIONS (3).

#### REDCLIFFE BUS SERVICE.

##### *As to Improvements.*

Mr. J. HEGENY (without notice) asked the Minister for Works: 1, In view of the criticism made on the Estimates in respect to the transport operating through the